

M. Jashim Uddin
Mahbubur Rashid Bhuiyan

SINO-BANGLADESH RELATIONS: AN APPRAISAL

Abstract

Since the establishment of diplomatic relations, Bangladesh and China have developed robust bilateral cooperation based on mutual trust and interests. The most inspiring feature of Sino-Bangladesh relationship is its relative stability and continuity. Nevertheless, the trade deficit between the two countries has been a key concern for Bangladesh. From a different perspective, the Indian apprehension about the growing Sino-Bangladesh cooperation also worries Bangladesh. Bangladesh's efforts to promote relations with China are viewed by some Indians as unsettling for Indian interests in this region. Such apprehensions may put a kind of psychological pressure on Bangladesh to follow a cautious approach while dealing with China. This paper argues that both China and Bangladesh need to work together to implement various strategies to reduce the existing trade gap. It also argues that Bangladesh should not pursue any policy for promoting its friendly relations with India at the cost of its relations with China and vice versa. It is in this backdrop, this paper attempts to explore the existing Sino-Bangladesh bilateral relations, potential areas for further cooperation and also the Indian perceptions of the relations.

1. Introduction

Bangladesh and China are very close neighbours. China, a rising global power, is only 100 miles away from Bangladesh, separated by the Himalayas. Since China recognised Bangladesh in October 1975, the countries have persistently promoted and deepen their political, economic, diplomatic and military relations. The main bases of these relations are mutual trust and interests. The Sino-Bangladesh relationship has been termed by a Chinese expert

M. Jashim Uddin, Ph. D. and Mahbubur Rashid Bhuiyan are Senior Research Fellow and Research Officer respectively at the Bangladesh Institute of International and Strategic Studies (BISS). Their emails are jashim@biiss.org and mahbub.bhuiyan@biiss.org respectively.

as being a “trusted friendship” or “all weather friendship”.¹ As a reliable partner, China has provided political, economic and diplomatic supports to Bangladesh since the beginning of the relations.² Bangladesh also supported China in political and diplomatic arena. The frequent visits of heads of governments and opposition leaders of Bangladesh to China indicate the priority of China in Bangladesh’s foreign policy. One significant feature of the relations is that China has not yet changed its policies with the change of regime in Bangladesh. According to Sreeradha Datta, “the determination of China to strictly follow non-interference in the domestic affairs of Bangladesh resulted in a bipartisan support for a closer relationship with Beijing.”³

Both the countries have already concluded a wide range of agreements regarding agriculture, trade, transport and communications, energy, science and technology, and military cooperation. Concerning the bilateral relations, during their meeting on the sidelines of the UN Conference on the World Financial and Economic Crisis in June 2009, Chinese Foreign Minister Yang Jiechi assured his Bangladeshi counterpart Dipu Moni that it was China’s policy to “strengthen and develop the relations of friendship and cooperation with Bangladesh.” For her part, Dipu Moni also said that “Bangladesh sees China as its close friend and cooperation partner.”⁴

China has made significant contributions especially in the areas of infrastructure development, trade and economy of Bangladesh. The country has already emerged as the third largest trading partner of China in South Asia.⁵ On the other hand, China has emerged as the largest trading partner of Bangladesh overtaking India.⁶ Sino-Bangladesh trade volume reached US\$3 billion from US\$100 million just within three years (from 2002 to 2005). However, the balance of trade has been heavily tilted in favour of China.⁷ Hence, how to reduce the trade-deficit persists as a big concern for Bangladesh.

¹ Hong Songmei, “China and Bangladesh: A time tested friendship”, *China Daily*, 26 March 2009.

² China has provided significant support to the economic development of Bangladesh. Regarding Chinese political and diplomatic cooperation to Bangladesh, its support to the admission of Bangladesh membership in the UN Security Council (UNSC), and to the entry of Bangladesh into the World Health Organization (WHO) are two good examples.

³ Sreeradha Datta, “Bangladesh’s Relations with China and India: A Comparative Study”, *Strategic Analysis*, Vol. 32, Issue. 5. p. 770, September 2008.

⁴ *Xinhua News Agency*, 26 June 2009.

⁵ Song Hongmei, “China and Bangladesh: A Time-tested Friendship”, *China Daily*, 26 March 2009.

⁶ Sreeradha Datta, p. 765., *op. cit.*

⁷ Rezaul Karim, “China keen to boost ties with South Asian countries”, *The Daily Star*, 7 July 2008.

From another perspective while Bangladesh is trying to promote its relations with China, some Indians apprehend that a robust Sino-Bangladesh relationship could disrupt Indian interests in this region. For example, an Indian scholar, Anand Kumar, was critical of the latest visit of Bangladeshi Prime Minister Sheikh Hasina to China, and expressed his concern that India's enthusiasm dampened after Hasina's visit to China, mainly because similar transit facilities were offered to China as well and Bangladesh also sought Chinese assistance for building a highway from Chittagong to Kunming. He also added that "Bangladesh went out of the way to persuade China to further develop and use the Chittagong port and develop a deep sea port at Sonadia Island."⁸ India seems concerned about the Chinese involvement in the Chittagong port. But from a Bangladeshi perspective, if Bangladesh develops its relations with China, especially for its economic interests such as the road link connecting Chittagong and Kunming, or building a deep seaport etc., why should India feel threatened? Vijay Sakhuja, an Indian writer, argued that "among the South Asian states, Bangladesh is an important player in Beijing's political-military calculus and provides China with added leverage to check Indian forces."⁹

Under this milieu, the objective of this paper is to explore the Sino-Bangladesh existing relations to identify the challenges, and examine the potential areas that still remain untapped for promoting further cooperation. This paper also attempts to explore the Indian perception of Sino-Bangladesh relations as it is important and interesting to know why the Indians perceive the growing Sino-Bangladesh relations negatively, and if there is any impact of the Indian apprehension on Sino-Bangladesh bilateral relations.

The paper consists of five sections including introduction and concluding remarks. The second section focuses on the rise of China as a global power. In the next section, some lights are shed on Sino-Bangladesh relations from historical, political, economic and military perspectives. Section four provides a critical assessment of the existing relations, potential areas, and how India perceives Sino-Bangladesh relations. Some concluding remarks with policy recommendations are provided in the final section.

2. The Rise of China as a Global Power

Before focusing on Sino-Bangladesh relations, and providing an assessment of those relations, it may be wise to provide a brief on China and its rise as a global power at the beginning.¹⁰ China is a great civilisation with a long history

⁸ Anand Kumar, "Chinese puzzle in India-Bangladesh relations, *IDS Comment*, 19 April 2010.

⁹ Vijay Sakhuja, "China-Bangladesh Relations and Potential for Regional Tensions.", *China Brief*, Vol. 9, Issue. 15, 23 July 2009.

¹⁰ The authors consider that the readers will be interested in knowing about China and how it is rising as a global power: its cultural, economic, military and diplomatic strength

and rich culture. Since ancient time, it has had a great influence on East and Southeast Asia. Korea and Vietnam used Chinese Characters (Kanji) for writing their own languages for centuries, and Japan still does. In addition, the Chinese have spread throughout the Southeast Asia and established “Chinatowns” in many big cities in the world, signifying Chinese presence. Since the end of the Cold War and the fall of the Soviet Union, China has gradually emerged from a regional power to a global one. During the Cold War days, Chinese political and security interest was mainly confined to East and Southeast Asia, but in the post-Cold War era, China’s rise as a potential rival to the US, has helped it gradually enhance its influence worldwide. And the vacuum of the balance of power in the international politics provided China with the opportunity to do so. The key contributing factors to the rise of China as a global power are its: i) permanent membership in the United Nations Security Council (UNSC); ii) emergence as the second largest economic power and the largest exporting country in the world; iii) being the largest military power in Asia; iv) increasing influence of China’s soft power in the Asia-Pacific, South America, Africa, Central Asia and the Middle East.

In recent years, China’s phenomenal rise as a global economic power has drawn attention of the international community. China has already replaced Japan as the second largest economy of the world.¹¹ It has been the fastest-growing nation for the past quarter of a century with an average annual GDP growth rate above 10 per cent.¹² China’s economy has grown to such an extent that it is now the second biggest loan giving country to the US after Japan. In a report, the United States Congressional Research Service (CRS) noted, “Since the initiation of economic reforms in 1979, China has become one of the world’s fastest-growing economies. Many economists speculate that China could become the world’s largest economy at some point in the near future.”¹³ On the other hand, China’s trade balance with the US is often in its favour.¹⁴ The EU has

in today’s world, and why Bangladesh needs to maintain a good relation with this rising power.

¹¹ David Barboza, “China passes Japan as second largest economy”, *The New York Times*, 15 August 2010.

¹² “World Economies: China”, available at <http://www.dawn.com/2011/03/21/world-economies-15.html>, accessed on 22 March 2011.

¹³ Wayne M. Morrison, “China’s Economic Conditions,” *CRS Issue Brief for Congress* 1 July 2005; available at <http://www.fas.org/sgp/crs/row/IB98014.pdf>, accessed on 10 February, 2011. Also see, M. Shahidul Islam, “Achieving Economic growth in China and India— At What Environment Cost? *ISAS Brief*, No. 10, Singapore National University, 7 June 2007.

¹⁴ Graeme Wearden, “US-China trade deficit grows to record \$270 billion”, *The Guardian*, 11 February 2011.

become the largest trade partner for China.¹⁵ China has maintained good relations with Saudi Arabia and Iran, two very important countries of the Middle East. This region has been crucial for China as around 30 per cent of China's necessary oil comes from here. By 2008, China became the second largest trade partner for Africa,¹⁶ and established significant influence on several countries in Africa.

Oil is a vital component in world politics and there have been wars for controlling oilfields in the Middle East.¹⁷ In recent years, the significant economic growth of China has seen the country's energy (especially oil) demands growing considerably. These demands deepened security concerns as they influence global oil prices; from another point of view, the growing demands of China will put strain on oil supply for the consumption of the other major powers.¹⁸ To secure uninterrupted supply of oil, China has signed deals with Russia, Kazakhstan and Myanmar. As a result, China has the option for not using the sea routes for securing supplies as they can be received through land based ones instead. As far as the supplies from Myanmar are concerned, the China-Myanmar pipeline will help China to avoid the Malacca Strait while importing oil from Middle Eastern and African states. It is predicted that when the pipelines with Russia, Kazakhstan and Myanmar are completed and go into full-scale operation, China will receive 1.1 million barrels of petroleum daily, around 14 per cent of the country's estimated imports in 2015.¹⁹

On the other hand, according to the defence White Paper, China has reached 'a historic turning point' and also been playing a major role in the international security order.²⁰ With a huge economic growth, the Chinese have been able to invest significant amount of money in military modernisation. Since the late 1990s, Chinese defence budget has constantly been rising. According to *The Military Balance 2011*, in 2010-11, Chinese Defence budget was US\$76.4 billion

¹⁵ "EU replaces U.S. as biggest trading partner of China (09/15/06)", china-embassy.org.; see also, Stefan Theil, "China's New Best Partner", *Newsweek*, 18 September 2010.

¹⁶ Zhang Hongming, "China is growing with African nations", *China Daily*, 8 September 2010.

¹⁷ Many view that the first and second gulf wars occurred for controlling oilfields in Iraq by the West especially the US.

¹⁸ Kenneth Lieberthal and Mikal Herberg, "China's Search for Energy Security: Implications for US Policy", *NBR Analysis*, Vol.17, No.1, April 2006, pp. 19-20; Also see, "China's New Energy-Security Debate" by Andrew B. Kennedy in *Survival*, Vol. 52, No. 3, June-July 2010, pp. 137-138.

¹⁹ Andrew B. Kennedy, "China's New Energy-Security Debate", *Survival*, Vol. 52, No. 3, June-July 2010, p. 140.

²⁰ *The Military Balance 2010*, The International Institute for Strategic Studies (IISS), Routledge, London, February 2010, p. 377.

which was 1.3 per cent of its total GDP of US\$5733 billion.²¹ With 2,285,000 persons in uniform, China has the largest number of active military personnel in the world. In recent years, China has made significant developments in its armed forces. It now plans to turn its military from an army based on Mao Zedong's principles of mass-oriented, infantry-heavy "People's War" into an agile, high-tech force capable of projecting power throughout the Asia-Pacific.²² The country is now increasing the number as well as equipment of its armed forces. At present, the People's Liberation Army (PLA) has a doctrine based on the ability to fight "Limited Local Wars under Conditions of Informatization"²³, i.e. conflicts will be short time and highly intense; there will also be mobility, speed and long-range attacks. The PLA will use high-tech and highly lethal weapons and conduct joint operations through land, air, marine and electromagnetic battlegrounds.²⁴ It also pays substantial attention to pre-emption, shock and surprise tactics as it believes that initial stages of a conflict are important in deciding the ultimate result.²⁵

Simultaneously, China has also become much more active diplomatically and multilaterally. China is a member of ASEAN Regional Forum (ARF) It is the host and convener of the six-party talks designed to bring an end to the North Korean nuclear programme. One cannot conceive of China playing this role a few years back. The Shanghai Cooperation Organisation (SCO) comprised of Russia, Kazakhstan, China, Kyrgyzstan and Uzbekistan, has its headquarters in China and Chinese involvement in this organisation is a good example of the country's increasing multilateral involvement. In addition, China became an observer of SAARC in 2005. Chinese opposition to the US led Western powers' interference in many international incidents has achieved it a good image in some parts of the world.

3. Sino-Bangladesh Relations

Bangladesh is one of the small countries in South Asia. It borders four South Asian states, namely India, Pakistan, Nepal, and Bhutan. As said earlier, the Bangladesh border is not very far from the Chinese one. Many in the small South Asian countries view that the role of China in South Asia is very important for

²¹ "Comparative Major Defense Statistics," in Chapter Two, *The Military Balance 2011*, The International Institute for Strategic Studies (IISS), Routledge, London, March 2011, p. 32.

²² Richard A. Bitzinger and Barry Desker, "Why East Asian War is Unlikely", *Survival*, Vol. 50, No.6, December 2008-January 2009, p. 114.

²³ 'Chapter II: National Defense Policy', *China's National Defense Policy in 2004* (Beijing: Information Office of the State Council of the People's Republic of China, 2004), referred to in Richard A. Bitzinger and Barry Desker, *Ibid.*

²⁴ *Ibid.*

²⁵ *Ibid.*

regional peace and stability. Apart from rising as a global power, China's influence as a regional power is also noteworthy. It attaches great importance to its relations with regional neighbours.

The relationship between Bangladesh and China is vital for both countries. They established their formal diplomatic relations in 1975. Since then, their friendship has witnessed gradual development in various spheres. During his visit to Dhaka in 2010, the Chinese Vice President Xi Jinping noted that the Sino-Bangladesh relations would always remain healthy and well, no matter how the domestic and international situation would change.²⁶ Prime Minister of Bangladesh, Sheikh Hasina, on the other hand, termed China as a trusted friend of Bangladesh and noted that Bangladesh attached highest importance to its relationship with China in their greater mutual interest.²⁷ To explain more, Sino-Bangladesh historical, political, economic and military relations will be discussed in the following.

3.1 A Brief Historical Overview of Sino-Bangladesh Relations

Sino-Bangladesh relations date back about two millennia. Trade relations and cultural exchanges have been in existence for a long time. A great Bangladeshi monk and scholar, Atisha Dipankar Srigyan traveled to Tibet and introduced Buddhism there during the great Buddhist Pala Empire (750-1174 AD) in 1038 AD.²⁸ Since then, the teachings of this faith spread to ancient China and other parts of East Asia. Simultaneously, Chinese scholars, monks and travelers also visited Bangladesh many times and their writings provided valuable information on the bilateral relations. During the Muslim rule in Bengal, relations continued to go well. The earliest recorded literature work of Bengali language is the *Charyapada*, whose language used to be the official language in Tibet.²⁹ Renowned Chinese scholar and traveler Fa Xian traveled Bangladesh during the rule of King Shashanka of the Gupta Empire in 399 AD. Another traveler, Xuan Zang visited the country in the 7th century and stayed here for a long time. During the Muslim rule, Chinese admiral Zheng He visited Bangladesh at the Chittagong port more than once.³⁰ Ma Huan visited Bangladesh in the 15th century. These visits greatly enhanced the relations between the two countries.

²⁶ *Xinhua*, 16 June 2010.

²⁷ "China pledges free market access", *The Daily Star*, 19 March 2010.

²⁸ Zhang Xianyi, "History and legend of Sino-Bangla contacts", *The News Today*, 28 September 2010.

²⁹ "Sino-Bangladesh Relations", available at www.scribd.com > School Work > Essays & Theses - Cached, accessed on 01 October 2011.

³⁰ "History and Legend of Sino-Bangla Contacts", available at bd.china-embassy.org > Home > Bilateral Relations - Cached, accessed on 7 February, 2011; see also, Zhang Xianyi, "History and legend of Sino-Bangla contacts", *The News Today*, 28 September 2010.

When Pakistan achieved independence from the British rule, today's Bangladesh was known as East Pakistan. In the 1950s, Chinese Premier Zhou Enlai visited Bangladesh (then East Pakistan) and Bangabandhu Sheikh Mujibur Rahman, who would later become the founder of independent Bangladesh, visited China in 1953 and 1957. In 1963, a Buddhist delegation from the erstwhile East Pakistan visited the tomb of Atish Dipankar in China.

When Bengali people started their liberation war against Pakistan military rulers in 1971, China did not support them as it did not want the breakup of the former united Pakistan, and asked the military rulers of Pakistan to try to reach a political solution on East Pakistan issue; it also urged them not to wage brutal torture on East Pakistani people.³¹ The Pakistani rulers expected that China would intervene in the war in favour of them against India. But China did not, as India and the former USSR had a 25 year friendship treaty and China was reluctant to go into any confrontation with the former USSR.³² After the independence, China did not recognise Bangladesh. It even blocked the new country's entry into the United Nation (UN). The two countries had no relations up to 1975. However, in October 1975, China recognised Bangladesh and thus ended its opposition. Since then, Sino-Bangladesh relations have been going very well. China has helped Bangladesh enormously in various sectors by every means possible and Bangladesh has also stood firmly by its "One China Policy".

3.2 Sino-Bangladesh Relations: Political, Economic and Military Perspectives

3.2.1 Political Relations

The bilateral political relations between China and Bangladesh have gradually grown stronger. The frequent mutual visits of the top leaders from both countries have contributed to build a strong friendship between the two countries. Most of the top political leaders of Bangladesh have visited China. The first visit from independent Bangladesh was by the Late President Ziaur Rahman in 1977. The Chinese Deputy Prime Minister Li Xiannian's visit to Bangladesh in 1978 was the first visit of any Chinese leader to independent Bangladesh. President Ershad visited China several times. The trend of mutual visits continued in the eighties. In 1989, when Chinese Premier Li Peng visited Bangladesh, the two countries signed an agreement on mutual exemption of visas and another agreement on trade. Bangladesh returned to democracy in the early 1990s. In June 1991, the then Prime Minister and the current leader of opposition, Khaleda Zia visited China on a goodwill mission. She expressed her gratitude to China for its assistance to Bangladesh in the hurricane of 1991. In 1996, Bangladeshi Prime Minister Sheikh Hasina (also the current Premier of Bangladesh), visited China

³¹ Ibne Golam Samad, "Bishwa Raajneetite Chin (China in World Politics)", *The Daily Naya Diganta*, 27 December 2010.

³² *Ibid.*

on a similar mission. In the new millennium, Sino-Bangladesh relations have been going well. In January 2002, the Chinese Premier Wen JiaBao visited Bangladesh, and subsequently, in December of that year, the then Prime Minister Khaleda Zia's visit to China helped to deepen the Sino-Bangladesh relations. The year 2005 was declared as the "China-Bangladesh Friendship Year". In the same year, Bangladesh also supported China to become an observer of SAARC. The year 2010 has been celebrated as the 35th anniversary of the two countries' friendship. In the new decade, Bangladeshi leaders continue their efforts to maintain good relations with China. Prime Minister Sheikh Hasina's 5-day visit to China in March 2010 was a remarkable one as this visit followed her visit to India two months earlier in the same year. Experts view that the China visit was necessary to maintain a balance between the two big powers in Asia. Through this visit, Bangladesh tried to further improve its bilateral relations with China with a view to securing its assistance for constructing a deep sea-port, implementation of the Kunming initiative, and many other projects. After Sheikh Hasina's visit, leader of the opposition, Khaleda Zia, also visited China during 19-23 December, 2010 and discussed many issues of mutual interest.³³

3.2.2 Economic Relations

Bangladesh has already become the third largest trade partner of China in South Asia. In 2009, the trade volume of Bangladesh and China increased to US\$4.5 billion.³⁴ According to the International Monetary Fund (IMF) Direction of Trade Statistics Yearbook-2007, the bilateral trade shows a trend of gradual growth. Table 1 indicates that both import and exports were on the rise between 2002 and 2006. Nevertheless, Bangladesh's exports to China were lower than its imports from China. The table also indicates that in 2006, the imports from China were about twenty times higher than exports to that country. This huge difference between export and import continues to contribute to the growing trade deficit.

Table 1: Bangladesh's Export to and Import China (2002-2006)

Million US Dollars		
Year	Export	Import
2002	113.4	1332.09
2003	100.24	1528.67
2004	125.05	1963.82
2005	151.83	2437.06
2006	192.86	3905.02
Total	683.38	11,166.66

Source: International Monetary Fund: *Direction of Trade Statistics Yearbook*, 2007, p. 76.

³³ *Ibid.*

³⁴ Zhang Lei, Chief of Political section of Embassy of China in Bangladesh mentioned the figure in his speech titled "Presentation on Chinese Perspective for Political and Economic Development of Bangladesh", in a roundtable discussion organized by BIIS on 14 March 2010. The speech is available at <http://www.biiss.org/lei.pdf>.

For reducing the existing trade gap, China granted duty-free access for 84 Bangladeshi products under the Asia Pacific Trade Agreement (APTA) in January 2006.³⁵ Nonetheless, according to Bangladesh Bureau of Statistics, as of June 2009, the trade gap between Bangladesh and China was US\$3.8 billion.³⁶ Therefore, the measures by China did not improve the scenario. Upon Bangladesh's request, China increased the number of zero-tariff goods to about 4721 up to 2010.³⁷ However, it is still not clear how this latest measure will contribute to reduce the trade imbalance. It is to be noted that Bangladesh's major export to China includes raw materials - leather, cotton and others while the major imports from China are textiles, machinery, electronic products, cement, fertiliser and others.

China has provided considerable monetary assistance on easy conditions in building infrastructure in Bangladesh. It has helped construct six "China-Bangladesh Friendship" bridges, Boropukuria power plant and others. The Bangabandhu International Convention Centre built at Sher-e-Bangla Nagar in Dhaka was a 'gift' of the Chinese people to Bangladesh. This is the largest international convention centre in Bangladesh, and has been used for numerous purposes.

In April 2008, Chinese Minister for Foreign Affairs visited Bangladesh. During his visit, China donated Bangladesh six million taka as a free aid and another five million taka as a token gift.³⁸ When Prime Minister Sheikh Hasina visited China in March 2010, Bangladesh signed two agreements for establishing a fertiliser factory, and telecommunications network systems, which would be set up with a massive US\$770 million loan from China with an interest rate of two per cent, payable within a timeframe of 20 years.³⁹ This visit also included talks with China for assistance in building the Chittagong-Kunming railroad and road connections through Myanmar, the Second Padma Bridge, the 8th Bangladesh-China Friendship Bridge, assistance in agricultural sector and also for development of solar energy to meet the increasing need of energy.⁴⁰ The visit also included talks on securing Chinese grants for construction of Chinese

³⁵ Xiao Wang, "Neighborly relationship bonds China, Bangladesh", *China Daily*, 26 March 2008.

³⁶ Qin, Jize, "Beijing to help Dhaka to better its infrastructure", *China Daily*, 19 March 2010.

³⁷ Zhang Lei, Chief of Political Section of the Embassy of the People's Republic of China in Bangladesh, stated the figure in his speech titled "Presentation on Chinese Perspective for Political and Economic Development of Bangladesh." in a roundtable discussion organised by BISS on 14 March 2011 available at www.biiss.org/lei.pdf, accessed on 27 April 2011.

³⁸ Harun ur Rashid, "Sheikh Hasina goes to China", *The Daily Star*, 15 March 2010.

³⁹ Rezaul Karim Byron, "\$ 770 million Chinese loan tied with conditions", *The Daily Star*, 28 September 2010.

⁴⁰ "PM reaches Beijing", *The Daily Star*, 18 March 2010.

Exhibition Centre with car parking facilities, water purification project in Pagla, strengthening organisational cooperation between China National Hybrid Rice Research Centre and Bangladesh Rice Research Institute, and waiving Chinese loan. Sheikh Hasina also requested for Chinese assistance in modernising flood forecasting and warning centre, river dredging projects, satellite launching and setting up remote sensing satellite, increasing stipend for Bangladeshi students up to 150, and also providing scholarship facilities to the foreign service officials. In a joint statement on 19 March, 2010, the two countries pledged to establish a closer comprehensive partnership of cooperation from the strategic perspective and on the basis of the principles of longstanding friendship, equality, and mutual benefit. The two sides signed the Agreement on Economic and Technical Cooperation, the Framework Agreement on Providing Preferential Loan, the Protocol on Remitting the Bangladesh Interest-free Loan due 2008 and the Exchange of Letters on the Construction of the seventh Bangladesh-China Friendship Bridge at Kajirtek.⁴¹

3.2.3 Military Relations

The military cooperation between Bangladesh and China dates back to mid-1970s, and since then, it has been sound and strong. China is the largest and most important provider of military hardware and training to the Bangladesh Armed Forces. The Armed forces of Bangladesh use Chinese manufactured weaponry. China helped Bangladesh in building its only arms factory in Joydebpur, Dhaka. A defence agreement was signed between the two countries in 2002 to meet Bangladesh's defence requirements during the then Prime Minister Khaleda Zia's visit to China. After the treaty was signed, Morshed Khan, the then Minister for Foreign Affairs said that "I must make it clear that it's not a security pact, but one on expanding cooperation only. The deal aims to modernise the armed forces of Bangladesh. Training of the troops is its main focus."⁴² In March 2006, China donated police equipments to Bangladesh as part of the cooperative efforts between the Ministry of Home Affairs of Bangladesh and the Public Security Ministry of China.⁴³

In 2006, Bangladesh also received 65 artillery guns and 114 missiles and related systems from China.⁴⁴ Most of the tanks (T-59, T-62, T-69, and T-79), a large number of armoured personnel carriers (APCs), artillery pieces and small arms and personal weapons in the Bangladesh Army are of Chinese origin. Moreover, the Bangladeshi Navy also received the 053-H1 Jianghu I class

⁴¹ "Dhaka, Beijing joint statement outlines closer cooperation", *The Daily Star*, 20 March 2010.

⁴² Nazmul Ashraf, "Dhaka-Beijing deal no threat to India" *Gulf News*, 29 December 2002.

⁴³ "China donates police equipment to Bangladesh", *People's Daily*, 23 March 2006.

⁴⁴ *The Assam Tribune*, 9 October 2007.

frigates with 4 x HY2 missiles, Huang Feng class missile boats, Type-024 missile boats, Huchuan and P-4 class torpedo boats, Hainan class sub chasers, Shanghai class gun boats and Yuchin class LCUs. The BNS Khalid Bin Walid has been equipped with HQ-7 SAM from China. In 2008, BNS Osman successfully test fired a C-802 ASM in the presence of the Chinese Defence Attaché Senior Colonel Ju Dewu.⁴⁵ China began supplying fighter aircraft to the Bangladesh Air Force in 1977 and, over the years, has delivered F-7 and Q-5 fighter aircraft and PT 6 Trainers. In 2005, 16 F-7BG were ordered and the deliveries began in 2006.⁴⁶ According to a report, Dhaka already tops China's list of weapons importers.⁴⁷ In addition, every year around seventy personnel of Bangladesh armed forces are sent to China for training. Members of Chinese armed forces also take part in various international training courses in Bangladesh. The two countries are planning to extend cooperation to further complement their respective contributions to UN Peacekeeping Missions.⁴⁸

4. Sino-Bangladesh Relations: An Appraisal

Sino-Bangladesh relations are mutually beneficial for both countries. Since the establishment of diplomatic relations between Bangladesh and China, there have been multifaceted exchange and cooperation in the fields of politics, economy, military and culture. In recent years, the trade relations between China and Bangladesh have considerably developed. Bangladesh has already become the third largest trading partner for China in South Asia. A warm relation with Bangladesh is in the interests of China as geo-political location of the former is strategically important for the latter. Bangladesh supported China in its attempt for securing positions in several international organisations including the United Nations Committee against Torture and the Council of International Maritime Organization.⁴⁹ Regarding the economic issues, Bangladesh has already become a good market for Chinese goods in South Asia. However, Sino-Bangladesh balance of trade is already in favour of China. The better quality and cheaper

⁴⁵ *The Daily Star*, 13 May, 2008; see also, Zhang Xianyi, "Founding Day of the People's Republic of China : 35 years of China-Bangladesh Concord" *Weekly Holiday*, 1 October 2010.

⁴⁶ "China-Bangladesh Relations and Potential for Regional Tensions" , URL: http://www.jamestown.org/programs/chinabrief/single/?tx_ttnews%5Btt_news%5D=35310&tx_ttnews%5BbackPid%5D=459&no_cache=1, accessed on 13 October 2011

⁴⁷ "Breaking 10-year silence, China reveals it's now No. 1 arms supplier to Bangladesh," See, www.indianexpress.com/news/breaking-10year-silence-china-reveals-its/215320, accessed on 9 April 2010.

⁴⁸ "Bilateral Political Relations", Embassy of the People's Republic of Bangladesh, available at <http://www.bangladeshembassy.com.cn/em/gxgx.asp>, accessed on 16 March 2011.

⁴⁹ "China and Bangladesh", www.mfa.gov.cn > ... > Countries in the Region > Bangladesh - Cached - Similar, accessed on 7 February 2011.

price of Chinese machineries and equipment than the Bangladeshi and Indian ones has provided China with a good opportunity to expand its market in Bangladesh. Bangladeshi people have a trend to purchase Chinese products which are quite within the reach of purchasing power of the common mass, and this trend will continue in the future. Bangladesh has a great potential to become a good market for China to invest in various sectors as the labour cost is cheaper than many other countries in the world.

Bangladesh, on the other hand, is also benefited from the relations. Keeping a strong relation with a rising super power certainly benefits Bangladesh in diplomatic, economic and security affairs at both regional and global levels. For a small economy like Bangladesh, achieving economic development is the most important goal. China, as a reliable development partner has been contributing generously to that end.

Nevertheless, the trade-deficit with China remains a major concern for Bangladesh despite various measures taken by the latter. China has already granted zero-tariff on about 4721 products from Bangladesh. However, it is not clear how much Bangladesh will be benefited from the offer, and it should be examined that which of these products have demand in the Chinese market. Although Bangladesh has received some Chinese trade concessions, it needs to push China to provide duty free access to more products especially those having good demand in the Chinese markets for reducing the existing trade gap. It should diversify its export baskets and remove its structural barriers. Another strategy could be to explore Chinese markets to learn about highly demanded products in China itself and produce those goods in Bangladesh even in joint venture with Chinese companies. The Bangladesh mission in China can arrange more and more trade fairs and exhibitions for Bangladeshi products in China, involving business communities from both countries.

Regarding Chinese Foreign Direct Investment (FDI) in Bangladesh, it should be noted that up to November 2009, China invested about US\$ 88 million in Bangladesh, which was not very significant. Therefore, Bangladesh should seek for greater amount of Chinese investment to promote its trade capacity and engage all its efforts to obtain more and more advantages. Bangladesh must provide Chinese investors with basic infrastructural facilities. In this regard, Chinese assistance may be sought as well. Both countries should further their cooperation in the areas of connectivity, deep sea-port, energy, textile and readymade garments sector, pharmaceuticals, tourism, seafood and others.

4.1 Potential Areas for Strengthening Sino-Bangladesh Relations

4.1.1 Building a Deep Sea-Port in Bangladesh

Foreign exchange earnings from export greatly contribute to the economy of Bangladesh. The logistic facilities of Chittagong port, the main sea-port of

Bangladesh, are vital for ensuring the export growth of Bangladesh. Although exports from Bangladesh have been hampered by *Hartal* (strike), labour unrests, corrupt practice by the trade unions in the ports, fire incidents in the factories from time to time, it is believed that exports including Readymade Garments (RMG) will be even higher in the coming years.⁵⁰ Nevertheless, the facilities in the Chittagang port are not adequate for managing increasing number of cargos. The port is very often hit by severe overloading and agitation by the workers, raising the average turnaround time for a container from five to six days.⁵¹ And the situation is likely to worsen as exports continue to increase especially garment shipments rise an average of 30 per cent a year.⁵² In addition, mother vessels or large ships cannot enter into the harbour. Therefore, a deep sea-port in the Bay of Bengal is a need of the time to meet the increasing demand. However, it is not possible for Bangladesh alone to build the sea-port, as it requires huge funding. The port can serve not only the interests of Bangladesh but also those of the other regional countries. It is believed that the port will become the main shipping hub for northeastern India, China's Yunnan province, Myanmar and landlocked Nepal and Bhutan.⁵³

With the cooperation of China and other development partners, Bangladesh plans to build the multibillion-dollar deep sea-port near the south-eastern island of Sonadia. Prime Minister Sheikh Hasina discussed the plan with the Chinese Vice President Xi Jinping in June 2010 and Chinese initial response was positive. During a briefing on the outcome of Sheikh Hasina's visit to China in March 2010, Bangladeshi Foreign Minister Dipu Moni informed the reporters that China agreed to provide US\$ 8.7 billion for building a deep sea-port in Bangladesh.⁵⁴ The Chinese assistance could be in the form of grants, concessional loans or technical assistance to build the new port. If the project can be successfully implemented, the Chittagong port's annual cargo handling capacities will be greatly increased than those of the present, which are 30.5 million tonnes of bulk cargo and 1.1million twenty-foot equivalent units (TEUs) respectively. When completed, the deep sea-port will have the capacity to handle 100 million tonnes of bulk cargo and 3.0 million TEU containers annually.⁵⁵

⁵⁰ Shahiduzzaman Khan, "Export of RMG products expanding to more overseas destinations", *The Financial Express*, 29 August 2010.

⁵¹ Jasim Uddin Khan, "Old ghosts haunt Chittagong port", *The Daily Star*, 29 July 2010.

⁵² "Bangladesh exports soar as orders shift from China: industry", *Terra Daily*, 8 September 2010.

⁵³ "Bangladesh plans deep sea port eying East, South Asian neighbours: Moni", 27 March 2010, available at www.bssnews.net/newsDetails.php?cat=0&id=96269&date... - Cached, accessed on 22 March 2011.

⁵⁴ "China agrees to help in port expansion", *Gulf Times*, 22 March 2010.

⁵⁵ *Ibid.*

Although costly, the project would benefit several countries. Prime Minister of Bangladesh agreed to allow India, Nepal and Bhutan to use the Chittagong port with a view to enhancing regional cooperation and promote trade. However, Bangladesh's decision to request for Chinese assistance is likely to raise eyebrows in India, which is concerned about the growing Chinese influence in its backyard in South Asia. China is also developing port facilities in Sri Lanka, Myanmar and Pakistan, and has plans for rail projects in Nepal and Sri Lanka.⁵⁶

4.1.2 Chittagong-Kunming Connectivity

The Chittagong-Kunming link is believed to bring in ample opportunities for boosting Bangladesh's trade with China, Southeast Asia and other regional countries. For a greater regional connectivity, the civil society organisations of Bangladesh, China, India, and Myanmar (BCIM)⁵⁷ took an initiative at Kunming, the provincial capital of Yunnan, China in 1999, which is popularly known as the "Kunming Initiative". According to Professor Rehman Sobhan, the Chairman of the Bangladeshi think tank, Center for Policy Dialogue (CPD), the objective of this initiative was to explore opportunities for mutually beneficial cooperation among four neighbours who remain linked by "the inheritance of history and compulsion of geography".⁵⁸ Since 1999, nine conferences of the BCIM have been held in four cities of the member countries by turn—Kunming, New Delhi, Yangon (currently Nay Pyi Taw), and Dhaka. They identified a number of potential areas of cooperation among the countries of the region, such as trade facilitation, investment, culture, connectivity and tourism. Bangladesh's interest in the forum lies in the benefit it may reap from cooperation in each of these areas.

To materialise these prospects, discussions over the issue of establishing Chittagong-Kunming land route have been going on. Bangladesh is discussing the issue of building a highway connecting Chittagong with Kunming with the Chinese and Myanmar governments. Bangladesh and Myanmar signed a deal in July 2007 to construct a 25km road connecting the neighbours to boost trade and people-to-people interaction. Designed to start at Gundum in Cox's Bazar, 2 kms inside the border, and then run over 23 kms through the Myanmar territory to Bawlibazar, the road could be stretching up to Kunming, China as a part of broader tripartite scheme. According to Foreign Minister of Bangladesh Dipu Moni, China also pledged assistance in building a road and rail link between

⁵⁶ Fazle Rashid, "China developing port facilities in Bangladesh, Pakistan, Myanmar" *The Financial Express*, 17 February 2010; see also Vikas Bajaj, "India Worries as China Builds Ports in South Asia", *The New York Times*, 15 February 2010.

⁵⁷ BCIM is an international forum on regional economic cooperation among these four countries.

⁵⁸ Anisatul Fatema Yousuf, "Commitments at Kunming", *The Daily Star*, 11 February 2011.

Kunming and Chittagong via Myanmar.⁵⁹ During his visit to Bangladesh, Qin Guangrong, the Governor of Yunnan province, expressed his government's pledge to extend necessary cooperation for building the proposed 111 km long line connecting Bangladesh, China and Myanmar.⁶⁰ Bangladesh needs to work actively for establishing these communication systems, since it will be a big boost for the country to implement its Look East Policy. The launching of Dhaka-Kunming flight has been an example of the positive results brought in by developed communication systems. In the past, flights from Bangladesh used to follow the Bangkok-Hong Kong-Beijing route to reach Kunming but at present, they fly straight to Kunming. Both Southwest China and South Asia are big markets. The newly established connection between these two regions will benefit both.⁶¹

The 9th Conference of the BCIM Forum, held at Kunming, China on 17-19 January, 2011 focused on the need to improve the cooperation mechanism, which would feature a multi-track initiative with track I coordination, to promote regional prosperity and harmony.⁶² This should be seen as a major initiative towards sub-regional cooperation in this region. Concerning the connectivity, Foreign Minister of Bangladesh, Dipu Moni expressed her firm optimism that China would materialise the Kunming Initiative and take quick steps for physically linking Bangladesh and China by road and rail networks.⁶³ The 9th Forum was particularly important for Bangladesh in view of the communiqué issued during the visit of Prime Minister Shiekh Hasina to China in March 2010. The joint communiqué mentioned taking the BCIM process forward and establishing greater connectivity among the countries of the region.

4.1.3 Cooperation in Energy Sector

Bangladesh suffers from electricity deficit and the shortfalls reach 2,000 MW in the summer. Only about 47 per cent of households have access to electricity. The age-old gas-based power plants struggle to generate enough electricity to meet the country's huge demand.⁶⁴ Therefore, the country is planning to meet the shortages by setting up nuclear power plants. As a signatory to the NPT, Bangladesh has every right to use nuclear energy for peaceful purposes. Thus, the International Atomic Energy Agency (IAEA) has approved of the

⁵⁹“China agrees to help in port expansion”, *Gulf Times*, 22 March 2010.

⁶⁰ “China keen on road, rail links”, *The Daily Star*, 30 August 2010.

⁶¹ Interview with Ambassador Ashfaqur Rahman on 21 February 2011.

⁶² Sushanta Talukdar, “BCIM forum to focus on regional connectivity”, *The Hindu*, 20 January 2011.

⁶³ “Dipu Moni for quick execution for Kunming Initiatives”, *The Financial Express*, 22 November 2010.

⁶⁴ Malladi Rama Rao, “Bangladesh: Russia edges out China in Hasina's quest for N-power deal”, *The South Asian Tribune*, 7 March 2011.

construction of a nuclear power plant in Rooppur in Pabna, Bangladesh. The country plans to set up a 600-1000 MW nuclear power plant by 2015, which might cost between US\$1 billion and US\$1.5 billion.⁶⁵ In April 2005, Bangladesh signed an agreement on nuclear cooperation with China, under which it is to receive Chinese assistance for exploring nuclear materials and construction of a nuclear power plant. Regarding this, the then Chinese Ambassador to Bangladesh, Zheng Qing Dian said “China and Bangladesh signed agreement on peaceful use of nuclear power in 2005, which clears the way for our civil nuclear cooperation.”⁶⁶ However, the present government of Bangladesh signed a framework agreement with Russia for this purpose in May, 2010 and a primary deal in February 2011.⁶⁷ Even then, China remains a viable option for Bangladesh to extend cooperation in building further power plants in the future.

4.1.4 Joint Venture in Textile and RMG Sectors

Trade plays an important role in the development of a country’s economy. Bangladesh is not an exception to this. Foreign currency earning from export has become one of the life lines of Bangladesh economy. China is the largest supplier of apparels in the world. However, it does not get the benefits accorded to the least developed countries (LDCs). Therefore, here the idea of *China+1* can be added, which means placing Chinese production facilities in a place where China can produce goods at much lower prices than in China itself as labour cost is rising therein. For this purpose, Bangladesh can be a good place. If China does so, then it will be able to produce goods at cheaper cost and subsequently receive the benefits that an LDC receives. Also, Bangladesh will be benefited from Chinese investments; but to secure those, public and private sectors in Bangladesh must take effective measures. To understand the Chinese market, Bangladeshi entrepreneurs need to hire Chinese interpreters for better communication.

It is claimed that Bangladesh receives foreign orders for RMG, mainly due to international buyers shifting their attention to Bangladesh from China. In this regard, Abdullah Al-Mahmud, the managing director of Mahin Group, a leading garment maker noted that the higher growth of garment exports would continue in near future, as the buyers were flocking to Bangladesh for higher costs of production in China.⁶⁸ Bangladesh’s sweater manufacturers also received large numbers of orders from international buyers due to rise in labour cost in

⁶⁵ *Ibid.*

⁶⁶ “China offers to help build nuclear power plant”, *The Financial Express*, February 16 2009.

⁶⁷ Malladi Rama Rao, *op. cit.*

⁶⁸ Refayet Ullah Mirdha, “Garments exports to go big”, *The Daily Star*, 19 February 2011.

countries like China and Indonesia; European nations placed the majority of orders. They said that because of the so-called Wal-Mart effect which would mean the gradual shifting of global sourcing to cheaper destinations, Bangladesh could become the world's top sweater exporter in a matter of five years.⁶⁹

Moreover, Bangladesh is a lucrative market for garments machinery. China is a substantial supplier of machineries to Bangladesh. In this case, Bangladesh-China joint venture can be profitable for both the nations. Sales of textile machinery are rising in Bangladesh because of the growing demands from the garments manufactures of the country.⁷⁰ There are good news for Bangladesh's garments manufacturers especially, denim producers, as the Generalised System of Preference (GSP) trade rules have been relaxed than earlier and China is now shifting its attention to other industries. Bangladesh is a good place for international buyers for its relatively lower production cost.⁷¹ According to the Chinese ambassador in Dhaka, Zhang Xianyi, Bangladesh might very soon see a rise in Chinese investments in its industrial sector. He added that Chinese investors were focusing on investing in Bangladesh's power generation, IT, readymade garments, textiles and home appliance manufacturing sectors.⁷²

4.2 Sino-Bangladesh Relations: The India Factor

This section will focus on the Indian perception of Sino-Bangladesh relations. India is the largest country in South Asia and closest neighbour of Bangladesh. Naturally, Bangladesh foreign policy attaches high importance to India. The 'India factor' influences the Sino-Bangladesh relations and, thus, it is important to analyse the Indian perception of these relations. Before discussing how India views Sino-Bangladesh relations, some lights will be shed on Indo-Bangladesh relations, and Sino-India relations. Despite having a shared colonial history, ethno-religious and cultural ties, and geographical compulsion, Bangladesh-India relations have been complicated since the inception of Bangladesh. The external threats to Bangladesh come from the complex bilateral relations with neighbouring countries and the absence of a peaceful regional security environment. Bangladesh has a perceived security threat from India, which helped liberate the country in 1971. Several ground realities determine this perception. The following issues have been major obstacles to build a strong relation between the two neighbours: the power asymmetry between India and

⁶⁹ Jasim Uddin Haroon, "Sweater plants see investment surge as China gets costlier", *The Daily Star*, 24 January 2011.

⁷⁰ Star Business Report, "Textile machinery sales rise", *The Daily Star*, 15 February 2011.

⁷¹ "Denim makers on a roll as new rules fall into place", *The Daily Star*, 12 January 2011.

⁷² Chinese investments in Bangladesh industrial sector to grow", *The New Age*, 17 January 2011.

Bangladesh; territorial and maritime disputes, Indian allegation about illegal migration from Bangladesh to India and frequent killings of Bangladeshi people in border areas by the Indian border security forces; India's allegation against Bangladesh to allow the insurgent groups like United Liberation Front of Assam (ULFA) to use Bangladeshi soil for continuing insurgency in India's north-eastern states especially during the BNP-led four party alliance regime; and conflict over natural resources including India's mega river-linking project. However, the recent political developments have given a new momentum to the Bangladesh-India ties. Since Prime Minister Sheikh Hasina's visit to India in January in 2010, both countries have been trying to intensify their cooperation in several areas including trade, combating terrorism, and developing connectivity.

On the other hand, China and India have had a peculiar relationship since the Sino-India border conflict in 1962. The authors use the term 'peculiar' as the countries have now both rivalry and strategic relationship.⁷³ Although India always indicates that Chinese military and nuclear ability is a threat to India, China is reluctant to reveal that India or Indian nuclear weapons stand as a concern for China. In Chinese strategic calculations, India is not as big a concern as the US or Japan in the Asia Pacific region. Zhu Feng, a Chinese scholar at Beijing University, noted that during the Cold War Period, the United States and China were hostile to India and friendly to Pakistan. After the end of the Cold War, China has maintained friendly relations with Pakistan, and at the same time, has taken a more balanced approach to India.⁷⁴ However, the Sino-Pakistani security and strategic nexus has remained a central issue in Sino-India relations ever since Pakistan and China signed a historic border agreement in March 1963, ceding a section of territory of Pakistan-controlled Kashmir to China.⁷⁵ At the same time, from an Indian perspective, China's growing presence in Myanmar and strategic relationships with the other small countries in South Asia are some reasons for India's suspicion towards Chinese intentions in the region. However, the visit of the Indian Prime Minister Atal Bihari Vajpayee to China in 2003 and Chinese recognition of Sikkim as a part of India, improved the bilateral relations.⁷⁶ Both countries pledged to resolve the bilateral disputes through dialogue. Their bilateral trade volume has already surpassed US\$60 billion in 2010.⁷⁷ Recently, China also hinted that it would support India for a permanent seat at the UN Security Council.⁷⁸

⁷³ Zhao Huanxin, "China, India forging Strategic Partnership," *China Daily*, 12 April 2005.

⁷⁴ Tim Luard, "China Keeps Pakistan Guessing," *BBC News*, 4 November 2003.

⁷⁵ Allen S. Whiting, "The Future of Chinese Foreign Policy," in Samuel S. Kim, ed., *China and the World, Chinese Foreign relations in the post Cold War Era* (San Francisco: Boulder, Oxford: Westview Press, 1994), p. 264.

⁷⁶ "India and China Boost Relations," *BBC, News.com*. 23 June 2003.

⁷⁷ Ananth Krishnan, "India-China trade surpasses target", *The Hindu*, 27 January 2011.

⁷⁸ "China backs India's aspirations for UNSC", *India Today*, 27 May 2010.

However, at this stage, this paper briefly focuses on Indian perspectives of Sino-Bangladesh relations. From Indian point of view, China's partnership with smaller South Asian states is driven by her long-term political, economic and strategic interests in this region. Some Indians view that Sino-Bangladesh political and military relations are aimed at containing/undermining Indian military might. According to them, Bangladesh is a major recipient of Chinese arms and China includes this country along with Pakistan and Myanmar on its larger game plan to encircle India.⁷⁹ According to an Indian scholar, "Bangladesh's tilt towards China needs to be understood in terms of the psychological threat Bangladesh perceives from India so that closer ties with China provide Bangladesh with a sense of security against India."⁸⁰ This is also evident from the regular political exchanges and enhanced military cooperation between the two countries. They are also concerned that Chinese leaders encourage Bangladesh to pursue an independent foreign policy and move away from India's sphere of influence. Some retired officers of the Indian army suspect that Bangladesh may even have received assurance from Chinese leaders that China would stand by Bangladesh, in case Bangladesh faces any security threat from India.⁸¹

Some of the Indian concerns are addressed below:

I) China has emerged as a major supplier of arms to Bangladesh. It has provided tanks, frigates, missiles, missile boats, torpedo boats and fighter aircrafts.

II) Concern arises from India's vulnerability in the Siliguri corridor, often referred to as the '*chicken neck*'. The corridor which is 200 kilometers (km) long and 40 kms wide, links the rest of India by rail, road and air with the Northeast region, a part of which (90,000 sq km in Arunachal Pradesh) is claimed by China and is a significant source of tension for bilateral relations. At present, both countries have maintained their armed forces along the borders. The Siliguri corridor figures prominently in the Sino-Bangladesh friendship and the two sides, according to Indian military experts, have a sophisticated strategy aimed at severing India from the Northeast region.⁸²

III) Indian military establishment fears that China may receive facilities from Bangladesh to build military bases which will complicate India's security in the

⁷⁹ Subhash Kapila, "Bangladesh-China Defence Co-operation Agreement's Strategic Implication: An Analysis", available at <http://www.saag.org/papers6/paper582.html>, accessed on 5 February 2010.

⁸⁰ Urvashi Aneja, "China-Bangladesh Relations: An Emerging Strategic Partnership?", *IPCS special Report*, 2006.

⁸¹ Vijay Sakhuja, *op. cit.*

⁸² "Why Assam Bleeds", available at www.sify.com, 10 November, 2008, accessed on 10 January 2011.

Northeast. If this happens, China could monitor Indian military movements, particularly of the Indian Army deployed in that region. Several strategic Indian Air Force bases such as Bagdogra (with MiG-21 fighter jets), Hashimara (with MiG-27 fighter jets), and Tezpur (with Su-30 fighter jets) could easily come under a Sino-Bangladesh electronic and radar surveillance network during a crisis.

IV) India is also concerned that Bangladesh's proposed deep sea-port could be used not only for commercial purposes, but also for facilitating Chinese naval presence. China has built deep sea-ports in Gwadar in Pakistan and Hambantota port in Sri Lanka and planning to build another in Kyaukphyu in Myanmar. There is an Indian fear that China would encircle India by its String of Pearls. Moreover, it will be able to monitor Indian missile testing conducted at Chandipur-at-sea near Balasore, Orissa, and also naval activity in the Andaman and Nicobar Islands in the Bay of Bengal.

V) India is concerned about the growing Chinese presence in the Bay of Bengal area. A South Korean company awarded by Myanmar started exploring the oil and gas in a disputed bloc in the Bay of Bengal in November 2008. Both Bangladesh and Myanmar deployed their navies to challenge each other. However, China played a mediatory role in settling the dispute.⁸³

India may have skepticism about the growing Sino-Bangladesh relations. However, from a Bangladeshi point of view, the two countries have maintained a close friendship for their mutual interests. Over the years, they have signed a plethora of bilateral agreements that range from economic engagements, soft loans, cultural exchanges, academic interactions, infrastructure development, to military cooperation. In the introduction of this paper, Anand Kumar's concern about the Sino-Bangladesh cooperation for constructing the Chittagong-Kunming road link, and the deep seaport was mentioned. Like Kumar, many Indians may view that China would secure a foothold in the Bay of Bengal if it constructs the deep seaport.

But, building such a highway and deep seaport is crucial for Bangladesh economy and it will increase regional trade activities and connectivity where India and the other regional countries will also be benefited. One may raise question: in this era of connectivity and economic diplomacy, why should India feel threatened if Bangladesh goes for connectivity with China and building port for greater trade? The Bangladesh government has already planned and been going to implement connectivity with India. Therefore, why should there be a hue and cry when Bangladesh does the same with China?

Bangladesh, on the other hand, does not have any defence pact or security treaty with China, and there is no evidence or activity that the existing bilateral

⁸³ Vijay Sakhuja, *op. cit.*

military cooperation is aimed at threatening India. Therefore, any Indian apprehension that Sino-Bangladesh economic and military cooperation is Indo-centric is a misperception. Defence cooperation between and among nations is a normal phenomenon as India also has defence cooperation and agreements with several countries. Purchasing necessary military hardware for the Bangladesh Armed forces from China at cheap prices is frequently mentioned by the Indians, but can any country other than China, provide Bangladesh the military hardware at such cheap prices?

China has consistently showed keen interest to develop economic and regional cooperation with South Asian countries. According to He Yafei, Chinese Assistant Minister for Foreign Affairs, China and South Asia have long historical links; he expressed China's interest in helping to build a peaceful and stable South Asia, and thus foster long term mutual relations. As said earlier, China is a rising economic and military power. If Bangladesh's relations with China suffer any damage, then it risks losing a trusted friend and in turn, all the benefits it continues to reap. Bangladesh is a sovereign nation. Therefore, it must be very careful in maintaining balance in its bilateral relations. China-Bangladesh relations are often viewed as a matter of concern by India but in reality, this fear has proved to be unfounded. Bangladesh should maintain good relations with India as well as with China. Due to India's suspicion of Sino-Bangladesh relations, Bangladesh follows a cautious approach for closer dealings with China. Concerning the defence cooperation between Bangladesh and China, from another perspective, the authors argue that even if the policymakers of Bangladesh consider that such cooperation between the two countries can provide security assurance for Bangladesh in case of any real military threat from India, they need to be very realistic as China, Pakistan's very close ally, did not come forward with military aid for Pakistan during Indo-Pak wars in 1965 and 1971.

5. Concluding Remarks

Bangladesh and China have been benefited from their relations based on mutual trust. Considering the overall relationship, it is not an exaggeration to say that these two countries have enjoyed an all weather friendship. In many bilateral relations, there are many stakes and conditions attached, e.g. when a small country has relations with a big and powerful country, often the smaller one may feel a kind of inferiority complex in the negotiations. However, Sino-Bangladesh relations are an exception in this regard. There have been observed no conditions attached in their relations. Unlike some other major powers, China never intervened into the internal affairs of Bangladesh. On the other hand, Bangladesh also stood firmly by the "One China Policy" on the China-Taiwan issue.

The trade-deficit with China is the key concern for Bangladesh. Bangladesh should diversify its export baskets and remove its structural problems as the

Chinese market is quite diversified and competitive. At the same time, Bangladesh should seek for greater amount of Chinese investment to diversify its export items to China.⁸⁴ Bangladesh has shown far sightedness by offering China to build a deep sea-port which is expected to bring in opportunities for greater regional connectivity and increased trade. Regarding this, a former Bangladeshi diplomat noted that more and more Chinese stakes in Bangladesh could bring more and more Chinese assistance to Bangladesh.⁸⁵ The economies of China and Bangladesh complement with each other. Bangladesh has plenty of cheap labour and rich raw materials, and China, on the other hand, has technology and can provide fund.⁸⁶ There is enough room for both countries to fully tap the potential and make it a win-win situation.

To reduce the existing trade-deficit, and strengthen the overall economic relations, some measures could be taken as follows: i) expanding Bangladeshi export into Chinese market, especially producing goods that have good demand therein; ii) attracting more Chinese investment in Bangladesh and to this end, the basic infrastructure should be ensured for the investors; iii) ensuring more Chinese aid and grants for the development of Bangladesh; iv) enhancing bilateral cooperation in the fields of non-traditional security, human development, and science and technology.

On the other hand, concerning the Indian skepticism on the Sino-Bangladesh partnership, it can be argued that such skepticism has not proved real. Indian apprehension that the Sino-Bangladesh military relations are targeting India could be considered as an exaggeration. Bangladesh-China relations are pretty old. These relations are based on mutual trust and interests. Since China has been a reliable development partner and already contributed significantly in the infrastructural development of Bangladesh, all the governments attach quite high priority to Bangladesh's relations with that country.

Indians showed their concern for the growing Sino-Bangladesh relations, but in reality, India itself is developing its bilateral relations with China which is evident in their bilateral trade crossing US\$60 billion in 2010. However, China does not show any concern or reaction when India tries to expand its own relations with Bangladesh, e.g., when Bangladesh recently granted India the transit facilities, China did not react or show any concern so far. Due to Indian's suspicion of Sino-Bangladesh relations, Bangladesh feels a kind of unease and therefore, follows a cautious approach for closer dealings with China. Steven Hoffmann referring to the works of Islam (1995), Ghosh (1994), and Hussain (1995) comments that India demanded Bangladesh to maintain some sort of

⁸⁴ Rehman Sobhan, "Round-table Discussion on Bangladesh-China Dialogue", 14 March 2010 at BIISS Auditorium.

⁸⁵ Interview with Ambassador Ashfaqur Rahman, 21 February 2011.

⁸⁶ Sreeradha Datta, *op. cit.*

distance from China.⁸⁷ India may have tensions with China, but that does not mean that Bangladesh will have to refrain from expanding its own relations with China.

Bangladesh has already entered into a new chapter of friendship and cooperation with India. By developing further close ties with China, Bangladesh expects to strengthen and intensify its developmental efforts. There is no denial that bilateral relations with both China and India are of great importance for Bangladesh. Both countries are achieving phenomenal economic progress. They share the vast Himalaya mountain ranges which still remain largely unexploited. If they can give up or reduce their rivalries, the South Asian region can see more prosperity. The Himalaya region can serve as a useful source for meeting the growing energy needs of Bangladesh, India and China. To materialise this, India and China have to change their policies from being strategic competitors to emerging as strategic partners.⁸⁸ China, India and Bangladesh share some common rivers. They can go for collective management and use of these rivers. The geographical proximity among these three countries can also be useful for targeting the huge markets in each of them.

As a relatively small economy, Bangladesh has no better option but maintaining a balanced relation with these two major powers. In any case, Bangladesh needs to consider its territorial integrity, sovereignty, national interests including economic development when dealing with these two countries. It should not pursue any policy which attempts to secure its relations with India at the cost of its relations with China or *vice versa*. These two countries have their own national, economic and strategic interests in Bangladesh as it has its own legitimate interests in them. To reduce any suspicion or misperception, there is no alternative to constructive dialogue among the countries. In the 21st century, economic diplomacy and strategic relations are given priority in making foreign policy. Bangladesh is not an exception. It needs to consider seriously on how to promote bargaining capacity and negotiation strategies to secure more economic benefits from these two big neighbours.

⁸⁷ See, Steven A. Hoffmann, "The International Politics of South Asia", *Journal of Asian and African Studies*, Vol. 33. No. 1, February 1998.

⁸⁸ Ashfaqur Rahman, "Rising together: India, China and Bangladesh", *The Daily Star*, 28 March 2011.

Niloy Ranjan Biswas

ENVIRONMENTAL SECURITY: IS ENVIRONMENT A SECURITY THREAT?

Abstract

The evolving concepts of environmental security are debated in the discourse of security studies. Major theoretical paradigms of international relations have been quite successful to interpret the practical security problems arising from environmental and climatic changes. Academics and practitioners have started exploring the security implications of the changes at various levels. This paper explores how environmental degradation poses significant challenges to security. It reviews both traditional and nontraditional schools of thought of security studies. The paper examines the conceptual linkages between environment and security, focusing on the contributions of the constructivist school of thought in the construction of the idea of environmental security. It also examines the contribution of other schools, and acknowledges the importance of environment-threat-vulnerability framework that establishes the relationship between environmental degradation and potential conflicts. It works with a small set of empirical information to explain the prevalence and effects of ecological degradation and climate change, and national and international policy responses to address the threats. This paper concludes that environment is a significant threat to security.

Introduction

Environment is increasingly being associated with non-conventional notion of security. Considering environment as a threat to individual, national or global security has created a new agenda in the discourse of security studies. The widening of the scopes of international security includes environmental degradation, global warming and climate change. These issues have extended the understanding of global change, conflict and vulnerability, and explored the roles of conservation and sustainable development in promoting peace, stability and human security.⁸⁹ This is broadly considered as environmental security.

Niloy Ranjan Biswas is a Lecturer in the Department of International Relations, University of Dhaka. He is currently pursuing MA in Security Policy Studies at the Elliott School of International Affairs, the George Washington University in Washington D.C. under the Fulbright Scholarship Scheme 2010/11. His e-mail is: b.niloy@gmail.com

© Bangladesh Institute of International and Strategic Studies (BIISS), 2011.

⁸⁹ Richard Matthew and Brian McDonald, "Networks of Threats and Vulnerability: Lessons From Environmental Security Research", *ECSP Report*, Issue 10, 2004.

The legacy of understanding environmental security is two-fold. First, one has to understand the transformations in the theoretical developments of the concept 'security'. Second, one has to envisage the link between environmental change and livelihood strategies of human being, and the impact of environmental changes on a society. These two dimensions help to portray environmental issues as important concerns for security. The academic strength of environmental security and its current position in the international security discourse largely depend on some questions. What is security? Whose security is talking about? What counts as a security issue? How can security be achieved?⁹⁰ Exploring straightforward answers to the questions is critical to the contemporary research in security studies. However, environmental security offers an intricate relationship between the contemporary environmental changes in the world and the scopes for transnational/global threats and cooperation.

It is in these contexts that the research question of this paper is: is environment a security threat? The paper explores how environmental degradations pose significant challenges to security. It argues in favor of a revised framework of security that includes environment as a referent object of security. It reviews conceptual approaches of security - both traditional and nontraditional schools of thought. The paper explains the conceptual linkages between environment and security through theoretical viewpoints. It focuses on the contributions of the constructivist school of thought (securitization) in the creation of the idea of environmental security. It explains environment-threat-vulnerability framework that clarifies the relationship between environmental degradation and potential conflicts. The paper presents empirical data to discuss the prevalence and effects of ecological degradation and climate change, and national and international policy responses to address the threats. The paper concludes with the argument that environment is a significant threat to security.

Conceptual understanding of security: the making of an alternative security discourse

With the demise of bipolar rivalry in the early 1990s, the study of international security was elevated to a new dimension. The new and unconventional notion of security considered that the traditional notion of state-centric military security was insufficient to explain emerging threats. As an alternative to the conventional understanding of security affairs, human security discourse incorporated diverse threats to an individual's life. Thus, the security discourse had experienced a shift from traditional to nontraditional security.

⁹⁰ Paul D. Williams (ed.), *Security Studies - An Introduction*, New York: Routledge, 2008, p. 5.

The traditionalists, backed by political realism, define security in terms of power.⁹¹ The meaning is closely linked to the military capability of a state. This concept of security is challenged by the post-realists. Redefining the concept of national security has been a prime target of many research agenda since the 1980s. Nontraditional security (NTS) is a significant paradigm shift from the conventional idea of national security. The NTS concept ‘widens’ and ‘deepens’ the conventional understanding of security. Security nowadays includes poverty, economic insecurity, environment and climate, health, and various other social problems as threat factors. ‘Wideners’ discuss the scope of the security studies and have included diverse issues as part of the security affairs. On the other hand, ‘deepeners’ discuss the focus of security (i.e. whose security is being threatened).⁹² Furthermore, there are threats that do not create risks only for a single state. These are transnational security concerns such as ethnic conflict; proliferation of weapons of mass destruction; political and ethnic instability; and drug and human trafficking.

The Copenhagen School, led by Barry Buzan and Ole Waever, has developed a framework called securitization to conceptualize security. The framework introduces a social-constructivist perspective that considers how problems are transformed into security issues.⁹³ The School has established the hypothesis that security can be understood as a result of ‘speech acts’ through which perceived problems become a national and international security threat.⁹⁴ Securitization quite successfully labels an issue as its prime concern and transforms the way the issue is dealt with. According to the concept of securitization, security problems are transformed into existential threats that require exceptional, emergency, and rescue measures. These measures include new ideas that may contradict the traditional rules of governance. A kind of ‘political manipulation’ is present in the whole process of convincing the concerned actors that environmental change is a significant security matter. Buzan and Waever have projected their logic to establish the idea that security is a socially constructed concept. They have proposed a different methodological survey to study security, focusing on the details of specific issues such as

⁹¹ Colin Elman, “Realism”, in Paul D. Williams (ed.), *Security Studies - An Introduction*, New York: Routledge, 2008, p. 16.

⁹² Sarah Terry, *Definition Security: Normative Assumption and Methodological Shortcomings*, Canada: University of Calgary, 1998, p. 1.

⁹³ Barry Buzan, Ole Waever and Jaap de Wilde, *Security. A New Framework for Analysis*, London: Lynne Rienner, 1998, pp. 24-27.

⁹⁴ John L. Austin, “How to Do Things with Words”, *William James Lectures*, Oxford: Clarendon Press, 1962.

poverty, environment, climate and their interrelation with the ‘locus’ of security.⁹⁵ Locus refers to the context and framework of security.

Buzan and Waever have also discussed the nature of security as a self-referential practice. Through the process of securitization, a potential issue may transform into a security matter. It may happen not necessarily because a real existential threat exists but because the issue is presented in such a way that creates an image of security.⁹⁶ Followers of this school of thought advocate that security is a speech act. The process of securitization is a methodological task ignited by the stakeholders (securitizing actors) who speak in favor of the particular issue and debate it so that the image of the issue is built as a proper referent object of security. Thus, the Copenhagen School explores “one of the most innovative, productive and yet controversial school of thoughts in contemporary security studies.”⁹⁷ The School has done quite a large amount of research on the nature of the securitizing actor, the scope of the diverse context and the framework of the act.⁹⁸ Actors can talk or do anything logical about the particular referent object.

Simultaneously, no single actor conclusively holds the credit of securitizing the issue. Therefore, when an issue is securitized, it reflects the institutional and individual hierarchy that exists in the society. In other words, the socially constructed nature of the society is very much reflected in the securitization process of any particular issue. Typical examples of securitizing actors include political leaders, bureaucrats, governments, media, lobbyists, and various pressure groups. Along with the actors and the environment (context of securitization), another significant factor is the audience who will be at the receiving end of the securitization process. According to Buzan and Waever the “securitizing move” will only be successful if the audience accepts that there is an existential threat to a shared value.⁹⁹ In a nation-state, the government is mainly in the driving seat of the securitization process. Buzan and his colleagues have agreed that government is usually the speaker for and promoter of security for a society and a state at large. It is a part of the national responsibility that the

⁹⁵ Rens van Munster, *Logics of Security: The Copenhagen School, Risk Management and the War on Terror*, Denmark: Political Science Publications and University of South Denmark, 2005, pp. 3-5.

⁹⁶ Barry Buzan, Ole Waever and Jaap de Wilde, *Security- A New Framework for Analysis*, London: Lynne Rienner, 1998, p. 27.

⁹⁷ Michael C. Williams, “Words, Images, Enemies: Securitization and International Politics”, *International Studies Quarterly*, Issue 47, No. 4, 2003, pp. 511-531.

⁹⁸ Matt McDonald, “Securitization and the Construction of Security”, *European Journal of International Relations*, Vol. 14, No. 4, 2008, p. 563.

⁹⁹ Barry Buzan and Ole Waever, “A Slippery- Contradictory- Sociologically Untenable- The Copenhagen School Replies”, *Review of International Studies*, Vol. 23, No. 2, 1997, pp. 241-250.

government feels mandated to it. Securitization can, thus, be seen as an extreme version of the political matter.¹⁰⁰

“Wideners” have significantly contributed to expand the scope of security. Apart from the state-centric idea of national security that scholars of international relations and security studies have mostly dealt with, issues of “societal security” is very significant at the moment. An issue is a matter of concern under societal security if a society perceives it to constitute an existential threat to the society. Similarly, it becomes necessary that society perceives/constructs the issue as a security concern. This implies that a society can also ‘desecuritize’ an issue (i.e. cease to perceive it as a threat).¹⁰¹ Richard Ullman widened the concept with non-military threats including threats to the quality of life of its citizens in a society.¹⁰²

Defining non-military threats has become a challenging task for the scholars. In the International Conference on the Relationship between Disarmament and Development by the United Nations General Assembly in New York, this was addressed for the first time that non-military threats to security had moved to the forefront of global concern. Underdevelopment and declining prospects for development as well as malgovernance and waste of resources constitute challenges to security. The new methodology to study security includes another significant concept - ‘development’. Professor Amartya Sen has argued that environmental change can undermine human development, which is important for economic growth and human security.¹⁰³ If economic development is not ecologically sustainable, it is true that national security cannot be equally sustainable.

Is environment a security threat?: linking environment and security

Literature on environmental security has introduced an interdisciplinary perspective into security studies. Environmental security has explored the interactive dynamics of the diverse human and natural networks that constitute the modern world.¹⁰⁴ Besides, environment has strategic significance for nation states. Nation states create their power base on the natural resources like water,

¹⁰⁰ Barry Buzan, “A Rethinking Security after the Cold War”, *Cooperation and Conflict*, Vol. 32, No. 1, 1997, pp. 5-7.

¹⁰¹ Mathias Albert, “Security as Boundary Function: Changing Identities and Securitization in World Politics”, *The International Journal of Peace Studies*, Vol. 3, No. 1, 2008, p. 1.

¹⁰² Richard Ullman, “Redefining Security”, *International Security*, Vol. 8, No. 1, 1983, pp. 129-145.

¹⁰³ Amartya Sen, *Development as Freedom*, USA: Alfred A. Knopf Incorporated, 1999, pp. 175-191.

¹⁰⁴ Richard Matthew and Brian Mcdoland, “Networks of Threats and Vulnerability: Lessons from Environmental Security Research”, *ECSP Report*, Issue 10, 2004, p. 36.

oil, gas and various other natural energy sectors. Increasing state-control over nature has spillover effects on environmental degradation and hence resulted in undue catastrophes such as uncontrolled migration, demographic fall, and human casualties. These catastrophes have become real security concerns today. Traditionally, realist understanding of security does not include environment as its matter of concern. On the contrary, post-realist schools of security studies include environment as an important security concern. For example, constructivism provokes new thoughts in the security studies. The contribution of the Copenhagen School, influenced by constructivism, not only transforms the perspective in academic thoughts of national security, but also changes the national and international responses towards addressing environmental policies. Securitization applies the methodology for the analysis of how environmental matters are gradually securitized, gaining a renewed expression in the politico-security agenda.¹⁰⁵ Environmental degradation and its consequences could be prospective referent objects; those are referred by the securitization actors as a potential reason for threat.

A wide range of studies on the relationship between environment and security are available. Shaukat Hassan discusses the relationship between the environmental foundation of a nation and its effect on the economy. According to his argument, continuous environmental calamities will decrease the economic growth of a nation, hamper its social cohesion, and destabilize its political structure.¹⁰⁶ Environmental catastrophes can reduce economic opportunities, causing demographic displacement within states and across international borders. This can raise political tension between neighboring countries. Environmental stress may cause an affected sub-national group to shift its allegiance from the centre to the periphery, increasing the possibilities of political disorder, civil strife and even insurgency. Environmental calamities may trigger policy choices which can catalyze a potential conflict or aggravate an existing one. Environmental devastation faced by a country due to natural calamities, especially those originating from beyond its borders, can sour bilateral relations to the detriment of regional security. Environmental issues may be politically manipulated to serve narrow group interests, which can upset domestic power balances and contribute to political instability.¹⁰⁷ These hypothetical assumptions can cause different and unique kinds of security threats and hamper the stability of an individual, a society or a state. In recent times, environmental challenges such as pollution, excessive carbon emissions and rapid pollution growth increase scarcity of natural resources like water, energy and food across the region. Thus, it may escalate into both intra-state and inter-state conflicts.

¹⁰⁵ Barry Buzan, *People, States and Fear: An Agenda for International Security Studies in the Post-Cold War Era*, Boulder: Lynne Rienner, 1991, pp. 19-20.

¹⁰⁶ Shaukat Hassan, "Environmental Issues and Security in South Asia", *ADELPHI Paper*, No. 262, 1991, pp. 5-6.

¹⁰⁷ *Ibid*, p. 6.

Alan Dupont argues that environmental difficulties are unlikely to be the primary cause of major conflicts between states. Environmental issues interact with other sources of conflict to prolong or complicate existing disputes.¹⁰⁸ On the other hand, Jessica Tuchman Mathews argues that environmental decline occasionally leads directly to conflict especially when scarce water resources must be shared. Jessica shows that the impact of environmental decline on nations' security is felt in the downward pull on economic performance and therefore, on political stability. The study of Jessica illustrates that "the underlying cause of turmoil is often ignored; instead governments address the poverty and instability that are its results."¹⁰⁹ The findings are vehemently opposed by Daniel Deudney considering environmental degradation as a reference object of international security. Daniel articulates that the concept of national security, as opposed to national interest or well-being, is centered upon organized violence. He gives the example of natural calamities like earthquakes or hurricanes that cause excessive damage. He opposes the fact that such events are threats to national security.¹¹⁰ Deudney's analysis is criticized based on the natural disasters of typical kinds which have comparatively fewer effects on the developed countries. The capacity of the underdeveloped countries to tackle these environment disasters is not considered. For example, a cyclone has different post-effects to the United States and to Maldives. A cyclone may devastate Maldives because it has poor capacity for protection and recovery from natural disasters.

On the contrary, Ian Rowlands argues that "any force that has the power to inflict such harm upon a state and kill some of its citizens and displace others, reduce its agricultural output, threaten its water supply, and destabilize its ecological balance, should be received with considerable attention."¹¹¹ If remain uncontrolled, the natural disasters could be more threatening and ominous to the underdeveloped states, and would wreak more unmanageable security concern.

Daniel Deudney suggests that applying the concept of securitization in environmental problems is nothing but a convincing act for a statesman or actor who runs the state to legitimize military action to protect the state.¹¹² Waever and Brock also identify the idea of linking the army and environmental degradation

¹⁰⁸ Alan Dupont, "The Environment and Security in Pacific Asia," *ADELPHI Paper*, No. 319, 1998, pp. 75-76.

¹⁰⁹ Jessica Tuchman Mathews, "Redefining Security", *Foreign Affairs*, Vol. 68, No. 2, 166.

¹¹⁰ Daniel Deudney, "Environment and security: Muddled thinking", *Bulletin of the Atomic Scientists*, Vol. 47, No. 3, 1991, pp. 22-28.

¹¹¹ Ian Rowlands, "The security challenges of global environmental change", *The Washington Quarterly*, 1991, Vol. 14, No. 2, p. 103.

¹¹² Ole Weaver, "Securitization and Desecuritization," in R. D. Lipschutz (ed.), *On Security*, New York: Columbia University Press, 1995, pp. 46-86.

as a counterproductive linkage. This is because of the nature of the traditional defense institutions controlled by the state that lack instruments of cooperative measures or support in tackling natural disasters like cyclones or floods.¹¹³ However, this argument may not be feasible to the modern security institutions of many states. Military institutions are now quite adaptive to such situations and develop their capacities to handle the disasters and conduct relief and recovery programs, among other activities. The study of Homer-Dixon contributes a lot to the conflict-oriented approach of environmental security and tries to establish environment as a security concern. The study also shows the links between environmental scarcity and extreme situations of violent conflict. It acknowledges the traditional approach to security focusing on violence, and introduces human-induced environmental degradation as a key driver in causing violent conflict.¹¹⁴ Furthermore, it considers environment as an important referent object of international security.

The idea of human security plays a significant role in improving the narrow focus of environmental security from conflict-oriented approach. Human security usually concentrates on the security of the individual or groups in a society to ensure their well-being. Human security or insecurity is then a function of multiple factors affecting the well-being of the concerned group. A report by International Union for Conservation of Nature (IUCN) and Organization for Economic Cooperation and Development (OECD) mentions that the human security approach takes the focus away from state-centered interests and highlights the multiple stresses that may cause insecurity and the types of resilience that promote security for individuals and groups.¹¹⁵ The report justifies this approach by nullifying the distribution and composition of defense forces in the traditional war-like situation. It favors the idea that security and insecurity are closely related to poverty, resource scarcity or social discrimination. This approach also advocates that environment-induced conflict is one of the many factors influencing individual or societal security.

In the areas of environment and security, the study of Steve Lonergan describes the linkages between environmental change and human security. The study addresses a particular case of population displacement and scrutinizes how environmental change and lots of other concerned stimuli contribute to insecurity

¹¹³ *Ibid.*; L. Brock, "The Environment and Security: Conceptual and Theoretical Issues", in N. Gleditsch, (ed.), *Conflict and the Environment - NATO ASI Series*, Dordrecht: Kluwer Academic Publishers, 1997.

¹¹⁴ Thomas Homer-Dixon, *Strategies for Studying Causation in Complex Ecological-Political Systems, Occasional Paper*, Project on Environment, Population, and Security, Toronto: The Peace and Conflict Studies Program, University of Toronto, and the American Association for the Advancement of Science, 1995.

¹¹⁵ G. Dabelko, S. Lonergan and R. Matthew, *State of the Art Review of Environmental Security and Co-operation*, Paris: IUCN and OECD, 2000.

and vulnerability.¹¹⁶ The study explores the status of environmental refugees as a significant cause for human insecurity that arises because of environmental change. The study also finds that there are many hypothetical statements available regarding the causal relationship between environmental degradation and displacement. The study concludes that it is difficult to identify or isolate precisely the specific role that environmental drivers play in causing the displacement of people.¹¹⁷

The traditional security concept does not totally reject the environment as a security concern. Robert D. Kaplan tries to link military metaphors of nature as a hostile force with geopolitical threats to national security. He argues that it is time to understand the environment for what it is: the national security issue of the early twenty-first century. The political and strategic impact of surging populations, spreading disease, deforestation and soil erosion, water depletion, air pollution, rising sea levels in critical overcrowded regions like the Nile Delta and Bangladesh will be the core foreign-policy challenge.¹¹⁸

According to the study of Daniel Deudney, the making of environmental security is an outcome of the causal relations of securitization of the environment and the policy response of the state institutions.¹¹⁹ The study sets a link between the securitization process and environment, which legitimizes states' policy initiatives regarding the mobilization of different institutions in tackling environment-induced security threats. Environment is, therefore, identified as a cross-border issue that requires a shared responsibility of concerned nation-states. This transnational character of environmental drivers upholds its links with international security. Therefore, securitization is not always able to satisfy all requirements to link the environment and security. It is often a conjugal method of more than one conceptual thought of security that helps to identify environmental changes as a security threat.

¹¹⁶ Steve Lonergan, *The Role of Environmental Degradation in Population Displacement*, Global Environmental Change and Human Security Project, International Human Dimensions Program on Global Environmental Change, *Research Report 1*, Victoria: University of Victoria, 1998.

¹¹⁷ *Ibid.*

¹¹⁸ Robert D. Kaplan, *Coming Anarchy: Shattering the dreams of the Post Cold War*, New York: Random House Incorporated, 2000, p. 20.

¹¹⁹ Daniel Deudney, "Environmental Security: A Critique", in Daniel Deudney and Richard Mathew, (eds.), *Contested Grounds: Security and Conflict in the New Environmental Politics*, New York: State University of New York Press, 1999, pp. 187-219.

Environment-threat-vulnerability nexus: real security threat

The environment-threat-vulnerability nexus plays a vital role to prove that environment is a real security threat. This nexus currently gains new momentum due to a number of factors. Two aspects of this nexus are significant. First, the ecosystem integrity is crucial for people's sustainable livelihoods. Therefore, certain environmental conditions - often resulting from environmental change, such as qualitative (pollution) or quantitative (depletion) scarcity of ecosystem services - and also natural disasters can pose an acute threat to security.¹²⁰ This perspective on security is based on a broadly understood meaning of the term human security. The idea of human security centers on an individual as the object of security and considers vulnerability as a crucial factor. Environmental security also considers an individual as a significant referent object of security. Environmental degradations and climate change increase an individual's vulnerability. Moreover, environment is linked with international security as it becomes evident that national solutions to environmental problems would not be sustainable in the long run without international cooperation. Besides, there are possibilities of fears from international tensions caused by environmental issues.¹²¹

The second aspect is the direct relationship between environment and transnational/global conflict. One assumption in this context is that a number of environment-related factors such as environmental degradation, depletion and lack of access to natural resources can lead to the outbreak of violent conflict.¹²² Günther Baechler shows how environmental conflicts are characterized by the principal importance of degradation in one or more of these fields: "overuse of renewable resources, overstrain of the environment's sink capacity, and impoverishment of the space of living."¹²³ He argues in favor of the existence of the environment-violence nexus. It says that "violent conflicts triggered by environment due to degradation of renewable resources (water, land, forest, vegetation) generally manifest themselves in socioeconomic crisis regions of developing and of transitional societies if and when social fault lines can be manipulated by actors in struggles over social, ethnic, political, and international power"¹²⁴. There are attempts to link ecological degradation and resource scarcity as the significant risk factor for a society and a nation. Scarcity

¹²⁰ Jon Barnett and W. Neil Adger, "Climate Change, Human Security and Violent conflict", *Political Geography*, Vol. 26, No. 6, 2007, pp. 639–655.

¹²¹ Lars Wirkus and Ruth Vollmer (eds.), *Monitoring Environment and Security Integrating Concepts and Enhancing Methodologies*, Bonn: Bonn International Centre for Conversion, 2009, p. 8.

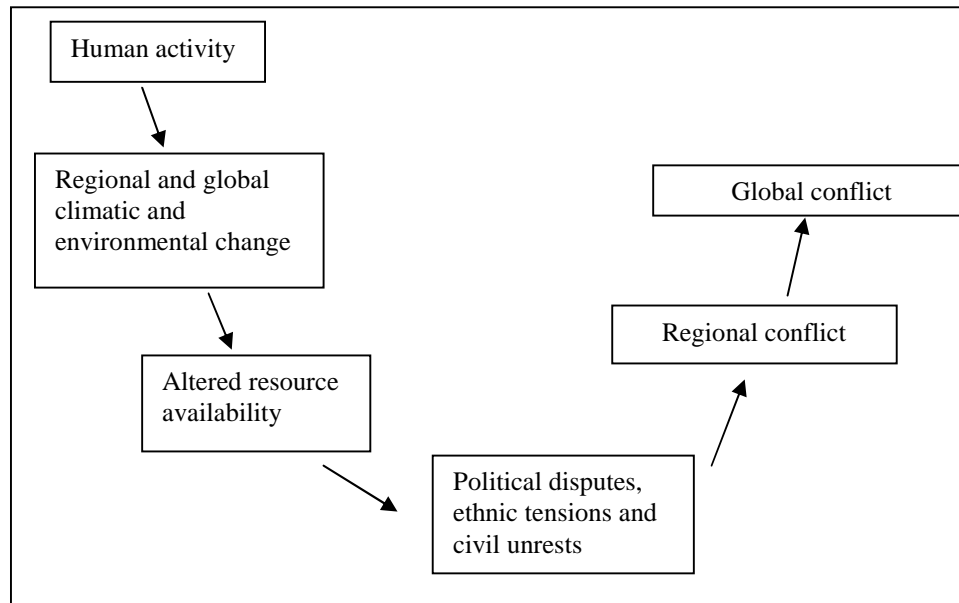
¹²² *Ibid.*

¹²³ Günther Baechler, "Why Environmental Transformation Causes Violence: A Synthesis", *Environmental Change and Security Project Report*, Issue 4, 1998, p. 24.

¹²⁴ *Ibid.*, p. 25.

generates more demands for the natural resources. Lack of supply in response to an increasing demand increases environmental risks and bring adverse changes to the world system. The changes raise environment-induced tensions or conflicts. Figure 1 illustrates the potential for economic activity to cause environmental changes that lead to a conflict.¹²⁵

Figure 1: Environmental routes to conflict



The study of Chalecki explains how the patterns of human behavior and its interaction with the economic variables of the society can bring climatic changes both regionally and globally. The relevant example is the increase of carbon dioxide gas emission due to large industrialization in many parts of the world. Climate change and ecological degradation hamper the natural flow of resource supply and lead to political disputes, ethnic and civil unrests. As the environmental resources are transnational in nature, conflicts over scarcity of resources can be amplified to regional and global level in the long run. The study of Homer-Dixon investigates the relationship among population growth, renewable resource scarcities, migration and violent conflict and, thus, contributes to frame a model of environment-threat-vulnerability nexus. The study mentions three reasons that relate environment with conflict. These are the degradation and depletion of renewable resources, the increased consumption of

¹²⁵ Elizabeth Chalecki, “Environmental Security: A Case Study of Climate Change”, in *Pacific institute for Studies in Development, Environment, and Security*, 2009, p. 2, available at www.pacinst.org

those resources, and their uneven distribution.¹²⁶ Population growth is also critical to uneven distribution and increased consumption. The study adds social distribution of resources into the definition of environmental scarcity. Therefore, the link among environment, resource scarcity, conflict, and threat to security is established.

Impact of environmental degradation and national and international responses

The Germanwatch Global Climate Risk Index reveals that more than 650,000 people died worldwide from extreme weather events, and losses of more than US\$2.1 trillion occurred globally since 1990.¹²⁷ Available other reports also provide detailed information on environmental degradation and its impact on human life and biodiversity in the 21st century: 50 per cent of the forests have been destroyed; only one-fifth of the earth's forests are undamaged.¹²⁸ Forest area has increased slightly since 1980 in industrial countries, but has declined by almost 10 per cent in the developing countries. Carbon emission is a big crisis. With the current rates of emissions, the earth will experience an 1 °C (1.8 °F) warming by 2030 at the latest, and a 3 °C (5.4 °F) increase in temperature before the end of the next century.¹²⁹ This will have tremendous consequences, such as widespread extinction of plants and animal species, sea level rise and coastal flooding.

It is projected that by 2050, the sea level will rise approximately 1.5 meters, submerging low lying areas like Bangladesh and Maldives.¹³⁰ Numbers of storms and other climatic disorders such as hurricanes, cyclones, and typhoons will increase due to global warming. Biological diversity will be severely hampered. There are biological species that will become extinct in the next 20 to 50 years. The ocean plays a vital role in maintaining biodiversity, regulating climate and weather patterns, and providing food and jobs for millions of people worldwide. These roles will be hampered significantly. Coastal areas are increasingly experiencing habitat loss due to sea level rise and severe storm events. Due to the rise in temperature of the sea water, the intensity of extreme weather events such

¹²⁶ Betsy Hartmann, "Population, environment and security: a new trinity", *Environment and Urbanization*, Vol. 10, No. 2, 1998, pp. 116-117.

¹²⁷ Sven Harmeling, *Global Climate Risk Index 2011: Who suffers most from extreme weather events? Weather-related loss events in 2009 and 1990 to 2009*, Berlin: Germanwatch, 2010, p. 5.

¹²⁸ The World Revolution 2010, available at <http://www.worldrevolution.org/projects/globalissuesoverview/overview2/EnvironmentNew.htm>, accessed on 20 November 2010.

¹²⁹ *Ibid.*

¹³⁰ *Ibid.*

as hurricanes, typhoons and cyclones is expected to rise.¹³¹ Climate change and ocean acidification create negative impacts on marine and coastal ecosystems. This degradation is caused by over-fishing, pollution, coastal destruction and declining water quality, which is already limiting coastal and marine ecosystems in performing their functions.¹³² A sharp rise in urbanisation also creates unexpected pressure upon nature and makes the process of resource distribution uneven.

There are responses to the crises both at national and international levels. One of the responses is known as adaptation strategy. Adaptation refers to the adjustments in ecological, social or economic systems in response to actual or expected climatic stimuli and their effects or impacts. It refers to changes in processes, practices and structures to moderate potential damages or to benefit from opportunities associated with climate change.¹³³ As part of the national response, countries usually go through a consultative process to integrate environmental and climate change issues into sectoral policies. States also conduct “need assessments” of the availability of resources to implement relevant policies. Institutional capability at the state level has been identified as a major constraint in implementing policy and enforcing environmental acts and regulations.

To overcome the constraints, states concentrate on developing the capacity of individuals and institutions in this regard. States conduct research studies and implement action plans to prevent further deterioration of the environmental resource base and to assess the making of environment-friendly sectoral policies. Furthermore, states explore avenues for regional and international cooperation to fight against environmental insecurity. For example, the government of Bangladesh has adopted a set of environment policies to manage its environment effectively. Bangladesh has started its activities with limited capacity to fight against the impacts of climate change. However, it is playing a proactive role in many regional and international environmental forums nowadays. The reason of the initiatives is that Bangladesh has been identified as one of the most vulnerable countries in the world considering the environmental impact assessment.¹³⁴ The government of Bangladesh has ratified the UN Framework Convention on Climate Change (UNFCCC) and has kept its commitment to

¹³¹ R.K. Pachauri and A. Reisinger (eds.), *Climate Change 2007: Synthesis Report*, Geneva: IPCC, 2007.

¹³² Caitlyn Toropova, Imèn Meliane, Dan Laffoley, Elizabeth Matthews and Mark Spalding, *Global Ocean Protection: Present Status and Future Possibilities*, Switzerland: IUCN, 2010, p. 64.

¹³³ E. Lawrence, *Henderson's Dictionary of Biological Terms*, UK: Longman Scientific and Technical Harlow, 1995, p. 693.

¹³⁴ Sven Harmeling, *op. cit.*, p. 6.

adopt the National Adaptation Programs of Action (NAPA).¹³⁵ These programs address urgent needs for adaptation strategies to avoid more vulnerabilities in future.

In recent times, international community is paying attention to the security implications of environmental problems and climate change. The Fifteenth Conference of the Parties (COP) of the UNFCCC in Copenhagen creates sufficient incentives for environment. The governments of the participatory nations in the Sixteenth COP renew their hopes for a concerted effort to combat climate change. They negotiate for a ‘balanced package’ (‘six-pack’ package), which combines progress on mitigation, transparency (measurement, reporting and verification), adaptation, finance, technology, and REDD (reducing emissions from deforestation and forest degradation).¹³⁶ They also set up a new ‘Green Climate Fund’ to manage US\$100 billion in aid by 2020 to the nations affected by climate change.¹³⁷ The fund will be monitored by a board of 24 members evenly selected from developed and developing nations.

International pressure along with national awareness is on rise to protect global climate and environment. National governments are working in joint collaboration with their international development partners. The Government of Bangladesh is implementing its long term planning to manage environmental risks with the help of international development agencies.¹³⁸ The Asian Development Bank, the World Bank, Department for International Development (DFID), Canadian International Development Agency (CIDA) and many other development partners are involved in building the capacity of the government and non-government organizations to produce an effective and efficient governance mechanism to fight against environmental threats. Therefore, attaining environmental security has become a significant policy issue where the stakeholder is not only the government of a state. Various actors from non-government to international development agencies are also involved in the process. The development and implementation of environment management strategies to address the negative impacts of climate change are a complex process. Any action which is not planned properly may inadvertently contribute to further insecurity and violence.

¹³⁵ Ministry of Environment and Forest, Government of the People’s Republic of Bangladesh, *National Adaptation Program of Action (NAPA)*, Final Report, Dhaka, 2005.

¹³⁶Peter Wood, “Cancun COP 16: A ‘six-pack’ for long-term cooperative action”, available at: <http://www.eastasiaforum.org/2010/12/10/a-six-pack-for-long-term-cooperative-action/>, accessed on 10 December 2010.

¹³⁷“Nations set up climate fund” available at: <http://www.newagebd.com/2010/dec/12/front.html>, accessed on 12 December 2010.

¹³⁸ ADB Technical Assistance Report 2009, *Supporting Implementation of the Bangladesh Climate Change Strategy and Action Plan*.

Figure 2: Collective responses to attain environmental security

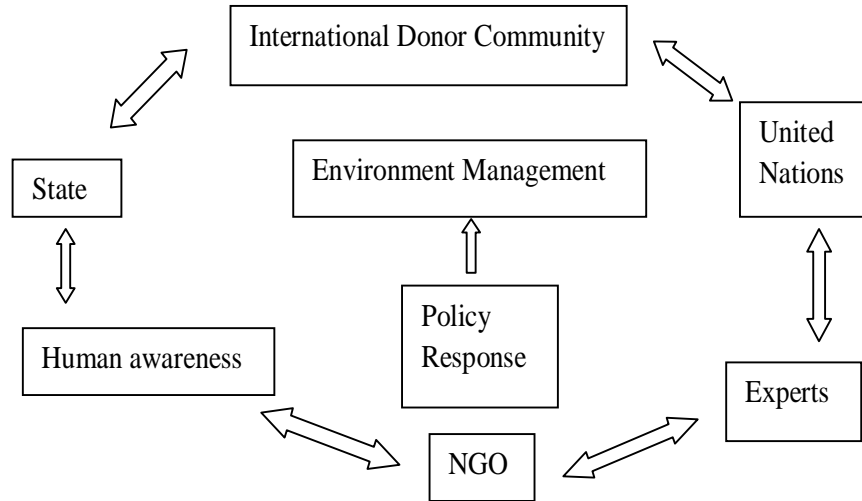


Figure 2 explains the policy formulation process of adaptation strategies regarding environmental management. Environmental adaptation strategies today are formed and implemented collectively by different stakeholders: government, NGOs, international donor community, and experts from home and abroad. The issue is now transnational for further cooperation among the divergent actors. The cooperation may embrace a framework of collective security to decipher the codes of environmental threats and promote mutual engagements. One can relate environment and security through the framework from the securitization perspective. The securitization actors may be increased from the vulnerable population group to more active agencies like NGOs and IDCs. The actors may formulate policies which are foremost concerns of the security dilemma. Speech act (i.e. the politicization factor of securitizing the environment) is significantly present when the actors are involved to create a framework of environmental security. Both national and international responses to negate environmental risk factors are important to rationalize environment as a security threat.

Concluding remarks

This paper represents different schools of thought of security studies with especial focus on environment-led security threats. It discusses the contribution of post-realist schools of thought in constructing the idea of environmental security. This paper articulates that formulating cooperation strategies to encounter environmental threats require all the concerned actors to critically observe whose security is addressed and how the security can be addressed. To consider environment as a security threat, it is obvious that conventional security

discourse requires a reform to overcome its state-centric conceptual underpinnings. A mono-disciplinary approach is unlikely to perform the task of understanding the security concerns in the 21st century. An interdisciplinary research approach is essential to understand the environmental security. This approach assumes to involve a wide range of experts from environmentalists to defense specialists; understand the research questions and permit detailed investigation about security; observe the capacity of the concerned actors to secure the subjects; sketch the network of security actors who define/redefine security. The approach should correlate the causal factors of environmental threats to human security. Identifying environmental threats as security concern has, therefore, become the comprehensive task for academics and practitioners.

Mizan R. Khan

FROM CANCUN TO DURBAN: IS THERE ANY LIKELIHOOD OF A NEW CLIMATE REGIME?

Abstract

COP16 of the UNFCCC at Cancun is regarded as a success, compared to the frustrating outcome at Copenhagen. However, the success part relates only to several issues of adaptation. The frustrating aspect is the mitigation part of the regime, which is the ultimate solution, but it remains as intractable as ever. This paper raises few queries including why there were some successes in adaptation, and not any in mitigation. The author argues that nothing positive in this regard at Cancun or any likelihood of its progress in the foreseeable future prodded the industrial countries to agree to some positive steps in adaptation. Still important issues regarding climate finance remain unresolved. Further, a *realpolitik* approach to upholding national interests and adherence to conventional sense of sovereignty by the major emitters, particularly by the US, stand in the way. The paper ends with a few suggestions on how to put pressure on the emission powers to listen to the call of the day.

Introduction

The two week-long 16th Conference of the Parties (COP16) of the UN Framework Convention on Climate Change (UNFCCC) was held at Cancun during 28 November to 10 December 2010. COP16 adopted two main documents: i) a 32-page Text of the Ad-hoc Working Group on Long-term Cooperative Action (AWG-LCA) and ii) a 2-page Text of the Ad-hoc Working Group on Kyoto Protocol (AWG-KP). Participants and observers now continue assessing the Cancun Agreement in different ways, depending on the perspectives taken. However, no analysis this time seems to express total frustration, as was the case with Copenhagen. The reason, perhaps, is that this time expectations were quite low, compared to the highly-charged expectation of a legally-binding agreement at Copenhagen. This time there was less pressure on mitigation issues, so there was some success in other areas including adaptation. Another positive outcome was the fact that the UNFCCC process could be reestablished, at least for the time being, as the universal forum for climate diplomacy.

The decision texts appear to reflect the language of the Copenhagen Accord and to build on it in few areas. The main decisions contained in the AWG-LCA

Mizan R. Khan, Ph. D., is Professor, Department of Environmental Science and Management, North South University, Dhaka. . His E-mail is: mizanrk@northsouth.edu

© Bangladesh Institute of International and Strategic Studies (BISS), 2011.

text include the adoption of the Cancun Adaptation Framework, with its nine elements, establishing an Adaptation Committee, a Technology Mechanism, with a 20-member Executive Committee, again non-binding promises of US\$ 30 billion as fast-start finance and US\$ 100 billion as long-term finance for adaptation and mitigation, a new Green Climate Fund, with a 40-member Transition Committee, and few work programs including one for adaptation. Some concrete decisions have also been taken on arresting deforestation (REDD+) in developing countries. Parties have been requested to submit their views by 21 February 2011 on the composition and modalities of the Adaptation Committee and also on the elements of the Adaptation Work Program. World Bank has been chosen to work as the 'Interim Trustee' of the newly-established Fund, while the Transition Committee works out detailed procedures and modalities of functioning of the Fund as the financial mechanism of the UNFCCC.

Though there was some progress in monitoring and verification of non-binding national emission cuts through standardized self-reporting and international verification mechanisms, the most frustrating aspect of the Cancun outcome is the mitigation part of the regime, which is the ultimate solution to the problem. The AWG-LCA Text mentions the lead role in mitigation to be played by the industrial countries including the US, and agrees to keep temperature below 2°C, with a long-term goal of setting a target of reducing emissions by 2050 at COP17 in Durban. The 6-para, 2-page AWG-KP text agreed to extend KP track into the 2011 Durban meeting. Even some KP Parties this time have openly refused to assume responsibility under the 2nd commitment period of the Kyoto Protocol that begins in 2013, unless the major emitters from NAICs assume binding commitment for emissions reduction.

In view of the above, some questions can be raised: Why was there some success in adaptation in Cancun? Why was there no such progress in the mitigation regime? Is there any prospect at COP17 in Durban? Further, what is the prospect of delivery of pledged funding, particularly for adaptation, the utmost concern of the 'most vulnerable countries'(MVCs)? In what proportion funds are likely to be allocated between adaptation and mitigation? These are the queries the paper proposes to deal with, putting a focus on the politics over mitigation. The paper argues that a *realpolitik* approach to promoting national interests and adherence to conventional sense of sovereignty by the major polluters stand in the way of a climate regime.

Politics Over Adaptation and Its Funding

It may be recalled that the ultimate objective of the 1992 Climate Convention (Article 2) 'to achieve stabilisation of greenhouse gas concentrations in the atmosphere' indicates a consensus among Parties to take action for mitigation

(reduction of greenhouse gas emissions). Adaptation to the impacts of climate change was then regarded as an afterthought, though by the late 1990s many of the G77 group (called the non-Annex1 countries, NA1Cs), particularly the Association of Small Island States (AOSIS) and LDC delegates pressed for more focus on adaptation. However, the Annex1 countries (A1Cs, industrial) initially resisted this attempt, perhaps understanding that a focus on adaptation would be an acknowledgment of responsibility and liability, since they were mainly responsible for global warming (Gupta, 1997; Okereke, 2008). So, there was the moral risk for them, as taking this responsibility for adaptation costs might fuel demand for solutions to other global problems, such as poverty, health, and human rights violations (Shue, 1999). Further, since global warming is a global public bad, mitigation projects in NA1Cs bring in benefits to A1Cs, but adaptation projects do not do so.

On the other hand, there was also reluctance among many actors in the NA1Cs and civil society to engage in adaptation, because of fears that it would distract from efforts to achieve an adequate mitigation framework. Adaptation as a strategy also continued to be held back by intra-G77 disunity. Based on Article 4(8) of the Convention, OPEC, led by Saudi Arabia, continued to demand compensation for the economic and social consequences of a likely reduction in oil sales. It was argued that compensation from the A1Cs for investment in diversifying their oil-dependent economies should be regarded as an adaptation strategy. This standoff was in effect holding the millions of people who are suffering from climate change impacts and in dire need of adequate support to cope with its adverse effects hostage (ECO, 05 June 2010). However, the Bali Action Plan adopted at Cop13 in 2007 broke this impasse, moving the impact of “response measures” (likely reduced demand for oil) under the pillar of mitigation (para 1bvi).

Anderson argues that “adaptation to a changing climate will be unavoidable. But it is a subject that carries a heavy ideological freight, for many people in the environmental movement suspect that any discussion of adaptation can only distract attention from the efforts to cut emissions” (Anderson, 1997). Burton (1996) suggests that any demonstration of likely success of adaptation might weaken mitigation policies. Initially, even research on adaptation was seen as substitute to mitigation (Burton, 1996). As a result of apprehension among many actors in both the North and the South, the cardinal principle in the Convention of “common but differentiated responsibility and respective capabilities” (CBDR + RC) was employed as a rationale for A1Cs to take lead on action in mitigation, but this principle was generally not discussed in terms of adaptation. This low profile of adaptation is evident from the fact that only six of the 44 proposals for a post-Kyoto regime deal with adaptation as a policy issue (Kuik, 2008).

Thus, while there was a tendency among many actors in both the A1Cs and NA1Cs to downplay adaptation issues in the first decade of the Convention,

COP7 of the UNFCCC held in Marrakech in 2001 for the first time highlighted adaptation as a major strategy to address climate change impacts. Three funds were established – the Least Developed Countries Fund (LDCF) and the Special Climate Change Fund (SCCF) under the Convention, and the Adaptation Fund (AF) under the Kyoto Protocol. This was followed by COP8 with the Delhi Declaration (which focused on development needs of the NA1Cs, and in which adaptation issues were given added impetus. One reason that this shift took place is that A1Cs were not fulfilling their promised mitigation commitments under the regime. So, some analysts argue that three factors drove the NA1Cs, particularly the AOSIS and LDCs, to shift their focus to adaptation: **first**, there was a noticeable increase of climate-related disasters in the 1990s, and a cognitive framework in which to understand them (and to assign blame for them); **second**, the culpable nations were not taking adequate action to prevent “dangerous climate change” as agreed under the Convention; and **third**, it was a more ‘winnable’ fight, as few major A1Cs were not taking actions for mitigation, or even not complying with the Kyoto commitments; so they appeared ready to give some concessions in the area of adaptation (Roberts, et al., 2011). This was evident from the agreed outcomes related to adaptation in Cancun.

However, these initiatives provided few concrete measures that lead to adequate funding or concrete action. Overall, in the Convention and the Protocol, the texts on adaptation focus on planning rather than action. The Convention uses the language, such as ‘prepare for’ (4.1.e) rather than implement, and ‘take climate change considerations ... to the extent feasible’ (4.1.f), rather than giving them priority. The Protocol says ‘strive to’ (2.3), rather than implementation policies and measures (PAMs). So, it can be argued that compared to mitigation, the legal basis of adaptation under the Convention is very weak. Also, the provisions on adaptation were dispersed across the texts. The decision of developing an Adaptation Framework this time in Cancun is expected to plug some holes in the adaptation regime. This brings us to discussing the issue of finance.

Climate Finance and Politics

For the first time in Copenhagen, a number was put in writing of what A1Cs, virtually the OECD countries, would provide NA1Cs to meet mitigation and adaptation needs: \$30 billion in “Fast Start Finance” over 2010-2012 and “scaling up” to \$100 billion a year by 2020. The language was still loose with plenty of wiggle room (Roberts et al. 2010), but for the first time there was a promise to respond to adaptation needs, particularly for the most vulnerable countries (MVCs), in a way that seemed “balanced” with mitigation efforts. A year later in Cancun, there was unprecedented pessimism for achieving an adequate mitigation framework; so Cancun saw adaptation emerge, at least temporarily, as an issue with equal attention committed to that of mitigation. By anchoring the Copenhagen Accord into the UNFCCC and establishing a long

sought-after Adaptation Framework and the Green Climate Fund, the Cancun Agreements have positioned adaptation finance as an issue that is likely to remain at center stage in the negotiations in Durban and beyond. Though few countries objected to adopting some of the text related to adaptation issues in Cancun, the Chair of COP16 the Mexican Foreign Minister ruled it out, saying that consensus does not mean unanimity. In terms of adaptation finance, behind the ambiguous wording of the Convention and Protocol, and the new language coming from the Copenhagen Accord and the text of the “Ad Hoc Working Group on Long-Term Cooperation” which was approved in the Cancun Agreements, profound conflicts lie unresolved.

Financing of the adaptation and mitigation measures is another most debated issue, with both supply and demand side connotations. Actually the financing agenda includes quite a number of sub-issues: i) whether the non-binding pledged pots are big enough to meet the challenge, ii) where the money will come from, iii) how to allocate money between adaptation and mitigation, iv) whether the money is ‘new’ and ‘additional,’ v) what should be the modalities of fund management, and vi) finally, how to allocate the available money among a huge number of G77 countries for their adaptation and mitigation efforts. This is a long list and this paper focuses on the first four queries.

Stern Review argues that inaction will cost 5 per cent to 20 per cent of global GDP, but action now will cost only 1 per cent of it (Stern, 2007). Put in different terms, for example, this equals a global average cost of about US\$ 0.02 per kilowatt hour of electricity or US\$ 0.25 per gallon of gasoline, which does not sound very big. UNFCCC estimates about US\$ 200 billion as the need to return GHG emissions to current levels in 2030. This is just less than half of 1 per cent global GDP or less than 2 per cent of the global investment (UNFCCC, 2008). For GHG mitigation, International Energy Agency’s *World Energy Outlook 2009* puts an estimate that in order to stabilize GHG concentrations at 450 ppm, energy sector in non-OECD countries needs US\$ 200 billion additional investment in clean energy and energy efficiency in 2020 including US\$ 70 billion for nationally appropriate mitigation actions (NAMAs) in NA1Cs. The World Bank in its recent World Development Report on climate change and development puts the combined needs for mitigation and adaptation per year by 2030 closer to US\$ 275 billion (World Bank, 2010). Both the Copenhagen Accord and Cancun Agreements stipulate non-binding target of mobilizing US\$ 30 billion for 2010-2012 as fast-track funding for adaptation and mitigation and US\$ 100 billion a year by 2020 as long-term finance. So, there is a huge gap even between the non-binding pledges and the estimate costs. How does the gap in actual delivery of funding?

The track record of fund transfer to the NA1Cs is really dismal so far, either for mitigation or adaptation. During the last decade, only about US\$500 million was collected by the UN system as adaptation funding for developing countries, out of which only US\$ 65 million has been disbursed so far. The LDC Fund has

disbursed only \$18 million by the end of 2009 (USCAN, March 2010). Another estimate shows that about US\$ 150 million has been disbursed under the three climate funds (Table-1). The amount of climate finance pledged during the last decade – about US\$ 20 billion is just 0.07 per cent of the \$2.8 trillion committed to turn the financial crisis, which is a ‘temporary’ crisis against climate change being a ‘permanent’ crisis. But donors have deposited only US\$ 2 billion, with disbursement reaching less than half of it (WRI, 2010). Klein (2008) estimates that current level of climate finance is two orders of magnitude smaller than the estimated needs.

For most of this decade, the road to having international agencies fund adaptation action has been painfully slow, and this created frustration among developing countries and mistrust of Northern actors. One analysis of 115,000 foreign assistance projects catalogued by the OECD through 2007 showed that almost none were for real action on climate adaptation (Roberts et al. 2008). Despite the many measures introduced in the Convention, adaptation finance remained a peripheral issue in the negotiations until quite recently. Contributions to the Marrakesh Funds remained voluntary and relatively small, as shown in Table-1.

Table 1: Status of UNFCCC Funding (in million US\$)

Funding source	Commitment	Paid	Disbursed
Least Developed Countries Fund (LDCF)	\$221.45	169.19	141.91
Special Climate Change Fund (SCCF)	147.77	110.48	97.14
AF	372.0 (estimated availability until 2012)		14.0

Source: Krishna Krishnamurthy, Climatico Group, www.climatico.org, posted on 06 December 2010.

One question appears pertinent here: where did these numbers of \$30 billion and \$100 billion come from? Back in September 2009, just about 3 months before Copenhagen, the EU actually proposed that developing countries would need around 100 billion Euro a year by 2020 for addressing climate change mitigation and adaptation. While much of this money should come from the private sector including from an expanded international carbon market, rich nations should provide public financing worth between 22 and 50 billion Euros per year. With this move, the EU expected to put pressure on other major emitters including ones from the developing countries. But several European countries were against making such figures public so soon, lest it could play in the hands of China and India (www.neurope.eu/articles/96111.php). Perhaps this number of 100 billion Euro (US\$149 billion) has been kept the same as just the number, but about 33 per cent less in dollar terms. On the other hand, the then British Prime Minister Gordon Brown in a meeting of Commonwealth leaders in

Port of Spain on November 2009 called for the creation of a US\$ 10 billion year fast start' finance, beginning from 2010. Brown said half of the proposed money should go toward adaptation and the remaining half should go for dealing with deforestation and building cleaner energy sources (Reuters, 27 November 2009). The purpose of such proposals by the EU leaders was to build momentum for an agreement in climate talks in the upcoming Copenhagen. The Head of the states and governments, who have drafted the Copenhagen Accord, perhaps built the figures of \$30 billion and \$100 billion based on the European proposals.

Further, there is the debate about public versus private funding. In mitigation, private sector has a specific role and it needs to lead in developing clean technology. But the issue is – the AIC obligations cannot be taken over by the private sector. As climate change is a major market failure, tackling it should not be entrusted to the speculative behavior of a global carbon market (Stern, 2006). Still, mobilization of alternative sources of finance can give the impression that funds are 'new' and 'additional' at least in terms of how the revenue is raised.

There is disagreement among some donors and G77 countries on whether adaptation finance should be grants or low-interest loans. The LDCs and AOSIS strongly argue that adaptation finance must be given as grants, not loans, on the understanding that it is not owed to their countries as 'aid,' but as payment from polluters of high emitting countries to those that are most vulnerable to the impacts (Oxfam International, undated). For obvious reasons, Article 4.3 of the Convention clearly stipulates that developed countries will mobilize 'new' and 'additional' funding for addressing climate change issues in the developing countries. This means that funds must be in addition to the 1970 UN commitment in which donors agreed to spend 0.7 per cent of their Gross National Income on Overseas Development Aid (ODA) (UNGA, 1970). Globally, the industrial countries have reached just less than half the commitment level till to date, with few exceptions, who have already met more than the target. Moreover, there is serious apprehension that the industrial countries will recycle the ODA towards climate finance, or past pledges are renamed or restated as commitments to FSF. For example, in January 2010 it was revealed that the UK's contribution of US\$ 2.5 billion pledged in Copenhagen as part of the EU's 7.2 billion Euro package for short-term financing is entirely from its already announced development aid budget with half of it previously allocated and at least a third of the money provided in the form of repayable loans via the World Bank (Adam, 2010). Similar is the case with German climate finance. For example, the 420 million Euro pledged by Germany mainly consists of funds already earmarked for climate protection and development cooperation (WRI, 2010), with only 70 million Euro in new funding allocated in the 2010 federal budget to fulfill the pledges made in Copenhagen. In like manner, Japan's Hatoyama Initiative resembles the previously announced Cool Earth Partnership with some new resources included in the initiative. The US is also counting previously

committed funds to CIF of the World Bank as FSF (WRI, 2010). This approach undermines the credibility of financial pledges made at international level and damages the trust in the climate process (WBGU, 2010). So, the *power of the purse* is clearly lacking. But Stern (2009) argues that “to say we cannot afford it is nonsense” and he emphasizes that the returns in terms of climate security from a global danger compare very favorably with security benefits from external threats provided by defense budgets, which typically run at ten times the amount needed for reaching a climate deal (only 1 per cent of the budget). And he concludes that “the claim ‘we cannot afford it’ is not very different from ‘we are not sufficiently bothered to deal seriously with climate change... that is simply reckless” (p.179).

Copenhagen Accord stipulates that there would be ‘balanced allocation’ of funds between adaptation and mitigation. But looking at the allocation pattern, it can be said that adaptation still is regarded as the step daughter of the regime. Huq of the IIED informs that the lowest estimate for funding of adaptation stands at a mere US\$ 3 billion only out of the committed US\$ 30 billion (Huq, Guardian, 15 November 2010). This amount appears really paltry when it is required to be distributed among more than 130 G77 countries. Actually, global average funding for adaptation stands at around 11 per cent only, but EU funding for it appears somewhat more, at 37 per cent (WRI, 2010). Moreover, a significant portion of adaptation funding is likely to come from bilateral sources, which are likely to dominate in climate finance, as in ODA.

Politics in Mitigation Regime

As mentioned before, the ultimate objective of the Climate Convention is ‘to achieve stabilization of greenhouse gas concentrations in the atmosphere.’ But the responsibility was left to voluntary will of the Annex1 Parties. Later came the Kyoto Protocol in 1997 under the Convention, with differential targets of GHG emissions reduction. Though the US was a signatory to the Protocol under leadership of the then Vice-President Al Gore, the US Congress did not ratify it mainly because of two reasons: a) compliance with the Protocol commitment (7 per cent reduction of its GHG emissions by 2008-12 compared to 1990 level) was viewed to be too costly for America, and b) the major developing countries, such as China and India do not have binding obligations for reduction. Now the US remains the lone holdout to the Protocol among the A1Cs. So, once the Protocol came into force in early February 2005, after Russia’s ratification, the annual meetings of the UNFCCC started to have two segments – the COP and the COP/MOP. The debate now in the form of one track vs two-track process continues to stymie the negotiation process: one track under the Kyoto Protocol, with its Parties (Ad-hoc-Working Group-KP), and the other track - Ad-hoc Working Group-Long-term Cooperative Action (AWG-LCA), which emerged under the Bali Action Plan (BAP), adopted at COP-13 in 2007. The latter includes all the Convention Parties including the US. Future progress on the

mitigation regime will depend on whether to merge the two tracks – AWG-LCA and the AWG-KP into one framework, or to continue the two-track approach. The latter option looks really bleak for reasons explained below.

The stalemate in the negotiations continues, not because parties deny the need for mitigation efforts, but who mitigates and how much, e.g., about burden-sharing of emissions reduction. Even the overwhelming majority of the AIC KP Parties is not likely to comply with their mitigation commitments by 2008-12. In fact, emissions of AIC countries have increased by more than 15% compared to 1990, the base year for Kyoto commitments. In 2009 with the Copenhagen Accord, a major shift took place, away from the legally binding greenhouse gas limits for most developed countries established in the Protocol, to a system of “bottom-up” emissions reduction pledges. In this bottom-up approach designed by the major emitters from NAICs, called the BASIC, and the U.S., there was no agreed upon aggregate figure for emissions reduction, nor any system to ensure that the pledges made are deep enough to meet scientifically required emissions reduction. The outcome at Cancun in the area of mitigation did not see any progress. The Centre for Science and Environment in Delhi commented: “The agreement is bad for climate change action (because) there is no global emission reduction target for 2050; nor is there a target for peaking year” (posted on 23 December 2010: www.climatico.org).

Despite the text in the Copenhagen Accord that commits to recognise “the scientific view that the increase in global temperature should be below 2 degrees celsius ($^{\circ}\text{C}$),” calculations are that the pledges condemn us to 3.9-4.0 degrees of warming (Climateinteractive.org). A UN Environmental Programme Report found that even if the Copenhagen pledges are met, the amount of greenhouse gases remaining in the atmosphere would “imply a temperature increase of between 2.5 to 5 $^{\circ}\text{C}$ before the end of the century”(UNEP, 2010). Other calculations also show that voluntary pledges under the Accord, even if implemented, will raise temperature more than 3 $^{\circ}\text{C}$ (Rogelj, *et al.*, 2010).

It may be recalled that as a patchwork of compromises, the Protocol had many positive aspects: a) market mechanisms, b) flexibility in GHG emission reduction regimes, c) appearance of fairness in terms of differential responsibilities between AICs and NAICs, and d) political viability in terms of participation, if not compliance. But many analysts argue that the Protocol had some negative aspects, such as: a) leading emitters from NAICs are out, b) emissions leakage to countries with non-binding commitments, c) time horizon (5 years) for commitment is too short, and d) does not provide sufficient compliance incentives (Olmstead and Stavins, 23 October 2010).

But the Copenhagen Accord gives up the “global governance” approach of the Protocol, which sets a collective reduction goal through individual targets, but the Accord has individual targets and their simple verification. Compared to the Protocol approach, four essential elements are regarded lost:

a) the Accord is not legally binding and there is no provision against non-compliance, b) there is no guarantee that individual efforts are of comparable magnitude, in fact individual efforts proposed differ widely, c) No guarantee that the sum of individual commitments is sufficient to achieve the collective goal, and d) the Accord is still a partial agreement, as not all countries signed it.

The US likened the Kyoto Protocol to the 'Berlin Wall' which needs to be broken for having an effective deal in mitigation (Stern, 2010). A unified framework, proposed initially by Australia at the Bangkok meeting of the UNFCCC in August 2009, is supported by the US, Japan and also by many EU countries, while the G77 opposes such an approach, as it blurs the differentiation between two groups of countries – A1Cs and NA1Cs - of the responsibilities of addressing climate change, so clearly spelt out in the Convention and the Protocol.

Article 3.1 of the Convention clearly states the cardinal principle of burden-sharing: common but differential responsibilities based on respective capability (CBDR+RC). There is already a good deal of literature that deals with historical responsibility for climate change, but the problem is that the industrial countries at large, particularly the US is not ready to share this burden. Vast majority of the literature and their methods of calculation puts major responsibility on the industrial countries (Brazil's Proposal, 1997; Bayer, *et al*, 2007; Muller, *et al*, 2007; Garvey, 2008; Vanderheiden, 2008; Harris, 2010), while few others with different methods of calculation do not absolve many developing countries of their responsibilities to historical emissions (Weisbach, 2010). As a corollary to the CBDR, the Polluter-Pays-Principle holds that the actor who creates a mess must clean it up, or pay to do so. This principle exists in the U.S. environmental law, since Superfund puts the onus on polluting chemical industry for cleanup of toxic spills, even if the polluter did not know about the dangers of the contaminants when they were released. Responsibility even when scientific understanding is lacking, is crucial, since developed nations have a heavy "historical responsibility" for climate change, but often claim they did not understand the risks (Roberts and Parks, 2007). There is no denying that emissions in developing countries are increasing more rapidly for obvious reasons. And the commitment of the NA1Cs is conditional in the sense that it depends on transfer of finance and technology from the A1Cs (Article 4.7 of the Convention). Until there is realistic appreciation of these facts, there is little likelihood of any progress in climate talks.

While it is true that emission reductions committed by the KP Parties now cover less than 30 per cent of global emissions, there is a need to widen binding commitments with the major NA1Cs. The latter in varying degrees have committed to reduce the growth of emissions, instead of assuming binding reductions. One interesting point is that carbon intensity of GDP has

declined more sharply in the developing countries (28.5 per cent) than in the industrial countries (12.6 per cent) during the period 1990-2003 (Agarwala, 2008). Moreover, the share of renewable energy and investments in this sector is much higher in these countries than in their industrial counterparts. In exceptionally short time, China has become the world's largest manufacturer and user of solar and wind technology, with 25 per cent of the world's renewable power capacity (Purvis and Stevenson, 2010). However, the demand of the AICs have had moral and practical teeth, had they lived up to their commitments, e.g., the *power of example* could cajole the major NAIC emitters into an internationally-binding framework. There are many suggestions for such a scheme including provision of 'grace period' for the major emitters based on different criteria, such as responsibility, capability and potential, etc. for differentiation among NAICs (GTZ, 2004).

From an equity perspective, each and every citizen and nation-state on this planet earth should have an equal right to use the atmospheric sink. However, since the industrial revolution, AICs with about 20 per cent of global population, have already overused this global eco-sink, contributing to over two-third of historical emissions of GHG. On the other hand, emissions from developing countries are increasing right now, tending to equate with that of the industrial countries. Again, there is wide difference in per capita emissions not only between citizens of industrial and developing countries, but within these two groups of countries. Obviously, equity has been the guiding principle under the Climate Convention. However, this principle has been relegated to a backseat against efficiency and cost-effectiveness under the Kyoto Protocol, which introduced the three market-based flexible mechanisms, including the clean development mechanism (CDM) that allows emissions trading between NAICs and AICs.

An analogy of this efficiency-based GHG emission reduction can be drawn with national development strategies, devised after the emergence of the new nation-states in the formerly colonized world (Khan, 2004). Initially, global community accepted the trickle-down strategy and it was hoped that benefits from rapid economic growth at national level would trickle down to the poor in the society. Despite rapid economic growth in some countries, this did not happen. So, by the mid-1960s, the global community became convinced that unless a conscious policy of equitable distribution of development benefits is adopted, equity cannot be ensured. Obviously, beginning with the late 1960s, the result was the adoption of such strategies, as growth with equity, basic needs approach, participatory development, and finally sustainable development. The latter embodies all its predecessor strategies, with additional inclusion of the concern of environmental sustainability.

The Bali Action Plan adopted at COP13 stipulates that nationally appropriate mitigation actions (NAMAs) in the NAICs should have provision of support and

discussions later agreed that only supported NAMAs are to be put under international verification. There is proposal in the Copenhagen Accord that mitigation efforts by the NA1Cs initiated on their own be put to some kind of scrutiny through 'international consultation and analysis.' However, this is an issue that touches the core value of nation-states, namely, sovereignty and independence of action. Historically, becoming a party to any international agreement under the global institutions has been viewed by the US as erosive of their sovereignty. The major emitters from NA1Cs are also showing their sensitivity to national sovereignty issue and this stands as the Gordian Knot in the way.

Leadership Crisis in Climate Diplomacy

At the moment climate negotiations suffer from a leadership crisis, with the EU unable to lead any more. This was manifest in Copenhagen, and also in Cancun. EU now emits about 13 per cent of global GHGs. Despite having its good intentions, EU is not having its impact. Japan and Russia, members of the Umbrella Group (non-EU A1Cs), have indicated that they would not commit for reduction of their GHGs for the second commitment period unless major emitters from NA1Cs commit. A US participant in COP16 welcomed Japan's position, saying, "Japan is too naive. It only just figured things out 13 years after the Kyoto Conference" (Westland, 2010). But a representative of Uganda proclaimed that "Japan is the mother of the Kyoto Protocol. Do you intend to dump your own child?" (Westland, 2010).

In fact, this leadership crisis started particularly after COP13 at Bali. A new but important trend in climate diplomacy is evident since then. True to Morgenthau's 'power politics' (Morgenthau, 1978), *emission power* (few big emitters) tends to rule the game - the impacting countries from both sides of the aisle are calling the shots, and the impacted ones are relegated to sidelines. It's a big question whether the major decisions from now on are likely to take place under the UNFCCC process, or beyond, in clubs, such as the G20 or G17/Major Economies Forum, members of which emit almost 90 per cent of global emissions. For example, discussions over the political issue of climate finance are being led by the UN Secretary General's AGF, or even discussion of the technical issues, such as the REDD+ are being led by the Paris-Oslo-REDD+ Partnership. As the COP is failing to take decisions, there is a trend of 'coalition building,' among like-minded Parties, and the outcomes are being fed into the UNFCCC process for consensus building. The UNFCCC as the truly universal forum was feared to be left in tatters. But Cancun agreements that focused on adaptation at least saved the UNFCCC process, at least for the moment.

Dynamics of Shifting Alliances

Looking at hindsight, there have been shifts in strategic alignments of major groups in climate negotiations. Since the early 1990s, the EU began to provide leadership in the process. This role could be attributed to several factors: a) rapid increase in global emissions, b) publication of the First Assessment Report of the IPCC, c) an expanding economy within the EU, d) declining emissions facilitated by radical reforms in the energy sector in the UK and Germany and switch to natural gas from coal, e) a slow population growth, and f) green NGO activism and domestic pressure. Some of these factors have been discussed in detail in a Project Report (Bang *et al*, 2005). Initially, the EU was skeptical about the Protocol's market-based mechanisms, favoring instead a climate strategy based on coordinated policies and measures. Later, it changed its position and adopted a Directive for a Pan-Europe emissions trading, which was commenced since 2005 (EC, 2003). Some analysts argue that the EU has enhanced its structural and directional leaderships, in terms of resource allocation and leading by doing, such as providing climate finance and initiating emissions trading (Muller, *et al*, 2003). Bang argues that "withdrawal of the US from the Kyoto Protocol has led to a shift of strategy in the climate regime, with a pronounced split between the EU and like-minded countries on one side and G-77/China and the USA on the other, with Russia playing an even more pivotal role than it did earlier," (Bang, *et al*, 2005). Now the EU, with an expanded membership that covers the former east European communist countries, and slow growth in many of their economies, find it difficult to maintain its leadership position, because the new and less developed members are pushing the core countries like the UK, Germany and France to back track of their leadership position. This pulls the EU back in exerting its instrumental leadership. One UN representative explained that power of the EU was falling, China replaced Japan as the leader in Asia and that G77, US and China had no intention for mitigation commitments (Westland, 2010).

During the early part of the decade, when the EU was urging the major NA1Cs to initiate measures for emissions reduction, the US aligned with the latter with some unity in views that economic growth and poverty reduction are their overriding priorities. Later, the EU position that A1Cs must take on further substantial cuts was supported by the NA1Cs, but alienated the US further (Baumert, *et al*, 2003).

USA, on the other hand, led by the then Vice President Al Gore played the key role in introducing market-based mechanisms in the Protocol, as the USA by then had enough experience in emissions trading under their Clean Air Act of 1990. But the US Senate refused to ratify. The Bush Junior Administration took a vehement anti-Kyoto position, dubbing it as a 'flawed treaty' on the grounds mentioned before. Grubb argues that "the first paradox is that the United States was, in effect, rejecting its own treaty" (Grubb, 2004). M. Z. Cutajar, the former Executive Secretary of the UNFCCC, argues that "the reluctance of the United States to be bound by multilateral disciplines, by laws other than its own, is a

deep-rooted trait of their national character, which dates back to its pre-great power status. The current multilateral landscape is dotted with examples of treaties that the US either opposes, or accepts with reservations protecting its sovereignty, or supports without being formally bound.” (Cutajar, 2004). Internally, the national climate strategy of early 2002 had a strong focus on bilateral support for mitigation in developing countries (US, 2004). At COP8 and COP9, the US was reported to have formed an unusual coalition with some G77 members, notably Saudi Arabia, in an attempt to undermine the G77 and EU efforts to move towards a per capita emissions approach in the post-Kyoto period (Roberts and Parks, 2007). Latest opinion polls in the US indicate climate change as the lowest priority (Stavins, 2010). This was reflected in the Senate’s refusal to consider the Climate Bill in July 2010. Though Obama was a great advocate of economy-wide cap-and-trade system, America now is increasingly unreceptive to the idea, preferring instead the traditional regulatory mechanisms (Carraro, 2010).

The US tends to move back to its favored position of a long-term goal of emissions reduction putting focus on development of clean technology through bilateral and regional cooperation. Another focus of the current US policy is to push for the need to elaborate international verification and other transparency provisions of the Accord. Again, at the meeting of the Major Economies’ Forum that includes the major emitters from both the worlds held in September 2010 in Washington, DC, the US top negotiator Todd Stern argued that US was not pushing for a legally-binding treaty in Cancun, but if that be the case, then China, India and other major developing countries have to be a part of such commitments (Reuters, 22 September 2010). Citing the experience of Montreal Protocol, Nigel Purvis, a US analyst, argues that the US acts first on an issue at home and then builds on that internationally. So, he justifies: “mandatory domestic action must precede in the US before any international action” (Purvis, 2004). But no mandatory domestic action for mitigation is currently in sight in the USA.

The G-77 and China

As a matter of fact, G-77 and China are a disparate group in so many ways, which subsumes several sub-groups. There are great differences in negotiating positions within, because of different problems and priorities. This diversity in approaches arises from different levels of development, access to energy and other resources and vulnerabilities from climate change: a) there are great differences within in GHG emissions - only seven NA1Cs – Brazil, China, India, Mexico, South Korea, Saudi Arabia, and South Africa – are responsible for about three-fourths of all emissions from the NA1Cs, b) Mexico, the host of COP16, and South Korea are members of the OECD since mid-1990s, and also belong to the Environmental Integrity Group, together with Switzerland; Cyprus and Malta are also members of the EU as well, c) OPEC, particularly its Arab members,

are against any carbon tax, insisting that they should be included in the list of most vulnerable countries on the pretext that climate change response measures would severely affect their economies, with declining demand for oil; obviously, Saudi role is viewed not very positive by some analysts as far as interests of a large number of G77 members (Depledge, 2008; Barnett); d) there is the radical block of Venezuela, Bolivia, Cuba, Nicaragua and Sudan, and e) there are the island nations and least developed countries which are most vulnerable. The AOSIS and LDC groups contribute least to CO₂ emissions, but global warming is a threat to their very 'physical survival,' so they press for decoupling the issue of vulnerability to the impacts of climate change from the impacts of response measures, and Bali Action Plan somewhat succeeded in this regard.

Despite all these differences, there was a loose semblance of some commonality within the G-77 and China, such as demand for transfer of technology and the "additional" financing for mitigation and adaptation, and capacity building needs. But this broad unity was never strong enough to bear on the AICs for implementing the principles of equity and fairness, because the G77 is being undercut from within, by its so-called leaders. So the AOSIS and LDCs now implicitly argue for the need of emissions reduction by the major NAICs. It seems the shift of diplomacy away from the UNFCCC process was engendered by a mutual understanding of major polluters of both industrial and developing countries. These groups can also buy time through procrastination. The cracks in G77 were loudly manifested in Copenhagen and also in Cancun, particularly in discussions over mitigation.

Reasons that Hold the Regime Back

The whole process appeared fundamentally driven by a tunnel vision, for achieving short-term national gains, rather than what the planet demands. The problem presents a typical case of Hardin's "Tragedy of the Commons," (Hardin, 1968), with the perception that the others will free-ride in a zero-sum game, where countries are predominantly wedded to promoting national interests, though they belong to many different groupings and coalitions. The problem is that these so called 'national interests' are defined often by vested groups, with 'concentrated interests,' led by fossil fuel lobby and business groups, where the 'diffuse interests' of the communities and citizens fail to counter. Climate change is regarded as a global public bad and therefore, carbon reduction aimed at halting climate change as a public good continues to suffer from undersupply and non participation because of several reasons:

- a) Many countries are guided by short term cost-benefit analysis and in case of carbon reduction, some countries view costs to be higher than the benefits; the US is the typical example.
- b) The mainstream economic paradigm does not promote the commitment of resources for some global public good, the benefits of which are to be

derived in some distant future, because the economic model is based on the net present value which does not encourage investment for longer time-horizon. But arresting climate change is a long-time project, where costs are up-front, but benefits are both intra-and-inter-generational.

- c) The powerful conventional energy market lobby is not a supporter of clean technology for carbon reduction, because demand for fossil fuels is expected to go down. The OPEC, particularly its Arab members (led by Saudi Arabia) play a role in the negotiations neither conducive to unity within the G77 and nor for regime formation.

The great emission powers, the US and China (Duopoly or G2), the producers of almost half of global GHG emissions are applying negative powers in climate diplomacy, as they know that no climate treaty is possible without their cooperation. But there are basic differences between this two. The US is neither doing anything substantive at home, nor committing internationally, but China is doing lots of positive things at home, but not committing for binding obligations. The US' intention of putting a long-term target of 2050 in the Copenhagen Accord was not agreed by China, reportedly on the apprehension that such commitment would force China in near future to assume binding obligations. But China is coming up at supersonic speed as the leader in renewable energy. Similar is the case with India and Brazil. So, the position of major emitters from NAICs cannot be equated with that of the USA, which had always been negative and continues to remain so toward multilateralism, unless it is on its own terms. So the good intentions of President Obama are not likely to materialize in near future.

With so many differing 'national interests' at play, the UN process founders, with many arguing that consensus agreement as enshrined in the Convention is actually flawed and close to impossible. So many analysts argue for minilateral arrangements within small groups (Heller, 2008). But in mini-forums like G20 or G17, it is not that consensus is reached easily, as evidenced by their discussions so far, because there too issues of sovereignty or national interests do not show any sign of moderation or enlightened self-interest (Purvis and Stevenson, 2010). The irony of the fact that global environmental problems like climate change make national boundaries irrelevant, but the recent trends indicate a movement towards 'authoritarian nationalism' (Kagan, 2008). At least the major G77 countries are learning this behavior from the US. So the real problem is – unless nations give up their *realpolitik* approach to negotiating and learn to enjoy more freedom of choice in actions with surrendering some of their 'operational' sovereignty to multilateralism for a vital global public good (Levy et al. 1993), no substantive progress is likely to be achieved. Besides, there are examples of regime building without a hegemon, such as Landmine Treaty or the International Criminal Court, but there is as yet no example in international

environmental policy for successful regime building against a hegemon, as in the case of climate change (GTZ, 2004).

Is There Any Way Out?

Looking at the constellation of forces at work, it can be argued that a legally-binding global regime in mitigation is not in sight at least in the immediate future. But climate diplomacy stands at a cross-road, from where it needs to take a direction. Using negative power of big emissions and dictating terms to negotiate are likely to deepen the stalemate, exacerbating the negative environmental and political outcomes. So, polycentric approaches are increasingly being mooted, both in research (Ostrom, 2010; Keohane and Victor, 2010) and in policy advice (E3G, 2010). Haas (2008) argues that the solution lies in a shift from an interest-based policy discourse to a norm-based discourse. Thus, only an enlightened approach to sovereignty and national interests by the major emitters, particularly by the USA, can put the rail back on track, with some power of example. Another important aspect is that funding mechanisms in the climate regime are based on the notion of responsibility and capability, unlike the charity-based ODA. So, the need of the day is to agree at a minimum level on how to apply this capability-responsibility paradigm. The like-minded coalitions of countries may work together to strengthen this new paradigm.

The following options can be considered for achieving positive outcomes:

1. Argument for replacing the consensus principle – which impedes the decision-making process, with a majority-voting of decision-making in the context of the UNFCCC. Examples of past successes in international climate policy are a pointer – the Ozone Regime – the dynamic character of decision-making process established for revision of the Montreal Protocol, which can be amended with a two-thirds majority, rather than on the basis of the consensus principle, to speed up the negotiation process. To that end, the EU should support the application of the majority principle provided for in Article 7(3) of the UNFCCC (WBGU, 2010). There is the provision of amending the Kyoto Protocol based on a three-fourth majority vote of the Parties (Article 20.3), of course as the last resort. Majority voting may sideline some, but might encourage more unity in negotiations and resolution of substantive issues. So, many including the then UK Climate Minister hinted at the need of new approaches for future negotiations. This time also in Cancun, few countries attempted to block the adoption of agreements, but the COP16 President, Mexican Foreign Minister ruled it out, arguing that consensus does not mean unanimity.
2. Building ‘green coalitions’ or regional alliances with like-minded states by the EU, which seems ready to continue its leadership position. For the purpose, the EU may come forward unilaterally with stringent targets

(Purvis and Stevenson, 2010). Also alliances can be forged along thematic areas, such as forest conservation/REDD+, climate-friendly energy and infrastructure development, and establishing linkage of EU ETS with emissions trading around the world (WBGU, 2010). At a Lunch Talk at Harvard Kennedy School on 20 September 2010, Connie Hedegaard, the President of COP15 and newly-appointed EU Commissioner for Climate Action, hinted at exerting a stronger position by the EU and emphasised on achieving meaningful progress not just on fast-track funding, but on other substantive issues as well.

3. Countries that are particularly vulnerable, such as the LDCs, AOSIS and Africa Group, that number around 100 among the G77, must forge a stronger united strategy to bear upon the major emitters, particularly on the US. This large number itself is a strength and their dependence on the major emitters needs to be shown in no uncertain terms as not one-sided, but mutual. So, their strategy must be more forthright. The EU must be taken along in this great alliance to fight for their legitimate and just cause.
4. Establishing a centralised global climate finance registry or reporting mechanism to be overseen by the UNFCCC. This will facilitate a transparent, comparable, verifiable and measurable accounting of whatever pledges do come in. The provision of 'balanced allocation' between adaptation and mitigation, stipulated both in the Copenhagen Accord and the Cancun Agreement, needs to be defined, with at least 50 per cent of the fund going for adaptation. Also a broader international agreement on how to categorise and catalogue a project as being primarily climate or development focused needs to be worked out, so that double counting or repackaging of financial contribution by the donors can be avoided.
5. Living up to the financial pledges by the A1Cs. That will at least show the power of the purse. For the purpose, the innovative financing mechanisms which are on the table for consideration by the high level Advisory Group on Finance (AGF) should be positively explored, though its report released in November 2010 was not received warmly at COP16 (report of the AGF, 2010). Among the sources suggested, some levy on aviation and maritime transport are likely to enjoy global support. Assured financial transfer to NA1Cs will help reduce the trust deficit. Also stronger financial support to NAMAs may induce emission reductions, particularly in India, Brazil, Mexico and South Africa.
6. For getting carbon prices right either as through a tax or trading, it is imperative that subsidy to emitters, particularly to fossil fuels, is eliminated. So, building a strong coalition is needed to bear upon the Parties to eliminate fossil fuel subsidies, as decided at the meeting of the

MEF/G17 in Pittsburg in September 2009. For petroleum products alone, the subsidies amount close to 1 per cent of global GDP or some US\$ 740 billion, both in direct and indirect subsidies and foreign taxation (Coady, *et. al.*, 2010). This money may be diverted to the Adaptation Fund and a newly-created Global Climate Fund. It should be emphasized that without a firm commitment for binding reduction of GHG emissions, carbon trading is not going to pick up.

7. Removal of trade barriers to low carbon technology, and their transfer to developing countries at affordable terms. The Technology Mechanisms adopted at the Cancun Agreement can be instrumental in accelerating technology development and transfer in support of action on adaptation and mitigation.
8. There is consensus that the corollary of the CBDR is the Polluter Pays Principle (PPP) for internalisation of negative externality like carbon emission. This PPP needs to be applied for extra-territorial damage beyond the OECD, which is currently the case. The Stockholm Declaration or the Rio Declaration has provisions of compensation for such damage caused by a country beyond its border, but they are not yet applied globally. As mentioned before, under the US Superfund Act, companies are held liable for clean up the mess and compensation to victims, even if they did know the impacts apriori. So, the contradiction is that the A1Cs espouse the principles of market economy and even puts forward conditionality of liberalising the economies of NA1Cs for providing financial assistance, but they continue opting out of its global application. So, the point is - if the industrial market economies accept the basic market instruments for global application, the problem of financing for a low-carbon society is greatly solved. This option may not be supported by the major emitters from the NA1Cs, but solving the issue of historical responsibility with transfer of sizable resources to the NA1Cs may induce them to accept the PPP.
9. Finally, raising a massive civil society campaign by the 'green publics' to generate bottom-up demand for action across the world, and particularly in the US. As the politicians always look back to their constituencies for initiating action, without a sensitized public, US law-makers are not likely to move ahead with climate legislation. Also public recognition of politicians for climate leadership through some 'economics of esteem' may motivate them to act (Keohane and Raustiala, 2008). Besides, the nation-states are not unitary actors with a monolithic voice, and in many cases, there are precautionary publics and influential NGOs (Moravesik, 1997; Sunstein, 2003; Betsill and Corell, 2007). For example, there are a good number of initiatives at State level, particularly in California (the largest of US States), and also there are a

good number of NGOs who want a global regime. For the purpose, pro-environment business needs to be cultivated very earnestly. For raising a massive movement, a good amount of resources will be necessary, because the anti-climate change lobby, led by the likes of Exxon or American Petroleum Institute, has more money. How to build a strong civil society movement in the AICs, particularly in the USA, should be a global strategy if some meaningful outcome is expected in the foreseeable future.

References

- Adam, David (2010). "Climate fund recycled from existing aid budget , UK Government admits," *The Guardian*, 25 January 2010, available at: <http://www.guardian.co.uk/env/2010/jan/25/climate-aid-uk-funding>.
- Agarwala, Ramgopal (2008). "Towards a Global Compact for Managing Climate Change," Discussion Paper 08-22, Harvard Project on International Climate Agreements, Belfer Center for Science and International Affairs, Harvard Kennedy School, December 2008.
- Anderson, J.W. (1997), *Climate Change and the Kyoto: The Negotiations & GE WP*, Resources for the Future, p. 13.
- Baer, Paul *et al.* (2008), *The Greenhouse Development Rights Framework*, revised second ed., Heinrich Boll Stiftung, Christian Aid and Stockholm Environment Institute.
- Bang, Guri *et al.* (2005), A Strategic Cooperation Project, Centre for International Climate and Environment Research, and the Fridtjof Nansen Institute.
- Barnett, Jon, "The Worst of Friends: OPEC and G-77 in the Climate Regime," *Global Environmental Politics* 8(4) November, pp. 1-8.
- Baumert, Kevin, C. dasgupta & Benito Muller (2003), "How can Transatlantic Partners help in addressing developing country emissions?" in Ochs, A. & Aldo Ventunelli (eds.), *Towards a Transatlantic Consensus on Climate Change, High-level Transatlantic Dialogue on Climate Change, Villa Vigoni, 16-18 October, 2003*.
- Betsill, M.M. & Elizabeth Corell eds. (2007). *NGO Diplomacy: The Influence of Non-Governmental Organizations in International Environmental Negotiations*, (Cambridge, Mass: MIT Press).
- Brazil's formula for calculating historical responsibility (1997). Available at: <http://www.unfccc.int/resource/docs/1997/agbm/miscellaneous/03.pdf>
- Burton, Ian (1996): "The Growth of Adaptive Capacity: Practice & Policy," in Smith, J.B. et al., (eds), *Adapting to Climate Change: An International Perspective* (NY: Springer-Verlag, pp.55-67.
- Carraro, Carlo (2010), "Two good news from Copenhagen?" <http://www.climate-scienceandpolicy.eu>.
- Coady, David et. al. (2010), "Petroleum Products' Subsidies: Costly, Inequitable and Rising," IMF Staff Position Note, SPN/10/5, Washington DC: IMF.
- Cutajar, M.Z. (2004). "Reflections on the Kyoto Protocol – Looking Back to see Ahead," in Nishioka, Shuzo (ed), *International Review for Environmental strategies*, Special Volume No. 5, Issue No. 1.

- Depledge, J. (2008), "Striving for No: Saudi Arabia in the Climate Change Regime," *Global Environmental Politics* 8(4), November, pp. 9-35.
- E3G-Change Agents for Sustainable Development (2010): Building the 2⁰C Coalition: European Climate Diplomacy after Copenhagen. E3G Discussion Paper 1. London, Berlin, Brussels:E3G.
- European Commission (2003), Directive on Emissions Trading Scheme. Brussels. Eco (newsletter), 05 June 2010.
- Garvey, James (2008), *The Ethics of Climate Change, Right and Wrong in a Warming World* (London: Continuum).
- GTZ (2004), South-North Dialogue on Equity in the Greenhouse, GTZ Climate Change Programme.
- Grubb, Michael (2004), "Kyoto and the Future International Climate Change Responses: From Here to Where?" in Nishioka, Shuzo (ed), *International Review for Environmental strategies*, Special Volume No. 5, Issue No. 1, 2004.
- Gupta, J. (1997), *The Climate Change Convention and Developing Countries: From Conflict to Consensus?* (Boston, London, Dordrecht: Kluwer Academic Publishers).
- Hardin, Garrett (1968). "Tragedy of the Commons," *Science*, 13 December 1968.
- Harris, P.G. (2010), *World Ethics and Climate Change*, Edinburgh University Press.
- Hass, Peter (2008), "Climate Change Governance after Bali," *Global Environmental Politics* 8(3), August.
- Heller, T. (2008), "Climate Change: Designing an Effective Response," (Chapter 8), in Zedillo, E. (ed), *Global Warming: Looking Beyond Kyoto* (Washington, DC: Center for the Study of Globe, Yale Yniv; Brookings Institution Press).
- Huq, Saleemul, *Guardian* 15 November 2010, available at: <http://www.guardian.co.uk/environment/2010/nov/15/global-warming-developing-countries>.
- Jellema, Anne (2010), Analysis of the Copenhagen Accord, *Climation*, Issue 7-8, Jan-June 2010.
- Kagan, Robert (2008), *The Return of History and the End of Dreams* (London: Atlantic).
- Keohane, R.O. and Kal Raustiala (2008), "Toward a Post-Kyoto Climate Change Architecture: A Political Analysis," "The Harvard Project on International Climate Agreements, Discussion Paper 08-01. Cambridge, MA. Harvard Kennedy School.
- Keohane, R.O and Victor, D.G. (2010), "The Regime Complex for Climate Change," The Harvard Project on International Climate Agreements, Discussion Paper 10-33. Cambridge, MA. Harvard Kennedy School.
- Khan, Mizan R. (2004). "Climate Change Negotiations, LDCs and Bangladesh," in Rahman A. (ed), *Bangladesh Environment 2004 (Dhaka: Unnayan Shamannay, 2004)*.
- Klein, Richard, 2008. "Financing Adaptation to Climate Change," Policy Brief, Stockholm Environmental Institute, 2008.
- Kuik, Onno et al., "Post-2012 climate policy dilemmas: a review of proposals," *Climate Policy* 8, pp.317-336.
- Levy, Mark A., R.O. Keohane & P.M. Hass. (1993). "Improving the effectiveness of international environmental institutions," Hass, Keohane & Levy (eds), *Institutions for*

the Earth: Sources of Effective International Environmental Protection (Cambridge, MA: MIT Press

Moravesik, Andrew (1997). "Taking Preference Seriously: A Liberal Theory of International Politics," *International Organizations* 51(4).

Morgenthau, Hans J. (1978), "Six Principles of Political Realism," *Politics among Nations: The Struggle for Power and Peace, revised* (New York: Alfred A. Knopf), pp. 4-15.

Muller, Benito, et al. (2003), A Pilot Study on the Evolution of the UNFCCC Greenhouse Gas Mitigation Regime, Executive Summary EV32, Oxford Institute for Energy Studies, June 2003.

Muller, Benito, et al. (2007), "Differentiating (Historical) Responsibility for Climate Change," available at: <http://www.oxfordclimatepolicy.org/publications/DifferentiatingResponsibility.pdf>.

Okereke, Chukwumerije. 2008. *Gl Justice and Neoliberal Env Gov* (London & NY: Routledge, 2008:

Chapter 6: "Protecting the global atmosphere: the UNFCCC."

Olmstead, Sheila M. & Stavins, R.N. (23 October 2010), "Three Pillars of Post-2010 International Climate Policy, Policy Brief, Harvard Project on International Climate Policy.

Ostrom, E. 2010, "A Polycentric Approach for Coping with Climate Change". Background Paper to the 2010 World Development Report. *Policy Research Working paper 5095*, Washington, DC: World Bank.

Oxfam International (undated), Adapting to Climate Change: What's needed in poor countries, and who should pay," Oxfam Briefing.

Purvis, Nigel (2004). "The Perspective of the United States on Climate Change and the Kyoto Protocol," in Nishioka, Shuzo (ed), *International Review for Environmental strategies*, Special Volume # 5, Issue # 1, 2004.

Purvis, Nigel and Stevenson, Andrew (March 2010), "Rethinking Climate Diplomacy: New Ideas for Transatlantic Cooperation Post-Copenhagen", Brussels Paper Series, The German Marshall Fund, Washington, DC.

Reuters News Agency, 22 September 2010 and 27 November 2009.

Roberts, Timmons, Khan, Mizan and Ciptet, D. (2011), "The Politics of Adaptation: Divisions in the Greenhouse," article submitted to the *Global Environmental Change*.

Roberts, J. Timmons, *et al.*, (2008), "The Reality of Official Climate Aid.". Oxford Energy and Environment Comment, November 2008. Oxford Institute for Energy Studies. [Working paper, not peer-reviewed.]

Roberts, J. Timmons and Parks, Bradley C. (2007), *A Climate of Injustice: Global Inequality, North-South Politics and Climate*, MIT Press.

Rogelj, J., et al. (2010), "Copenhagen Accord pledges are paltry," *Nature* 464, pp. 1126-1128.

Shue, H. (1999), "Global Environment and International Inequality," *International Affairs* 75, pp.531-545.

Stadelmann and Roberts (2010). Cancun issue of Outreach, available at: <http://www.stakeholderforum.org/sf/outreach/index.php/day3-home>.

Stavins, R.N (2010). "Another Copenhagen Outcome: Serious questions about the best international path forward," available at: <http://www.belfercenter.ksg.harvard.edu/analysis/stavins?>

Stavins, R.N. (21 March 2010), "Dual Outcomes of Copenhagen," Harvard Project on International Climate Policy.

Stern, Todd (2010), Lecture delivered at the University of Michigan Law School, Ann Arbor, MI, 08 October.

Stern, Nicholas (2006), *The Economics of Climate Change: Executive Summary*, Stern Review, London, UK Treasury.

----- (2007). *The Economics of Climate Change: The Stern Review* (London, Cambridge University Press).

----- (2009), *The Global Deal: Climate Change and the Creation of a New Era of Progress and Prosperity* (New York: Public Affairs).

Sunstein, Cass R. (2003). "Beyond the Precautionary Principle," *University of Pennsylvania Law Review* 151.

UNEP, The Emissions Gap Report, 2010.

UNFCCC (2008), Investment and Financial Flows to address Climate Change: An Update, Technical Paper.

UNGA Resolution (1970), para 43; this target has been affirmed in many international agreements over the years, including the March 2002 Monterrey Consensus, and at the WSSD in Johannesburg, 2002.

USCAN (March 2010), Background Paper for First Meeting of the UN Secretary-General's AGF.

US (2004), "Global Climate Change," Washington, DC: US Department of State. Available at: <http://www.state.gov/g/oes/climate>.

Vanderheiden, Steve (2008), *Atmospheric Justice: A Political Theory of Climate Change*, Oxford University Press.

WBGU, German Advisory Council on Global Change (2010), Climate Policy: Post-Copenhagen, Policy Paper # 6.

Weisback, David (July 2010), "Negligence, Strict Liability and Responsibility to Climate Change," Discussion Paper 2010-39, Harvard Project on International Climate Agreement, KSG, Harvard University.

Westland, Joelle, "Cancun Agreement a Success?" available at: www.Climatico.org, 23 November 2010.

World Bank (2010), *World Development Report*, Washington DC.

World Resources Inst (2010), Summary for Climate Finance Pledges put forward by Developed Countries, Feb 18, 2010, updated March 4, 2010, Washington, DC. http://pdf.wri.org/climate_finance-pledges_2010-03-04.pdf. Available at: www.neorope.eu/articles/96111.php.

Upendra Choudhury

THE “INDIA FACTOR” IN SINO-AMERICAN RELATIONS

Abstract

As India rises as a major world power, two divergent perceptions are beginning to dominate the policy-making circles in both China and the US. According to the Chinese, India's recent behaviour clearly proves that it is joining an anti-China alliance with the United States and the Americans are recruiting the Indian tiger to hedge against the rising Chinese dragon. The US India nuclear deal and the warming strategic relationship between the two countries are in this context viewed as part of Washington's global strategic calculations. The Americans on the other hand, are worried of the recent warming of Sino-Indian relationship such as improving economic and trade ties, closer coordination on some common global issues, more frequent diplomatic exchanges and the emergence of a Russia-China-India axis that could counter the alleged US hegemony in the world. This paper examines the merits of these perceptions and explores the reasons why, contrary to common perceptions, India would continue to follow an independent foreign policy posture towards both the US and China.

Introduction

The concept of India as a rising power has become almost commonplace. Starting in 1991, the nation pursued policies of economic liberalization that opened the country to foreign direct investment and yielded rapid economic growth second only to China. India is now an important economic power, a major player in global economic decisions as part of the G-20 and on track (according to Goldman Sachs and others) to become a top-five global economy by 2030. Its stable democratic political system, huge middle-class, immense military clout in Asia (it is a nuclear weapon state which has the third-largest army, fourth-largest air force, and seventh-largest navy worldwide) and global ambitions such as a permanent seat in the UN Security Council are some other

Upendra Choudhury, Ph. D., is Associate Professor, Department of [Political Science](#), [Aligarh Muslim University](#) (AMU), Aligarh, [Uttar Pradesh, India](#). His E-mail address is: uchoudhury@gmail.com

© Bangladesh Institute of International and Strategic Studies (BISS) 2011

Updated and revised version of a Paper presented at the 16th ACPSS International Conference on “Engaging China: Sino-American Relations, Sustainable Development and Beyond”, held at the Kennedy School of Government, Harvard University, USA, 5-7 November 2010.

important factors that further add to the country's potential power profile and make it a significant player in international relations including political and security dimensions of global governance.¹

While India's growing power has increased its attractiveness across the world and injected a new dynamism into its relations with other great powers, the nation's new profile has also stimulated a debate on India's future foreign policy orientation. This paper analyses the emerging policy debate in both China and the USA whether India would become a strategic ally of the US to contain China or a strategic partner of China to counter America. It is divided into three parts: the first part analyses the Chinese perception and concern over closer India-US political and military ties, the second part discusses the American perception of the recent thaw in Sino-Indian relationship that has taken a strategic overtone in the last few years. The final section examines the merits of these perceptions and explores the reasons why, contrary to common perceptions, India would continue to follow an independent foreign policy posture towards both the USA and China.

Indo-US Strategic Partnership: The Chinese Perception and Concern

In recent years, the official Chinese media and many perceptive Chinese analysts and scholars have noted with concern the growing rapprochement between India and the USA. They are especially worried about the intensifying military ties between the two countries that might adversely affect China's interests in future. The Chinese sources point to an October 2002 Pentagon report on Indo-US military relations that indicates major shifts of US policy toward India, defining and recognizing it as a major rising power, and helping it to achieve that status in anticipation of its endorsement of key US policy objectives.² Moreover, the Indo-US defence relationship which was frozen following India's nuclear tests, has been resumed in a big way and the two countries have declared the goal of creating a comprehensive, deep and mutually beneficial defence relationship based on their shared strategic interests in Asia and beyond.

India and America have signed the 'Next Steps in Strategic Partnership' agreement in 2005 that paves the way for Indo-US cooperation in areas that include civilian nuclear activities, civilian space programs, high-technology trade, as well as dialogue on missile defence. Building on that, India and the US have inked a 10-year defence agreement in 2006 leading the way for joint weapons production, cooperation in missile defence and possible lifting of US export controls for sensitive military technologies.³ The US has also given Israel the go ahead to sell Phalcon advance warning systems to India. Indian and the US naval ships have held a joint search and rescue exercise in the Arabian Sea and the US ships engaged in operations in Afghanistan have been using logistic and other support facilities at Indian ports.

Due to this dramatic transformation in Indo-US military and security relations, some Chinese analysts have started referring India as America's 'quasi-ally'.⁴ The Chinese question regarding why the US has undertaken to help India become a world power, why the US has elevated the Indo-US relationship as a global partnership, especially one that entails global democracy promotion, and why the US has signed a civil nuclear agreement with India after changing its domestic and international laws, thereby giving *de facto* recognition to India as a nuclear weapon state. According to Cheng Ruisheng, a former Chinese Ambassador to India, the main reason behind the growing Indo-US partnership is the 'China factor'.⁵ The Chinese consider that the US is trying to 'reset the global balance of power' through its civil nuclear deal with India by building India as a counter weight to mighty China'.⁶

The Chinese influential media and foreign policy experts are not unaware of the emerging policy debate in the US over engagement with India.⁷ The US's India debate can be broadly divided into two camps - those who advocate "engagement with rising India in its own right for a host of economic, political and other benefits" and those who prefer "engagement with India to contain the rise China". The first group wants to see India "prosper and thrive and attain its aspirations for itself" in the twenty-first century. The US believes, it should "keep in mind [its] long-term interest in the way India evolves" and "its greatness... and potential and the tremendous benefits that would come from a closer relationship with India".⁸ The proponents of containment argue that as China's power continues to grow in the coming decades, it might, at some point in the coming decades, follow the course of Germany in the 1890s, 1900s, and 1930s or of Japan in the 1910s and 1930s. Supporting the emergence of a strong India is a way of creating an Asian structure of power that will constrain a rising China, making resort to aggression less likely. The new US policies toward India are in the same category as efforts nudging Japan toward a larger political-military role in Asia or the strengthening of the US-Australian alliance. The US efforts toward all three powers (India, Japan, and Australia), help create a structure of power that will be less inviting to Chinese aggression in the decades ahead.⁹

Will India become a strategic ally of the US to contain China? Many Chinese scholars and foreign policy experts think in affirmative. They argue that India, by virtue of its geo-political situation, naval capabilities, unresolved bilateral disputes and history of hostility with China, is an ideal country for the US to counter China. Susan L. Craig, for instance, argues that India has significant ideological, historical, or territorial disagreements with China and possesses the military, economic, and diplomatic means to go to battle over such disagreements. She, therefore, argues that cooperation between India and the US in an effort to contain China militarily, economically, or diplomatically is not unrealistic.¹⁰

Other Chinese scholars argue that India's recent behaviour clearly proves that it is joining an anti-China alliance with the US. For the first time, India has declared the US as a strategic partner and is expanding economic, military and civil nuclear cooperation with it. It has also engaged the US on a host of issues – from non-proliferation and arms control, trade, and cultural exchanges to military-technical cooperation. New Delhi has openly endorsed the US missile defence position.¹¹ In short, many Chinese scholars and analysts consider China as a significant factor in the emergence of the new Indo-US relationship and India has a clear interest to remain in the American side to contain China.

Sino-Indian Strategic Partnership: The US Perception and Concern

It is not just the Chinese who are concerned about the growing rapprochement between India and the US. The Americans are equally worried about the prospect of a Sino-Indian strategic partnership that may constrain the US options in Asia. Although the possibility of a China-India bloc is not explicitly mentioned in any of the statements of US strategy, it is clear that the formation of such a bloc would clearly be antithetical to “maintaining a stable balance” in the East Asian littoral.¹²

Some American think-tanks, foreign policy analysts and media commentators have also started arguing that the growing India-China relationship would shift the balance of power in Asia. In a recent report, Asia Society-Woodrow Wilson Centre for instance, suggests that the US should maintain and expand ties with both China and India, so that “chances of Sino-Indian ties leading to an opposing force against the United States remain remote”.¹³ Similarly, the Washington-based Centre for Advanced Defence Studies in its 2006 report argues that “the US interests lies in developing a balanced position between India and China. A possible challenge to US influence in the region is if China and India reach a consensus to exclude the US from Asian affairs. The growing Asian regionalism may greatly reduce American influence and thus affect American interests”.¹⁴

Kenneth Waltz has cautioned that ‘wrong’ US policies towards Russia and China are moving these two states closer to each other and might even lead to the formation of a new balance of power against the US¹⁵ (read ‘Strategic Triangle between China, India and Russia). John Garver has similarly stated that “a Sino-Indian strategic partnership could provide China with resolution to its biggest contradiction: US hegemony”.¹⁶ He thinks the recent thaw between China and India is the first step in establishing this strategic alliance. Howard French in his *New York Times* article has written “The rise of China has already been felt far and wide... The addition of India, already a major force in services, could pull the globe's economic and political centre of gravity decidedly toward Asia, and away from an aging Europe and a United States already stretched by security threats and swelling deficits”.¹⁷

Moreover, what America fears the most is the possibility of China and India forming an alliance with Russia based on their common understanding and interests of a new international political and economical order and a multi-polar world. Growing concern with the American power has already resulted in the Russian Premier Yevgeny Primakov proposing a strategic partnership between the three countries as a way of making the world more balanced. The increasing bilateral interactions between Russia, China and India in the last few years have provided a major boost to the idea of a 'strategic triangle' and discussed in popular media and political circles in the three countries.¹⁸

India's Emerging Policy Posture

The above discussion shows that while the Chinese interpret the American interest in deepening its ties with India as a way for creating it as a counterweight to China in Asia, the Americans fear that the two countries may join hands to counter the US power in Asia. Taken together these differing perceptions raise two important questions. Is India actually willing to go in partnering the United States against China? Is India really interested for an alliance-like relationship with China to counter American hegemony in Asia?

To argue that, India has little option other than to align with the US to contain China or build a partnership with Beijing to counter Washington is to demonstrate poor knowledge about not just the history of India's foreign policy but also the role of strategic culture that shapes the nation's thought and behaviour. Such thinking also blithely ignores the limitations of the Indo-US and Sino-Indian relationship arising from the vicissitudes and compulsions of their respective foreign policies.

India's long colonial history and its leadership at the Non-Aligned Movement (NAM) have built a strong domestic consensus to retain its strategic autonomy.¹⁹ The perception of independence has factored into its United Nations (UN) vote on Iran, the decision regarding troop deployment in Iraq, the vigorous domestic debate on the Indo-US nuclear deal and its diplomatic posture at the international trade negotiations at Doha and climate change summit at Copenhagen. In all these cases, the domestic political dialogue revolved around the primacy of India's sovereignty and ensuring that decisions were made to promote the nation's interests. As Prime Minister Manmohan Singh stated during the parliamentary debate on the nuclear deal, "[N]othing will be done that will compromise, dilute, or cast a shadow on India's full autonomy in the management of its security and national interests."²⁰

Strategic culture also plays a significant role in the formulation and implementation of India's foreign and security policy. The nation's strategic culture – the idea that each political community has a particular and individual approach to security policy – has evolved over the country's millennial history with myriad influences dating back to periods of great triumph as well as

distress.²¹ The key strands of India's strategic culture include: strategic autonomy, military force as one of the many components of power; non-time bound goals and a nuanced approach to resolution of problems. These traits which may be considered as the core or skeleton of India's strategic culture, have not changed essentially despite shifts in India's strategic foreign and security policies during and after the Cold War and would continue to influence and guide the nation's foreign and security policy in future.

Apart from historical and cultural reasons, India would follow an independent foreign policy because such a posture also best suits its national interests. The main objective of India's political, military and economic leadership is to make the country a "major global player" and the leadership is fully aware that, without the active technological, economic and military support from other great powers, the nation simply cannot hope to achieve its goals fully. To meet these needs, India has pursued a multifaceted foreign policy and increased its engagement with the US, China, European Union, Russia and other major powers of the world in recent years. It has signed strategic partnership agreements with the US, China, Japan and South Korea to rapidly obtain economic, technological and military power. Thus, contrary to contemporary beliefs, India's policy of courting all the major powers simultaneously is not haphazard. Instead, "it is a sophisticated policy whose endeavour is to create the necessary balance of power in its geo-strategic environment in order to concentrate on economic, technological and military matters indispensable to its emergence as a true great power."²²

Moreover, any alliance relationship encompassing all security and defence issues necessarily depends on the broad convergence of interests between the two partners. This is clearly lacking between India and America or India and China given both partners' different international status in the global power hierarchy and diverse perceptions of security. For instance, undoubtedly, India's surging economy, stable democratic institutions and growing military muscle have made the US look toward India to preserve its pre-eminence in Asia by balancing out China's growing influence in the region with a deepening Indian partnership. This strategic thinking partly explains America's recent decisions to regard India as a "major world power" and tout the "natural alliance" between the world's oldest and largest democracies. But, despite America's new-found interest in India, New Delhi has its own calculations towards Beijing. To some extent, India may want to resist China's rise to predominance in the region with America's help, in whatever guise, but the Indian leadership is clearly convinced that there is much to be lost and nothing to be gained in confronting Beijing since India lags far behind China in most, if not all, key indices of comprehensive national power. Indeed, from New Delhi perspective, an anti-China alliance with Washington would not only gravely hurt the Sino-India detente but also deepen Beijing's incentive to encourage and support Pakistani adventure against India. One Indian analyst has in fact recently argued that the recent muscular Chinese

stance against India is clearly tied to the new US-India strategic partnership, symbolized by the nuclear deal and deepening military cooperation between Washington and New Delhi.²³

Moreover, there are a number of vital issues that keep India and the US apart. These include: the American and Afghanistan-Pakistan strategy, arms control, climate change, trade issues, high-technology cooperation and reform of the international institutions including the UN. Unless Washington and New Delhi move their disagreements toward compromise, a stable bilateral relations, let alone strategic partnership between the two countries is difficult to materialize.

Similarly, although there is a significant improvement in Sino-Indian relationship in recent years and the two countries share common interests and similar views on many major international and regional issues and often cooperate at the international groupings and venues, among them G-20, Doha, Copenhagen and BRIC (Brazil, Russia, India & China), yet China's all-weather friendship with Pakistan, its attempts to increase its influence in Nepal, Bangladesh, and Burma, its persistent refusal to recognize parts of India such as Arunachal Pradesh, its lack of support for India's membership to the United Nations Security Council (UNSC) and other regional and global organizations, have resulted in many Indian analysts describing Chinese actions as an effort to contain India and undermine its security.

Finally, Sino-US relations remain broader and deeper than those between New Delhi and Washington or Beijing and New Delhi. The US needs Chinese capital inflows as much as China needs the US consumers—an economic interdependence of such import that snapping it would amount to the Mutually Assured Destruction (MAD). Even politically, China, with its international leverage, counts for more in US policy than New Delhi or Tokyo.

To conclude, neither the US-India partnership nor the India-China relationship is likely to turn into any kind of formal alliance in coming years. Such an alliance is not in the interests of India. Moreover, due to historical and cultural reasons, India would never join any one power against the other. Also, both the US and China have substantive interests from each other which they would not like to jeopardize for the sake of their partnership with India.

However, three propositions must be kept in mind while assessing India's future relationship with the US and China. First, India's main objective is to emerge as a major world power. Second, India's emphasis will be on simultaneous expansion of political and economic relations with all the great powers and avoid choosing sides between them. India is quite pleased that it is under no compulsion at the moment from either the US or China to choose one of them. Three, it is reasonable to expect that there will be greater military and strategic content to Indo-US relationship than the Sino-Indian ties. For example,

the US decision to help modernize India's armed forces while maintaining an arms embargo against Beijing clearly works in India's favour.²⁴ This does not necessarily mean that India has to become a junior partner of the US. The US is aware that a stronger India, even outside the U.S. alliance system, will inevitably contribute to political stability in Asia. India's principal objective, in turn, is to ensure a peaceful neighbourhood and to rapidly develop its comprehensive national power. Thus, India would maintain an independent and all-round diplomatic posture to gain its own maximum state interest. And "it will not easily board any ship because India itself is a large ship."²⁵

REFERENCES

1. For more on the rise of India as a great power, see, D Lak, *The Future of the New Superpower*, Palgrave Macmillan, New Delhi, 2008; Mark P Thirlwell, *India The Next Economic Giant*, Lowy Institute for International Policy, Sydney 2004; Baldev Raj Nayar and T.V. Paul, *India in the World Order: Searching for Major-Power Status*, Cambridge University Press, 2003; and Sandy Gordon, *India's Rise to Power in the Twentieth Century and Beyond*, The Macmillan Press, Houndmills, 1995.
2. Jing-dong Yuan "Chinese Perspectives on a Rising India", *World Policy Review*, November 2008, available at:<http://www.worldpoliticsreview.com/article.aspx?id=2983>.
3. Chidanand Rajghatta, "Arms Americana: US Opens Military Barn Door for India", *Times of India*, 9 May 2005; Liu Li, "Gongtong erzhi zhongguo: meiyin qiaoding shinian junshi hezuo Jointly Containing China: U.S. and India Nail Ten-Year Military Cooperation Package," *Dongfang Zaobao Oriental Morning Post*, 30 June 2005; Hou Hongyu, "Shixi meiguo duiyin junbei chukou zhengze de bianhua [An Analysis of Changes in U.S. Arms Export Policy toward India]", *Xiandai Guoji Guanxi Contemporary International Relations*, No. 12, (2005), pp. 13-16.
4. Ma Jiali, "The Posture of India's Rise", *Contemporary International Relations*, No. 7, July 2006, available at: <http://www.cicir.ac.cn/english/ArticleView.aspx?nid=767>
5. Cheng Ruisheng, "Trend of India's Diplomatic Strategy", *China International Studies*, No. 1, 2008. (Beijing), Vol. 10 (Spring 2008) 1, pp. 20-40.
6. Ding Ying, "The Mounting Nuclear Imbalance", *Beijing Review*, No. 36, 2007, and Zhang Li, "Cong 'hexieyi' jiedu yinmei guanxi [The Nuclear Deal and the Indo-U.S. Strategic Relationship]," *Nanya Yanjiu Jikan (South Asian Studies Quarterly)*, No. 3 (2005), pp.43-50.
7. For the Chinese official media perception that America is partnering India to contain China, see, Ren Yujun, "Purpose of the United States in Playing the 'India Card' is Known to All," *People's Daily*, May 14, 2001, FBIS-CHI-2001-0514; Qian Feng, "Behind the Warming Up of India-U.S. Relations," *People's Daily*, 14 May 2001, FBISCHI-2001-0514; Zheng Ruixiang, "Some Strategic Issues in South Asia", *International Studies*, 2001, China Institute of International Studies, Beijing, pp. 33-34; Shao Zhiyong, "India's Big Power Dreams", *Beijing Review*, 12 April 2001, pp. 9-10; Liu Xuecheng, "Shiji zhe jiao de daguo nanya zhengce" (South Asian Policies of the Big Powers on the Eve of the New Century), *Nanya yanjiu (South Asian Research)*, No. 2 1999, pp. 23-29.

8. Thomas W. Lippman, "Administration Ponders Next Step Toward India", *Washington Post*, 21 June 1998, available at: www.lexis-nexis.com. Also see, "Advancing U.S.-India Economic Relations", David C. Mulford Speech to the Indian Chamber of Commerce/Indo-American Chamber of Commerce Luncheon, Calcutta, 18 August 2005.
9. For more on this aspect, see, Zalmay M. Khalilzad, *et. al.*, *The United States and a Rising China, Strategic and Military Implications*, Santa Monica: RAND, Project Air Force, 1999, pp. 69–70; Bill Gertz, *The China Threat, How the People's Republic Targets America*, Washington, DC: Regnery Publishers, 2000, p. 202; Edward Timperlake and William C. Triplett II, *Red Dragon Rising, Communist China's Military Threat to America*, Washington, DC: Regnery Publishers, 1999; and Michael Pillsbury, *China Debates the Future Security Environment*, Washington, DC: National Defense University Press, 2000, pp. 138–53.
10. Susan L. Craig, *Chinese Perceptions of Traditional and Non-traditional Security Threats*, Strategic Studies Institute, Carlisle: PA, March 2007. Also see, Wang Yiwei, "India's Strategic Suspicion Toward China", *Lianhe Zaobao*, 25 September 2007, available at: <http://www.zaobao.com/yl/ylweek.html>.
11. Zhang Guihong, "U.S-India Security Relations Implications for China", *Faultlines: Institute for Conflict Management*, New Delhi, Vol. 14, 2003, pp. 29-47.
12. U.S. Department of Defence, *Quadrennial Defence Review Report*, September 30, 2001, available at: www.dod.gov/pubs/qdr2001.pdf.
13. Asia Society and the Woodrow Wilson International Center for Scholars, "The India-China Relationship: What the United States Needs To Know?", Conference Report., Washington DC, 30 November 2001.
14. The Centre for Advanced Defence Studies Report, *US Strategy with China and India: Striking a Balance to Avoid Conflict*, Washington D.C, August 2006.
15. Kenneth Waltz, "Structural Realism After the Cold War", *International Security*, No. 25, Vol.1, 2000, pp. 28–42.
16. John Garver, *Protracted Contest: Sino-Indian Rivalry in the Twentieth Century*, Seattle: University of Washington Press, 2001, p. 353.
17. Quoted in Mallika Joseph, "India-China Strategic Partnership: Implications for US and Pakistan", *IPCS Articles*, No. 1711, 25 April 2005, available at: http://www.ipcs.org/article_details.php?articleNo=1711.
18. For details, see, John W. Garver, "The China-India-U.S. Triangle: Strategic Relations in the Post-Cold War Era", *NBR Analysis* 13:5, October 2002; and Harsh V. Pant, "The Moscow–Beijing–Delhi 'Strategic Triangle'", *Security Dialogue*, No. 3, Vol. 35, 2004, pp. 311-328.
19. For more on this, see, Upendra Choudhury, *Relevance of NAM for India in the Post-Cold War Years*, (Unpublished Dissertation), CPS/SSS, JNU, New Delhi, 1995.
20. Excerpts of Prime Minister Dr. Manmohan Singh's intervention in the Lok Sabha during discussion on India-US Civil Nuclear Cooperation, 18 December 2006, available at: <http://www.indianembassy.org/prdetail808/--%09--excerpts-of-prime-minister-dr.-manmohan-singh%27s-intervention-in-the-lok-sabha-during-discussion-on-india-us-civil-nuclear-cooperation>.
21. For strategic culture, see, Alastair Iain Johnston, "Thinking about Strategic Culture", *International Security*, Vol. 19, No. 4 (Spring 1995), pp. 32–64; Colin Gray, "Strategic

Culture as Context: the First Generation of Theory Strikes Back”, *Review of International Studies*, Vol. 25, No. 1 (1999), pp. 49–69; David Haglund, “What Good is Strategic Culture?”, *International Journal*, Vol. 59, No. 3 (Summer 2004), pp. 479–502. For studies on India’s strategic culture, see, Latham Andrew, “Constructing National Security: Culture and Identity in Indian Arms Control and Disarmament Practice”, in Keith R. Krause, (ed.), *Culture and Security: Multilateralism, Arms Control, and Security Building*, London: Frank Cass, 1999; Andrew C. Winner, “Indian Strategic Thinking: From Regional to Global Challenges” presented at the 2007 International Studies Association Conference 28 February 2007; Kanti Bajpai and Amitabh Mattoo (eds.), *Securing India: Strategic Thought and Practice*, Manohar Publishers and Distributors, New Delhi, 1996; G.D Bakshi, *The Rise of Indian Military Power: Evolution of an Indian Strategic Culture*, Knowledge World Publications, New Delhi, 2010; Rajesh M Basrur., “Nuclear Weapons and Indian Strategic Culture”, *Journal of Peace Research*, Vol. 38, No. 2, March, 2001; Rahul K Bhonsle., “Jointness: An Indian Strategic Culture Perspective”, *Journal of Defence Studies*, Volume 1, No. 1, 2010; Stephen Burgess, “India’s Strategic Culture, Foreign and Security Policy and Relations with the United States”, American Political Science Association Convention, 3-6 September, 2009; Rodney Jones, “India’s Strategic Culture”, Paper, available at: http://www.dtra.mil/documents/asco/publications/comparitive_strategic_cultures_curriculum/case%20studies/; Marcus Kim, “India” in John Glenn, Darryl Howlett, and Stuart Poore, (ed.) *New Realism Versus Strategic Culture*, Ashgate Publications, London, 2004; Harjeet Singh, “India’s Strategic Culture: The Impact of Geography”, Centre for Land Warfare Studies, New Delhi, Manekshaw Paper No. 10, 2009; George K. Tanham, *Indian Strategic Thought: An Interpretive Essay*, Rand: Santa Monica, 1992; Rashed Uz Zaman, “India’s Strategic Culture and Its Nuclear Policy”, Paper, available at: http://pdfserve.informaworld.com/349507_908608074.pdf and Jiegen Zhang, “Contemporary Indian Strategic Culture and its Nuclear Strategy”, *International Review*, Spring, Vol. 46, 2007.

22. Adam Wolfe, Yevgeny Bendersky, and Federico Bordonaro, “New Delhi’s New Diplomacy,” *Asia Times*, July 21, 2005. Also see, Lakhvinder Singh and Changsu Kim, “India’s Recent Foreign Policy Initiatives and Implications for East Asian Security”, *The Korean Journal of Defence Analysis*, Vol. XVII, No. 3, Winter 2005, pp. 129-150.

23. Brahma Chellaney, “US Spurs China-India Tensions”, *The Japan Times*, 14 November 2009, available at: <http://search.japantimes.co.jp/cgi-bin/eo20091114bc.html>

24. For details, see, C. Raja Mohan, “India’s Geopolitics and Southeast Asian Security”, *Journal of Southeast Asian Affairs*, 2008, pp. 43-60.

25. Lin Chuan, “Bush Will Start to Visit India Tomorrow to Woo India in Attempt to Contain China”, *Zhongguo Tongxun She (China News Agency)*, 28 February 2006, cited in Susan L. Craig, *Chinese Perceptions Of Traditional And Nontraditional Security Threats*, Strategic Studies Institute, U.S. Army War College, 122 Forbes Ave, Carlisle, PA, 2007.

Moonis Ahmar

THE CHALLENGES OF COUNTER-TERRORISM IN PAKISTAN

=====

Abstract

Counter terrorism is not only a forceful response to the acts of terror, but also means a comprehensive combination of hard and soft power. The use of military or semi-military means to counter terrorism is one way to prevent the further loss of innocent lives but in order to effectively deal with the threat of terror, the application of social, psychological, economic and political means are also essential. This paper will take into account six important factors which cause the outbreak of violence and terrorism in Pakistan and the question of successes and failures of counter terrorism strategy. First, inter and intra-sectarian conflict; second, growing militancy in younger generation; third, the role of autonomous and secessionist groups particularly in Balochistan; fourth, army's bewildered approach on dealing with the threat of terror; fifth, media's role in curbing the incidents of terrorism and finally, the level of awareness or the lack of awareness which exists in Pakistan on the growing power of non-state actors who are in present circumstances responsible for the bulk of violent and terrorist acts in the country.

1. INTRODUCTION

The threat of terrorism is now a global phenomenon. What is more significant while dealing with the threat of terrorism is the methodology to counter the menace which is a cause of unprecedented insecurity and physical damage to the mankind. Pakistan, in the last forty years has experienced unabated incidents of terror claiming thousands of innocent lives. Yet, despite the deepening of terrorism in different parts of Pakistan, there is no clear and coherent policy to counter terrorism. As a result, one can observe the permeation of violence and acts of terror in different segments of Pakistani society.

Counter terrorism is not only a forceful response to the acts of terror, but it means a comprehensive combination of hard and soft power. The use of military

Moonis Ahmar, Ph.D., is Professor of International Relations and Director, Program on Peace Studies and Conflict Resolution, University of Karachi, Pakistan. Currently, he is a Visiting Fellow, South Asia Program, Institute of Defense and Strategic Studies, Rajaratnam School of International Studies, Nanyang Technological University, Singapore. His e-mail address is: amoonis@hotmail.com

or semi-military means to counter terrorism is one way to prevent the further loss of innocent lives but in order to effectively deal with the threat of terror, the application of social, psychological, economic and political means are also essential.

With a population of 180 million people and vulnerable to external and internal factors which augment violence and terrorism, Pakistan's predicament as a nation state is twofold: first, the insurgency in Afghanistan having dangerous security implications on Pakistan and second, the fragile nature of state and society which tends to promote non-state actors attempting to establish their own order and way of life by force. Furthermore, with the augmentation of extremism, intolerance, radicalization, militancy and terrorism in different parts of Pakistan, one can expect the further marginalization of moderation and sanity at the societal level.

While undertaking an analytical research on the issue of counter terrorism in Pakistan, one can raise the following questions:

1. What is the nature of terrorist *threat* in Pakistan?
2. Can Pakistan *cope* with the threats and implications of terrorism by formulating a clear and coherent counter terrorism policy?
3. How Pakistan can deal with the *fault lines* in the state and societal structures which are largely responsible for augmenting the level of violence and insecurity?
4. How Pakistan can counter the threat of terrorism by dealing with those external issues which are a source of *intensifying* the acts of terror?

This paper aims at examining the challenges of counter terrorism in Pakistan by covering the following themes:-

1. *Conceptual framework;*
2. *The deepening and transformation of terrorist threat;*
3. *The role of state actors in formulating a counter terrorism policy;*
4. *Gaps in counter-terrorism policy;*
5. *External factors in mapping counter-terrorism policy; and*
6. *Successes and failures of counter-terrorism policy.*

Furthermore, this paper will also take into account six important factors which cause the outbreak of violence and terrorism in Pakistan and the question of the successes and failures of counter terrorism strategy. First, inter and intra-sectarian conflict; second, growing militancy in younger generation; third, the role of autonomous and secessionist groups particularly in Balochistan; fourth, army's bewildered approach on dealing with the threat of terror; fifth, media's role in curbing the incidents of terrorism and finally, the level of awareness or the lack of awareness which exists in Pakistan on the growing power of non-state actors who are in present circumstances responsible for the bulk of violent and terrorist acts in the country.

2. CONCEPTUAL FRAMEWORK

Counter terrorism as an approach to effectively deal with the threat of terror varies from case to case. Depending on the nature of threat, individuals or groups involved in that threat and the damage caused as a result of the act of terror, strategies to counter terrorism are formulated. Therefore, while defining the strategy of counter terrorism it can be stated that, "when referring to counter terrorism measures we mean both defensive measures, to reduce vulnerability to terrorist acts, and offensive measures, to prevent, deter and respond to terrorism, doing with any contingency measures preparing for or having the ability to respond to a terrorist attack/incident."¹³⁹

Counter terrorism measures cannot be taken in isolation or without considering domestic realities into account. If the society is vulnerable to forces that have a free hand in carrying out violent and terrorist acts, counter terrorism measures must be formulated while considering the level of indigenous support. While discussing "counter terrorism, one must first understand what motivates those whom the counter terrorist is trying to defeat."¹⁴⁰ As without motivation, no violent or terrorist individual or group can sustain its existence. Counter terrorism measures got a new shape in the post-9/11 scenario because of two reasons. First, the level of threat which was encountered by the United States after September 11 was unprecedented and required a holistic approach which can seek the support from other countries. Second, a better understanding of the mode of operation, support base, funding, training and activities of terrorist groups in order to launch effective counter terrorism measures was also required. Some of the counter terrorism measures which may have positive impacts on neutralizing the activities of terrorist groups and organizations are as follows:

1. Political measures;
2. Social measures;

¹³⁹ For further information, see, S C Graeme, C. S. Steven and Rohan Gunaratna, *Counter Terrorism*, Santa Barbara: ABC – CLIO, Inc. 2004, p. 102.

¹⁴⁰ *Ibid.*, p. 32.

3. Educational measures;
4. Economic measures;
5. Military measures;
6. Intelligence measures;
7. Judicial measures; and
8. Media measures.

With a combination of hard and soft power, one can seek better results from counter terrorist measures. Political measures include political reconciliation, accommodation, empowerment, tolerance and coexistence. When some of the groups are marginalized and politically not on board, hard line and extremist elements take advantage of the situation and become a source of violence and terrorism. In case of social measures, one way to deal with extremism and radicalization in society is to promote social harmony, mobility and interaction between and among different social groups so that a better sense of understanding can be created. By promoting literacy and better education, one can defeat those elements who take advantage of ignorance and illiteracy for inducting extremism and militancy.

Economic measures are a key to counter terrorism because violence and acts of terror can get adequate space when there is poverty, unemployment, underdevelopment and backwardness. By providing equal employment opportunities, introducing various developments and training programs and bettering the country's economic profile, there may be a possibility of neutralizing those elements who take advantage of economic predicament of people.

Military measures include targeting militant and terrorist hideouts and sanctuaries and cutting off their command and control set-up including supplies. But, the problem with military counter terrorism measures is the possibility of the loss of human lives or collateral damage. When the Pakistan military launched anti-terrorist operation in tribal areas in 2004 and in Swat in 2009, it was alleged that civilian casualties had taken place and millions of people were rendered homeless. The drone attacks launched by the US Central Intelligent Agency (CIA) on the tribal areas of Pakistan resulted into collateral damage. Intelligence measures can help counter the planning and operations of terrorist groups. These can also help contain their funding and supplies and isolate their rank and file.

Judicial measures can ensure prompt hearing and award of punishment to those found guilty of acts of terror. If the judicial system is less efficient and more corrupt, terrorist groups may get space to sustain and broaden their

activities. Finally, media measures include providing awareness to people about the threats of terrorism and militancy. If people are better informed about the negative features of militancy and terrorism, it will be easier to neutralize the activities of terrorist groups.

In a nutshell, counter terrorism measures, if taken properly and with adequate planning can go a long way in effectively dealing with a threat which has taken millions of people as a hostage.

In counter terrorism strategy, the role of the United States is critical because in the last ten years or so, Washington is heavily involved in dealing with the threat of terrorism at different levels. The question which arises while examining the U.S. counter terrorist strategy is: to what extent there is a difference between the Bush and Obama administrations in dealing with terrorism? Audrey Kurth Cronin gives the following account of the difference in counter terrorism strategy of the two administrations:

There were two key policy differences between Obama and Bush administration approaches to counter terrorism, flushed out publicly by the new administration in mid-2010. First was the effort to disaggregate the threat to respond to different elements of Al-Qaeda differently. The second broad shift was the administration's attempt to inoculate the American people in advance of a tragedy. An emphasis on protecting core values, planning for contingencies, and avoiding fear and paralysis in the wake of held out hope of defusing the classic power of terrorism to leverage popular fear, inflame political factions and provoke devastating overreaction.¹⁴¹

It seems, even more than two years since coming into office, the Obama administration has not been able to undo the legacy of Bush's handling of the terrorist threat. There is no major or a qualitative change which has taken place so far under Obama administration, except coming up with Af-Pak policy, while dealing with the issues which negatively impacted on the image of the United States before the outside world. Except his decision to close down the Guantanamo bay prison, Obama has not deviated from any of the policy steps to combat terrorism that were taken during the Bush administration.

In the dynamics of counter terrorism, much depends on how the United States is able to rationalize its counter terrorism strategy. So far, Pakistan has not been able to have consensus with Washington to counter terrorism particularly on the issue of drone attacks and launching military operation in South Waziristan. U.S. and Af-Pak policy, as outlined by the Obama administration in 2009, aims at dealing with the threat of terrorism under the framework of a joint policy on Afghanistan and Pakistan. That policy is criticized in Pakistan because it doesn't take into account the fact that it is Pakistan which has suffered

¹⁴¹ Audrey Kurth Cronin, "The Evolution of Counter Terrorism: Will Tactics Trump Strategy?", *International Affairs* (London), Vol. 86, No. 4 (July 2010), pp. 854-55.

enormously because of countless acts of terror and cannot be equated with Afghanistan where the mishandling of affairs by the foreign forces tend to augment violence and terrorism. Furthermore, when the U.S. officials remind Pakistan to 'do more' in combating terrorism or what they call as the 'safe heavens' of terrorist groups in the tribal areas, stalemate in Pak-U.S. strategic ties continues. The problem with Pakistan is its military is now overstretched in counter terrorism operations. Opening another front in the form of military operation in North Waziristan will augment more pressure and also invite domestic backlash. Certainly, there are serious gaps and differences in the U.S. and Pakistan counter terrorism perception and strategy. Both sides also differ on the identification of threat and the use of force against groups perceived by the U.S. close to Al-Qaeda.

3. TERRORIST THREAT AND ITS TRANSFORMATION

The threat of terrorism in Pakistan surged in the post 9/11 period. Yet, even before 9/11, incidents of violence and terrorism caused enormous loss of human lives. During the 1980s and 1990s, the nature of terrorist threat was different as most of the acts of terror were the direct consequence of the Soviet military intervention in Afghanistan and the deepening of political, sectarian and ethnic strife in the country. In early 1980s, the military regime of General Zia-ul-Haq held *Al-Zulfiqar*, a group established by Mir Murtaza Bhutto, elder son of former Prime Minister Zulfiqar Ali Bhutto, responsible for carrying acts of terror namely the hijacking of a domestic flight of Pakistan International Airlines (PIA) on March 3, 1981. Al-Zulfiqar was also held responsible for various acts of terror. These included carrying out assassination attempts, bomb blasts and targeting communication network in order to exert pressure on the Zia regime.

What has happened in the last four decades or so is the transformation of terrorist threat in Pakistan. The growth of militancy, extremism, intolerance and radicalization augmented the terrorist incidents in Pakistan. Till the year 2000, suicide terrorist attacks were not common in Pakistan but in the post-2000 period, one observed the growth and expansion of these attacks in public places, military installations, mosques, religious schools and churches. The U.S. led attack on Afghanistan and the dismantling of Taliban regime further compounded the level of terrorist threat in Pakistan. As has been remarked by a Pakistani strategic analyst that,

Since 2001, the threat posed by militancy has increased as the ongoing conflict, poverty and lack of development have made it easier for Taliban to recruit foot soldiers. The new leaders of the various Taliban and militant groups are young

men, mostly in their thirties, who are battle-hardened from the last decade and are far less willing to compromise.¹⁴²

The mingling of Taliban with the local population particularly in Khyber Pakhtoonkhwa (former North Western Frontier Province) and Balochistan, the two provinces of Pakistan bordering Afghanistan, indicated indigenous sympathy, if not direct support, for a cause which demanded resistance against the foreign forces in Afghanistan. Not only the tribal, but also the settled areas of Pakistan came under the grip of terrorism believed to have been carried out by the banned Tehrik-e-Taliban Pakistan (TTP) and other sectarian groups. According to a report published in IISS's (International Institute of Strategic Studies, London) Strategic Comments, "within the settled areas, Pakistan has continued to see high levels of jihadist violence both against its security perpetrated by groups such as Lashkar-e-Jhangvi, Jash-e-Mohammad, HUJI and Harkat-al-Mujahideen which together with LeT, are collectively known as the 'Punjabi Taliban,' a term which reflects their growing alignment with the TTP and Afghan Taliban. That such groups pose a threat to Pakistani state is no longer in doubt and reflects the degree to which Jihadism in Pakistan has become a double-edged sword."¹⁴³ The real test case for the state of Pakistan is how to deal with the escalation of terrorist threat and to what extent the use of force can neutralize the terrorist infrastructure? The emergence of banned terrorist groups from some other names adds to the predicament to the state authorities of Pakistan because it becomes a major challenge how to neutralize the mode of support base and mode of operation of individuals and groups who continue to operate by carrying out more and more terrorist activities under different names.

One way to effectively deal with the threat of banned and clandestine terrorist organizations in Pakistan is to first understand the nature of transformation which took place in the rank and file of such organizations and then to isolate them from the mainstream population. The problem faced by the successive governments in Pakistan is that, they have failed to mobilize people, particularly in those areas where enormous civilian casualties took place as a result of terrorist acts.

There are two contradictory perceptions related to the threat of terrorism in Pakistan. First, there is no likelihood of reducing the threat of terror unless CIA managed drone attacks on the tribal areas of Pakistan are stopped and the U.S. led forces leave Afghanistan. The surge of anti-Americanism as a sequel to the Taliban-led insurgency against foreign forces and the non-combatant casualties because of drone attacks in the tribal areas of Pakistan tends to augment the level of anger and antagonism, thus, giving space to those groups who use violence

¹⁴² Ayesha Siddiqi, "Pakistan's Counterterrorism Strategy: Separating Friends from Enemies," *The Washington Quarterly*, Vol. 31, No. 1 (Winter 2011), p. 140.

¹⁴³ "South Asia still beset by violent extremism", in IISS Strategic Comments, available at: <http://11sn130w.snt.130.mail.live.com/> accessed on 12 January 2011.

and terrorism as a means to fight what they call 'jihad' against foreign forces and their supporters both in Pakistan and in Afghanistan. Second, unless the domestic issues which deepen economic miseries of people are sorted out, the threat of violence and terrorism in Pakistan cannot be curtailed. In a country of 180 million people where there are serious issues of governance and economic disparities, enough space is provided to militant and extremist groups who use religion or ethnicity for the pursuance of their political objectives.

If there are negatives in the transformation of terrorist threat in Pakistan, there are also positive aspects. For instance, after reaching its peak, terrorist threat has subsided to some extent. According to a report released by the Pakistan Institute of Peace Studies (PIPS), Islamabad in January 2011, "Pakistan gained ground against militant violence in 2010, but urban terrorism is a growing threat and military success will not bring stability unless a comprehensive strategy is developed. Incidents of violence and terrorism in Pakistan fell by 11 per cent in 2010 compared with the previous year. The number of suicide attacks fell by 22 per cent to 68 in 2010 compared with 87 in 2009."¹⁴⁴ According to PIPS's report, "a total of 2,113 militant, insurgent and sectarian attacks were reported across the country in 2010 killing 2,913 people. As many as 93 militant attacks which killed 233 people were reported in 2010."¹⁴⁵ Yet despite decrease in violent and terrorist incidents in Pakistan, as cited in PIPS report what is lacking in counter terrorism measures are: "better coordination among intelligence agencies, capacity building of law enforcement agencies, curbs on terrorism financing and most importantly, adequate measures to prevent banned militant groups from operating across the country remained persistently lacking."¹⁴⁶ To what extent, the state authorities in Pakistan are able to cope with internal fault lines which impede efforts for tracking down and punishing those involved in various terrorist incidents? Transformation in effectively dealing with the threat and challenge of violence and terrorism in Pakistan is quite slow because of two main reasons. First is the lack of sophisticated technology available for the security agencies to cope with the acts of terror and second is the slow judicial process to deal with the cases of terrorism.

4. THE DILEMMA OF COUNTER TERRORISM

The challenge of counter terrorism in Pakistan is different as compared to other countries. First, no country in the last four years has witnessed so many terrorist acts, including suicide attacks as Pakistan. It is not only the number of casualties and injuries which has taken place in Pakistan but the diversity in carrying out terrorist attacks. Not only the terror targets are security forces,

¹⁴⁴ *Daily Dawn* (Karachi), 17 January 2011.

¹⁴⁵ *Ibid.*

¹⁴⁶ *Ibid.*

government installations but mosques, religious schools, shrines, shopping centres and churches have also not been spared. When the threat of terrorism in Pakistan is so massive, the question of countering that threat is also quite critical. Is there any anti-terrorism mechanism in operation in Pakistan? To what extent, the use of hard power in counter terrorism operation can yield positive results? Why the role of clergy in Pakistan to effectively counter terrorism is not that significant and how the civil society can play a vital role in isolating the terrorist groups? How external factors impede counter terrorism measures and how a better coordination among the countries of South Asian Association for Regional Cooperation (SAARC) can help curb terrorist acts?

In the realm of counter terrorism, the role of state is crucial because it is responsible for the protection and safety of its citizens. One important segment of state which plays a major role in counter terrorism measures in Pakistan is the military. To what extent military can deal with those elements over a period of time taking advantage of Afghan jihad and using religion for political purposes deepened their influence in the state and societal structures of Pakistan? The emergence of various militant religious groups in Pakistan having a regional and global network cannot be overlooked. Therefore, it is not wrong to argue that,

No amount of counter-terrorism operations will work unless the government has a plan to generate a new discourse that can counter *takfiri* ideology and the orthodox interpretation of Sharia law. It is critical for the Pakistani government and civil society groups to combine forces and emphasize the fact that terrorism is linked with an ideological battle in the country.¹⁴⁷

Elaborating flaws in Pakistan's counter-terrorism strategy, Ayesha Siddiqa, a noted security analyst of Pakistan, states that the "primary flaw of Pakistan's counter terrorism policy, however, is that it is defined and driven by the military and that institution's strategic objectives. It is easier to use the military option than to address the problem of changing the basic narrative and socio-economic condition that drive military in the first place."¹⁴⁸ That type of an approach pursued by the military can put several obstacles in counter terrorism operations. For instance, a widely shared perception in various strategic circles in the West and also in India about Pakistan's military approach on countering terrorism is about its reluctance to take action against groups who are perceived to be involved in cross border terrorism. As long as there is no clear cut policy on the part of Islamabad to follow an even-handed approach *vis-a-vis* all terrorist groups, one cannot expect its counter terrorism strategy to yield positive results.

When U.S. Vice-President Joseph Biden visited Islamabad in January 2011 and in his meetings with the high ranking Pakistani officials insisted that military should launch operation in North Waziristan, he got a cold shoulder from

¹⁴⁷ Ayesha Siddiqa, *op. cit.*, p. 159.

¹⁴⁸ *Ibid.*, pp. 149-150.

Islamabad. Perhaps, the reluctance on the part of Army generals to target what the United States believes ‘safe heavens’ of al-Qaeda in North Waziristan is because they want to avoid the opening of another front. That type of a situation brings into question insurgency in Afghanistan and Kabul’s repeated assertions blaming Pakistan of not preventing terrorist groups operating across the border.

Further discussing Pakistan’s counter terrorism strategy while relating to the contradictions which that strategy implies in case of Afghanistan, Siddiq argues that it is contradictory because it is “caught between the inclination to fight militant forces and yet having to partner with same to strengthen its future bargaining position. The policy flows out of Pakistan’s multiple strategic requirements: it needs to remain engaged with the United States, to save itself from the Taliban attacking the Pakistani state, and to fight India’s growing presence in Afghanistan. Caught between these issues, Islamabad’s counter terrorism policy and objectives continue to lack clarity. At best, the policy illustrates the tension between Islamabad’s need to protect itself against an internal enemy and its sensitivity toward the external threats from India.”¹⁴⁹ As long as the Pakistan army continues to differentiate among the various groups on the basis of their tactical position *vis-a-vis* the Pakistani state, terrorism will continue. There seems to be little interest to marginalize or eliminate the core militant groups operating inside Pakistan.¹⁵⁰ For how long Pakistan’s military will pursue the approach of protecting its “human strategic asset” who happen to be “dangerous people” threatening not only American/Western interests but also a major source of instability in the region is yet to be seen. Islamabad has tried to carefully sidetrack the pressure which is being exerted particularly from the United States to “do more” so as to dismantle what it calls “terrorist infrastructure” particularly in the tribal areas of Pakistan. Siddiq examines the dichotomy in Pak-U.S. relations in the context of terrorism by arguing that, “both the United States and Pakistan appear to lack clarity on how to define the threat they are facing and what are attainable objectives. Although the prospective date of U.S. withdrawal has caused its fair share of controversy, Islamabad’s counter terrorism policy suffers from its own set of problem, beginning with over emphasizing the military approach. On a safeguard level, the main issue with Islamabad’s approach to fighting terrorism is that it is almost completely controlled by the armed forces. They have a four tiered approach: clear, hold,

¹⁴⁹ *Ibid.*, p. 149.

¹⁵⁰ *Ibid.* She elaborates flaws in Pakistan’s counter terrorism by arguing that, “one of the greatest flaws of the overall counter terrorism approach of the allies, certainly Pakistan is the concentration on the use of force. This is not to argue that the military option should not be used at all or that the state must not protect itself against terrorists. The military option, nevertheless, does not help eradicate militancy and emphasize the idea that change comes about through the use of force. In this respect, the drone attacks seem to add to the problem of the military” , *Ibid.*, 158.

develop, and disintegrate, an approach used by the army in its operations in Swat in 2007 and in South Waziristan in October 2009.”¹⁵¹

Then there is the issue of who formulates and controls counter terrorism strategy in Pakistan: whether it is under the military or under a civilian control and to what extent the two are able to effectively coordinate on dealing with the threat of terrorism in the country?

Samina Ahmed, Director, International Crisis Group (ICG), Pakistan, is of the opinion that, “until and unless there is meaningful civilian control over counter terrorism policy, accompanied by the necessary investments in police and prosecutors to enhance investigative capacity and case building and until judges and witnesses are protected, even those terrorists that are captured and tried are likely to go scot-free.”¹⁵² This brings into picture the issue of major flaws in Pakistan’s criminal justice system where those involved in deadly crimes are able to get away by taking advantage of loopholes in the trial process. As a result, counter terrorism mechanism in Pakistan is unable to cope with the rise in violent and terrorist acts. Referring to the shortcomings in the procedure for punishing those involved in terrorist activities, Samina Ahmed argues that,

The failure of Pakistan’s criminal justice system to pre-empt, investigate and convict terrorists and other major criminals is alarming. A low conviction rate, hovering between 5 to 10 per cent, is unsurprising in already decrepit prosecutors, also poorly trained fail to build cases strong enough to stand in court. Corruption and intimidation run rampant in a system that lacks the most basic modern tools, including forensic evidence and timely access to telephone records.¹⁵³

How to deal with the gaps in Pakistan’s judicial system so as to seek a breakthrough in counter terrorism is a big challenge. Since 1997, some headway has been made to streamline anti-terrorism laws. When there was surge in terrorist acts in Pakistan as a result of sectarian conflict, the then government of Prime Minister Nawaz Sharif promulgated the Anti-Terrorist Act (ATA) of 1997. “The Act declared that if a provincial government needed military and civilian armed forces to prevent terrorist acts or scheduled offences it could request the federal government which would decide which forces were required for deployment to the affected area (Section 4). The Act provided all powers to law enforcement personnel to arrest any person and enter and search any house without warrants.”¹⁵⁴ The Act became a source of criticism particularly launched

¹⁵¹ *Ibid.*, pp. 150-151.

¹⁵² Samina Ahmed, “Pakistan: The Hidden War” *Foreign Policy*, 23 December, 2010, available at: <http://www/crisisgroup.org/en/regions/asia/south.asia/pakistan> accessed on 10 January 2011.

¹⁵³ *Ibid.*,

¹⁵⁴ Saba Noor, “Evolution of Counter Terrorism Legislation in Pakistan,” *Peace and Conflict Studies* (Islamabad), September 2008, p. 5.

by the opposition Pakistan People's Party (PPP) blaming the ruling party of using ATA for political purposes. Various changes were made in that Act through ordinances and amendments like:

1. Anti-Terrorism (Amendment) Ordinance 2001.
2. Anti-Terrorism (Amendment) Ordinance, 2002.
3. Anti-Terrorism (Amendment) Ordinance, 2004.
4. Anti-Terrorism (Second Amendment) Act 2005.

Yet, "despite a long history of anti-terror laws in Pakistan, the country continues to suffer from widespread terrorism and invites frequent comments from the Western media regarding its failure to ensure peace, law and order."¹⁵⁵ Four major fault lines which one can identify in the context of judicial process of counter terrorism in Pakistan are:

1. Reluctance of witnesses to witness and testify in ATC because of fear.
2. Less stringent laws to deny bail to the suspects.
3. Unscientific methods of interrogation.
4. Undue delay in winding up the case.

Overall, it is the environment which matters in pursuing an effective counter terrorism strategy. If the environment is conducive for groups who cause fear, panic, insecurity, chaos and disorder then it becomes difficult for the state to take strong action against individuals and groups responsible for the acts of terror. Otherwise, if the environment is unfavourable and hostile to the groups who intend to carry out their terrorist activities, one can expect a better counter terrorism strategy to unfold.

5. SUCCESSES AND FAILURES

If terrorist groups are motivated and ideologically committed to achieve their objectives, can there be an ideological response to deal with the acts of terror? How far there can be an ideological response to the threat of militancy and terrorism as far as Pakistan is concerned? How the counter-terrorism policy can transform its failures into successes? A Pakistani security analyst points out that, "A counter ideological response to neutralize and defeat terrorism has become a popular theme in the anti-extremism discourse. It is widely believed that ideology is the key motivating force behind the current wave of terrorism. In fact, academic journals and counter terrorism experts take for granted that

¹⁵⁵ *Ibid.*, p. 15.

Islamic extremism has roots in a particular extremist version of religion. Therefore, promotion of a moderate and peaceful version of religion is essential to combat terrorist roots.”¹⁵⁶ An effective ideological response to terrorism in a given situation is the best possible option. That response needs to be formulated in such a manner that the moderate segment of clergy is able to neutralize the influence of those groups who justify the use of violence and terrorism in the name of religion.

The successes and failures of Pakistan’s counter-terrorism policy can be analyzed from four perspectives. First, is the state perspective, which is again divided into military and civilian ones. In the post-Musharraf era, one has yet to see the firm control over national security affairs by the civilian leadership. During the military and quasi-military rule in post-1971 Pakistan since the days of Zia-ul-Haq till Musharraf, national security and national interests were equated resulting into the mess which one can see in Pakistan today. The military made sure that national security policy must also represent the country’s national interest whether it was the issue of supporting particular Mujahideen groups in Afghanistan, or supporting the Taliban regime. Same was true in case of India as the military establishment resolved that it was in the national interest of Pakistan to use Jihadi groups against the Indian controlled parts of Jammu and Kashmir. The permeation of Jihadi culture, violence and terrorism in Pakistani society was the direct consequence of equating national security with national interests. It is yet to be seen, in the post-Musharraf era if there is any change in statecraft with reference to national security and national interests because theoretically there is a civilian government and the military is supposed to remain subservient to the civilian authority. Second, the societal perspective, which is very divided because of fragmented civil society. When extremism, militancy, radicalization and terrorism become part of the culture and there is to a large extent silence on the part of the majority of people, it means counter terrorist efforts have failed. When a handful of extremists take the society as a hostage and try to impose their way of life, one can expect the deepening of insecurity and instability. When the Punjab Governor Salman Taseer was gunned down by his own body guard in January 2011 in Islamabad on the ground that Taseer had criticized blasphemy laws, majority of people remained silent and failed to condemn that heinous crime.

Third, is the political perspective, as political parties are more or less non-serious in dealing with the threat and challenge of terrorism. In fact, religious parties are unwilling to categorically condemn acts of terrorism, particularly suicide killings. So-called secular parties lack the courage and political will to take on religious fanatic groups. Lack of consensus among political parties to

¹⁵⁶ Mohammad Amir Rana, “Counter – Ideology: Unanswered Questions and the Case of Pakistan,” Perspectives on Terrorism, available at: <http://www.terrorismanalyst.com/pt/index.php?option=com-rokzjin> accessed on 4 January 2011.

deal with violence and terrorism has been counterproductive because the forces of intolerance and militancy seem to have gained more space and ground. Parliament, which should have taken the initiative in pursuing counter terrorism measures, is not playing a due role. It is still not clear who is going to formulate counter terrorism strategy: should it be the military or the civilian leadership or both need to form a consensus on the methodology to deal with terrorism. Finally, the economic perspective, as sustained violence and terrorism going on in Pakistan since last several years have caused a serious damage to the country's economy. It is estimated that Pakistan's cost of war on terror has increased to 40 per cent to Rs.678 billion from Rs.484 billion in 2007, causing an adverse impact on the country's socio-economic development. The expected direct cost of war on terror will be Rs.114.03 billion in 2008-09 from Rs.108.527 billion in 2007. The indirect cost will increase to Rs.563.760 billion from Rs.375.840 billion.¹⁵⁷ An official document of Finance Ministry, Government of Pakistan revealed that "owing to being part of US-led war against terrorism, Pakistan has estimated a loss of Rs.2.080 trillion on its economy on account of exports, foreign investments, privatization, industrial output and tax collection during the last five years from 2004-05 to 2008-09."¹⁵⁸ Addressing a press conference in the United Nations on 13 November 2008, Pakistan Foreign Minister, Shah Mahmud Qureshi said that, "over the past seven years losses suffered by Pakistan in the war against terrorism amounted to \$34.5 billion." He further said that, "Pakistan paid a huge price, both economic and human terms, to protect itself and the world."¹⁵⁹ Pakistan's involvement in war on terror and the costs of home grown terrorism seem to have put Islamabad in a quandary. Anti-terrorist military operation in Swat and in the tribal areas of Pakistan also caused a heavy burden on the country's economy.

Since Pakistan will have to live with the phenomenon of terrorism for a long period of time, it is time a plausible and pragmatic counter-terrorism strategy is formulated and implemented. If an approach based on seriousness and professionalism is pursued by Islamabad to rid the people of Pakistan from the menace of terrorism, one can expect some headway in dealing with groups who are responsible for enormous misery and pain. Furthermore, Pakistan's counter terrorism strategy may not be effective unless an understanding with its eastern neighbour i.e. India is also reached. This would require a formulation of a counter terrorism policy that would be jointly implemented by New Delhi and Islamabad while keeping in view the areas of mistrust and discords and

¹⁵⁷ Pervez Zaiby, "Economic impact of war on terror and continuing recession," *The News International* (Karachi), 8 December 2008.

¹⁵⁸ See Mehtab Haider, "Pakistan to seek \$ 20 billion from IFIs to compensate for wars on terror losses," *The News International* (Karachi), 15 November 2008.

¹⁵⁹ See news item, "Pakistan suffered loss of \$ 34 billion in war on terror: Qureshi", *Daily Dawn* (Karachi), 11 November 2008.

addressing the issues which compel the two sides to launch allegations and counter allegations of supporting the acts of terror.

On the whole, if terrorism is a challenge, it is also an opportunity. It is time, Pakistan, both at the state and non-state level, deals with the issue of terrorism in a serious and professional manner. Counter terrorism mechanism would require a better coordination between the civilian and military authorities to liquidate the network and activities of various terrorist groups. If the opportunity to effectively counter terrorism is lost, one can expect the deepening of violence and instability in Pakistan in coming years.