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HISTORICAL AND MODERN LINKS BETWEEN BANGLADESH AND MALDIVES: DISTANT NEIGHBOURS WITH NEAR MINDS

Abstract

Bangladesh and Maldives are two distinct neighbours in South Asia. Despite the common geopolitical entity and absence of common border, Maldives is important for Bangladesh due to mental nearness, religious affiliation, deep history and heritage, similar environmental challenges, common regional identity and a host of other commonalities. These commonalities, however, should have enhanced the deep and interactive relationship between the two countries. But in practice, the relationship between the two countries is diverse and distinct owing to lack of connectivity, bilateral trade linkages as well as sea and air connections. Considering the present context, this paper analyses the existing bilateral relationship between the two countries highlighting the historical links and common determinants of Bangladesh-Maldives relations. The paper also suggests different dimensions of connectivity to widen, deepen and strengthen the existing relationship. The paper concludes that comprehensive interaction is required to increase people-to-people contact and governments of both sides should play a decisive role in this regard.

1. Introduction

The US poet Robert Frost in his poem titled “Mending Wall” had this cryptic line: “He only says, *Good fences make good neighbours.*” The neighbours as perceived by the poet are the social ones having their homes side by side and walls in between which make the ownership of homes and precincts distinct and indisputable and thus is bred good neighbourliness. But there is no denying the fact that good neighbourliness is dependent not merely on such mundane factors, but more on how the neighbours perceive each other and neighbourliness is fostered when such a perception is free from dividing and distancing walls of misperception.

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The neighbours we are concerned with in this paper are the two geopolitical entities called Bangladesh and Maldives, which are also inhabited by humans and controlled by human instincts. As it is, they are not separated by any wall of demarcation, but separated by a vast geographical space although sharing a common South Asian political regional identity. Indeed, they are distanced neighbours, but certainly with their minds as near as possible. Such a mental nearness does telescope the geographical distance in a way that puts these two neighbours close to each other.

The paper makes an attempt to map out the present state of bilateral relationship between Bangladesh and Maldives with leads on how to deepen, widen and strengthen this relationship. It entwines both the past and the present of this relationship in a broad sweep to make the future discernible.

2. Historical Links between Bangladesh and Maldives

Both Bangladesh and Maldives were historically closely tied through trade and commerce although this has never been properly documented. In an old first hand paraphrase of Arabic account of South East Asia and China in “Akbar al-Sin Wa I-Hind” (dates from 851 BC) the mention of the “archipelago of 1900 islands”, in fact includes the islands of the Maldives. Hundreds of years later, after this Arabic author’s note of fantastic stories, Maldives and its waters were well integrated into the system of Indian Ocean trade route. When the famous traveller, Ibn Battuta visited Maldives in the 14th century, there was a female ruler in the country, Sultana Khadija, who ruled from 1347 to 1362 AD.¹ A granddaughter of a Sultan from Bengal, she established a trading connection for cowry shells which was vitally important as they were used as currency in Bengal. By being the leading exporter of the earliest form of currency - cowries, Maldives and the Bengali queen of Maldives forged this critical link. After six years of stay in Maldives, Ibn Battuta sailed towards China. When his ship was destroyed in a violent storm, he sailed once again only to land in Bengal in the port of Chittagong, thus creating another historical association between the two countries.²

The Maldivians farmed their cowries by floating branches of coconut palms in the sea to which the shells attached themselves. Ibn Battuta gives a vivid description of the harvesting of the shells in his books of travels. Another essential product that Maldives produced was coir, fiber of the dried coconut husk.

Strategic in location, the province of Bengal constituted both the section of the Indo-Gangetic plain with a vast delta region making it a key area for Indian Ocean trade. For a major part of the 16th, 17th and even in the 18th century, the

¹ Ross E. Dunn, *Adventures of Ibn Battuta*, University of California Press, 1986.

² *Ibid.*

ports of Satagaon now called Chittagong and Hooghly maintained significant trading connections with Maldives where Maldivians sent large boats called 'odi' which sailed when the ocean currents and winds were favourable. In Bengal, they bartered cowries for manufactured goods, wooden boxes, textiles, rice, wheat, gram, clarified butter, sugar, opium, tobacco, 'Hookahs', smoking pipes, and many other items. These 'odis' stayed in the ports of Bengal for months as goods were collected from various sources to bring back to Maldives.

This inevitably resulted in the rise of local power dynamics among the traders in both the countries. Bengal needed cowries and Maldives needed their daily essential goods. "Maldives-Bengal cowry trade" can only be understood in terms of interdependency within the wider trade network as cowry was required not only as currency in India from the Gupta period till the 19th century but was also widely used in Africa and in South East Asia for the same purpose.

While the Maldives-Bengal trade further developed as a result of increasing demand for cowry, it impacted on the economy of both the countries. Soon cowry was used as a medium of exchange for slaves thereby incorporating this currency in the slave trade as demand for slaves rose in India. In the late 15th and early 16th century, Maldivian cowries were shipped in bulk to Bengal usually aboard Maldivian vessels and then re-exported in European ships both to the east and west coast of Africa. The empty 'odis' were filled with goods and food products to sail back to Maldives. Bengal was the most lucrative market for cowry shells.

However, in the 19th century, the use of cowry as currency declined and disappeared, but 'odis' continued to sail to Bengal for goods until this trade was controlled initially by the Portuguese followed by the British. The British had already established a foothold in India through the East India Company. A new power base with its multifarious implications on geo-political structure, economy and history of Bengal was about to begin.³

3. Socio-Cultural Impact of the Long Lasting Trade with Bengal on Maldives

There is no historical account of the socio-cultural impact of this trading relationship on the people of Maldives. But, such interchanges, trade and interactions do have social implications. What were they? Did delay in the arrival of 'odis' create difficulties for the local people? It is quite possible that people waited in expectation for the boats to return from Bengal with their much needed goods and news of a boat destroyed in the storms created pains, sorrows and disappointment.

³ Truck and Barker, *Maldives-The Central Banker for Trade in the Ancient World*, 2007.

Perhaps, the consumption of rice, lentil, sugar and tobacco altered the food habits of the Maldivian people. It is a known fact that tobacco and 'hookahs' were used extensively by the locals. Boxes from Bengal were kept as treasured items and may still be found in some households. These imported items, forming an integral part of Maldivian life, would unavoidably influence practices and customs of the local people and thereby their culture.

In Maldives, some of the stories of sorcery and magic that are still prevalent in remote islands might have come from Bengal, a place close to Assam known for its magic, sorcery and demons. Probably, the percussion instruments used in the islands were the result of ideas borrowed from the musical instruments of Bengal. Anecdotal accounts of Bengal should exist among the older generation in Maldives while many must have heard enticing stories of distant Bengal, a place that was far away, yet not so far.⁴

Bangladesh is, therefore, not a strange country to Maldives. The numerous expatriate workers are not the first case when the people of Maldives depended on Bengal. Previously, the relationship was based on trade, now it is dependent on Bangladeshi workers employed in the service sector and in the construction industry. The dependence is still mutual, only the scenario has altered significantly. But, let us not forget our shared history or our trading link of the past which reshapes communities to lay the foundation of a country's future.

4. Establishment of Bilateral Relations

As a Westphalian state entity, Maldives emerged on the political map of the world ahead of Bangladesh. In 1965, the sea-locked and isolated group of island of Maldives freed itself from the British Colonial bondage as a Protectorate; and by 1968, it was a constitutional republic. Bangladesh emerged on the map of the world through a successful nine month long Liberation War in 1971. On 12 April 1972, Maldives was one of the earliest members of the international community to respond to Bangabandhu Sheikh Mujibur Rahman's clarion call to recognize Bangladesh. But the establishment of full diplomatic relations between the two countries had to wait until 22 September 1978. Bangladesh opened its High Commission in Male on 8 August 1998 and the Maldives High Commission in Dhaka started its operation in June 2008. It appears that at least thirty six years had to elapse after the Maldivian recognition to Bangladesh before full and functional diplomatic relations could start. Such a time consuming process of establishing diplomatic relations is something to be lamented and certainly begs question. Perhaps, the respective governments may have some explanations. Curiously enough, even the common membership of SAARC of both the countries since 1985 could not bring them to establishing full diplomatic relations earlier. It may be argued that this is one of the instances how the

⁴ Old Maps and Expeditions from Google Search.

SAARC spirit of regional solidarity got a snub even at the initial stage of its evolution. It is, however, a fact that this dilatory process of establishing full diplomatic relations did not impede close working relationship between these two countries within the ambit of SAARC. It may also be argued otherwise that the psyche of closeness engendered by SAARC partnership might have induced the countries to go for full diplomatic relationship, and that too despite circumstantially insubstantial base of bilateral relationship. That is the beauty of SAARC, it produces a chemistry of closeness between and among its member countries and their governments. If it be better late than never it behooves Bangladesh and Maldives to work in tandem to make the relationship mutually rewarding.

5. Common Determinants in Bangladesh - Maldives Relations

Both Bangladesh and Maldives share deep history and heritage that elude superficial observation and perfunctory analysis. Both the countries also twine with each other in terms of some determinants that impinge commonly on them, which, if properly perceived and acted upon rightly by policymakers of both the countries would have potentials to bond these two countries more closely.

One historic common heritage shared by these two countries relates to the experience of having lived under the European colonial rule and they also shared the common colonial ruler, that is, Britain. Both had the common fate of having been distinctively attractive for the European colonial desperadoes. The historic Bengal, of which the present day Bangladesh was the eastern half, witnessed colonial rivalry of the European powers. It was this historic Bengal which saw the rise of the English colonial power through its victory at the Battle of Plassey on 23 June 1757 and, by the mid - 19th century the English were dominant all over the Indian subcontinent. But why did the English as well as other Europeans concentrate on Bengal first in their bid to extend their colonial sway over the subcontinent? Skipping a dreary scholarly answer to this question a simple answer may be given by referring to 16th century French saying about Bengal. "Bengal has thousand gates for entry, but not a single for exit." This was a symbolic statement meaning inherent attraction of Bengal in terms of its resources. In the same way, Maldives held attraction for the Europeans, and the extent of which was once put in words succinctly by the past President of Maldives Maumoon Abdul Gayoom, "Let us not forget that the Portuguese invaded us because of our strategic position. Many covetous eyes are focussed on us right now and for the same reason."⁵

⁵ *Maldives News Bulletin* (Male), No. 21, June 1981, Cited in Syed Anwar Husain, *Super Powers and Security in the Indian Ocean: A South Asian Perspectives*, Academic Publishers, Dhaka, 1991, p. 169.

Eighty eight percent citizens of Bangladesh and the entire population of Maldives share the common religion of Islam. Islam came to Bangladesh and Maldives at about the same time. Although there had been earlier contact of Islam with Bengal through the Arab Muslim traders, Islam demonstrated its full proselytizing force only after the Muslim conquest of Bengal in 1204. On the other hand, Islam made its first appearance in 1153 when the Moroccan preacher Abul Barakat Yusuf Al-Barbary converted the then Buddhist King Sri Donei to Islam, who adopted the name Sultan Mohammad Ibn Abdullah.⁶

Mother Languages of Bangladesh and Maldives i.e., Bangla and Dhivehi respectively have partial common roots. Bangla, although not a direct descendant of Sanskrit, belongs generally to the Indo-European group of languages, and contains a good deal of words of Arabic origin. Dhivehi, on the other hand, also belongs to the Indo-European language group having many words of Sanskrit and Arabic origin. There is thus some linguistic affinity between the two countries awaiting to be researched by linguists of both the countries.

Both the countries share common membership of such international bodies as the United Nations, Commonwealth, Nonaligned Movement and the Organization of Islamic Conference. The common experience of working as members of these international bodies plus that of SAARC at the regional level produces enough imperatives to concert policies and actions in many commonly relevant areas.

Both Bangladesh and Maldives share the common record of achieving democracy through people's struggle and both now go through the phenomenon of fledgling democracy but with the firm commitment to institutionalized democratic governance.

Finally, the list of commonalities includes the environmental challenge. The sea - level rise threatens Maldives with extinction while some parts of the lower half of Bangladesh are to go under water in the distant future (of late, there have been some differing expert opinions nullifying such a prognosis). Thus, these two countries have a stake in concerting policies and actions *vis-à-vis* their respective environmental insecurity.

6. Present State of Bilateral Relations

Such commonalities should have preempted deep and interactive bonding between these two countries. But expectations and ground reality mismatch. Why? An ineluctable reply to this poignant question is the pathetic lack of connectivity between these countries. There is no bilateral trade linkage. There is

⁶ Between 1153 and 1968, there were 84 such Sultans ruling over Maldives. See for details, Maldives: A Historical Overview, Department of Information and Broadcasting, Male, Republic of Maldives, 1990.

no sea or air connection. Air travel between Dhaka and Male is *via* airlines of other countries that connect the two capitals through their time and money - consuming round - about routes, and thereby adding to the distance between these two SAARC countries. Connectivity is a loaded and multidimensional term, which is found to be in deficit in the relations between these two countries. SAARC is aged twenty-five at the 16th Summit in Thimpu in April 2010 and by now an intra -SAARC connectivity should have been in place, but, again, this is still an expectation yet to be matched by reality. Thus, both bilaterally and regionally within the SAARC context Bangladesh and Maldives remain literally disconnected and distanced.

7. The Way Ahead

The crux of the problem impinging on Bangladesh - Maldives relations is the lack of connectivity, and consequent upon which the bilateral relations are insubstantial. The following dimensions of connectivity are to be widened and deepened:

- avenues should be explored by both the countries to increase connectivity on Track I, Track II, and Track III levels;
- for promoting infrastructural connectivity both countries should move for establishing sea and air linkages at least for once a week;
- given the will and intensity of purpose, there can be trade interaction, whatever the volume might be. A cursory survey of the products of the two countries reveals that both countries do have something on which to trade with each other. The 16th SAARC Summit adopted an Agreement on Trade in Services. Bangladesh - Maldives trade relations are supposed to benefit out of implementation of this agreement. Dr Manmohan Singh, the Indian Prime Minister captured the aspired - for SAARC spirit when he proposed cooperation in a manner to enable free movement of people, goods, services and ideas; and
- for promoting Track II and Track III cooperation there may be academic and cultural exchanges. Following the Bangladesh Festival in Male, Maldives can arrange a similar festival recently held in Dhaka and such festivals should be held regularly at least once a year.

8. Concluding Observations

Bilateral relationship is contingent upon some determinants - common and specific. Common determinants are those in which both countries have their stakes while the specific determinants are specific to the interests of each country, and for realizing which each country goes into bonding with other country/countries. In the case of Bangladesh and Maldives, common determinants do abound, but specific determinants are found to be nearly absent.

Moreover, common determinants acted upon by either side and hence the distanced neighbourliness and insubstantial relationship. Nevertheless, there is found to be enough bonding of minds, and a demonstration of which is the Bangladesh Festival that was held in Male from 25 through 30 May 2010. But interconnecting relationship these days involves comprehensive interaction, the ultimate aim of which is bonding of peoples across the countries. Such a bonding of peoples is, of course, catalyzed and facilitated primarily by governments of respective countries. Bangladesh and Maldives await a turn - around in their relations through such a role of their respective governments.

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BANGLADESH-INDIA ENERGY SECURITY COOPERATION: PROSPECTS AND CHALLENGES

Abstract

The demand for energy in Bangladesh and India have been increasing due to rapid urbanization, industrialization, rising incomes, and growing use of energy-intensive products. Bangladesh faces extraordinary challenges in the energy sector. It has substantial economically recoverable natural gas reserves. But its energy mix is highly dependent on gas. The government of Bangladesh has prepared a proposal to set up a nuclear power plant and has decided to install wind-based independent power plants in offshore areas. On the other hand, India also faces a formidable challenge in meeting its energy needs and providing adequate and affordable energy to all sections of society in a sustainable manner. India's energy concerns established a new dynamism when the Indian government decided to explore and execute transportation of natural gas through proposed pipelines such as Iran-Pakistan-India pipeline project, Turkmenistan-Afghanistan-Pakistan-India pipeline project and Myanmar-Bangladesh-India pipeline project. But the proposed Myanmar-Bangladesh-India pipeline project was withheld during the period of 2001-2006 due to political mismatch between Bangladesh and India. However, there are several other scopes which can be explored in terms of energy security cooperation on bilateral and multilateral basis. The Prime Minister of Bangladesh, Sheikh Hasina and the Prime Minister of India, Dr. Manmohan Singh agreed in a joint communiqué in New Delhi on 13 January 2010 to put in place a comprehensive framework of cooperation for development between the two countries, encapsulating their mutually shared vision for the future, which includes cooperation in energy, among others.

1. Introduction

The term 'security' has been significantly redefined since the early 1990s, emerging as the object of multiple interpretations. Traditionally, the definition of

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security was limited to military dimension of inter-state relations. In contrast, today, the concept of security is not only restricted to state and its defense from external military attacks, but also includes societies and human collectivities. Issues like infectious diseases, environmental degradation, trafficking in illegal drugs and people's pressing concerns with security implications are categorized as Non-Traditional Security (NTS) or non-military security. It is, thus, preferable to speak of gender security, economic security, environment security, food security and more specifically, energy security.

Different countries interpret energy security differently. In the developed world, the usual definition of energy security is simply the stockpile of sufficient supplies at affordable prices, while energy-exporting countries focus on maintaining the "security of demand" for their exports, which generates the overwhelming share of their government revenues. For Russia, the aim is to reassert state control over "strategic resources" and gain primacy over the main pipelines and market channels through which it ships its hydrocarbons to the international markets. The concern for developing countries is how changes in energy prices affect their balance of payments. For China and India, energy security now lies in their ability to rapidly adjust to their new dependence on global markets, which represents a major shift from their former commitments to self-sufficiency.

Here comes the idea of energy security cooperation. "Cooperation in energy security means actual cooperation in securing energy supply at an economical (affordable) rate without disruption, and guarantee of safe deliveries of energy resources."⁷ The concept of energy security cooperation is exclusive and straight forward. It is exclusive in that energy security cooperation does not account other areas such as technology, climate related issues and environmental consequences of energy consumption, etc. Instead, energy security cooperation focuses fully on exploration, development, production/generation, and transportation/transmission. Energy security cooperation is straight forward because it is basically concerned with securing energy supply and transportation routes/transmission lines.⁸ On the other hand, energy security cooperation may take many shapes, for example, multilateral, bilateral, regional and sub-regional, etc. For energy security, a cooperating country may consider another country as a strategic partner or it may think the other as a business dealer in the domestic and international market.

⁷ Jaewoo Choo, "Northeast Asia Energy Cooperation and the Role of China and Japan", in Christopher Len and Alvin Chew (eds.), *Energy and Security Cooperation in Asia – Challenges and Prospects*, Institute for Security and Development Policy, Stockholm, Sweden, 2009, p. 45, available at: www.isdp.eu, accessed on 22 December 2009.

⁸ *Ibid.*

In the South Asian region, Bangladesh and India are two neighbours. India is bordering Bangladesh on three sides and is the only important neighbour of Bangladesh while Myanmar is the other neighbour. India is several times larger than Bangladesh in every aspect such as area, population, Gross Domestic Product (GDP), export and import, oil consumption, gas reserve, consumption of coal and power generation capacity. But they can cooperate in trade, transport, telecommunication, education, healthcare, etc. alongside energy for their mutual benefits.

In this context, the present paper makes an attempt to find out the individual concerns of Bangladesh and India about their own energy security which include their present and future energy demand and supply situations and strategies for energy diversification. The study draws attention to the prospects for energy security cooperation between the two neighbours. Here, the common ground of energy cooperation is discussed from geo-strategic point of view. Finally, the paper deals with the challenges of energy security cooperation between Bangladesh and India from the historical perspective. In this part, a rigorous attempt is made to indicate how top political leadership of the two countries can make a difference in energy security cooperation despite all the obstacles.

2. Bangladesh's Concerns about Energy Security

Bangladesh, with over 140 million people in 56,000 square miles area and one of the lowest per capita Gross National Product (GNP), would require large amounts of energy in its quest to achieve energy security. Unfortunately, the country faces severe challenges in the energy sector. As of now, Bangladesh faced two energy crises, one involving commercial and the other relating to traditional fuels (agricultural waste, firewood and cow dung).

The country has no known oil reserves, but it has limited hydro-power potential, and it imports nearly 100 percent of oil and more than 70 percent of coal. It has sufficient economically exploitable coal but the problem pertaining to the development of the country's vast coal fields is now a debatable issue on whether it should be extracted by opencast or by underground mining method. It has substantial economically recoverable natural gas reserves, which is the only significant source of commercial energy that accounts for almost 75 percent of commercial energy consumption. However, more than 80 percent of the total and 95 percent of the rural households still use biomass to cook which constitutes 55 percent of the total energy in Bangladesh.

2.1 Energy Demand and Supply Situations in Bangladesh

The country suffers from chronic shortage of electricity. Only 45 percent of the population has access to electricity and such access in the rural area is only

25 percent, which is considered as the lowest per capita electricity consumption among the South Asian countries.⁹ During the hot summer months of 2009, the electricity situation was so acute that at peak hours (6-11 pm.) approximately 1200 MW of load shedding was required. About 300 Million Metric Cubic Feet per Day (MMCFD) of supply shortfall was experienced that naturally affected all sectors of the economy. On a regular basis, 300-400 MW of generation is lying idle and one to two large fertilizer plants have to be periodically shut down to manage gas demand. The unreliable electricity has been directly linked to the loss of productivity, and the World Bank estimates an annual loss of nearly US\$1 billion.¹⁰

Since the beginning of 2008, the country has been experiencing gas shortages as well. Though the country has good potential of natural gas reserves, it has not been utilized appropriately for the development of the country. The per capita availability of energy infrastructures and resources are very low in Bangladesh. Less than 45 percent households have electricity connection, and approximately four to five percent households have natural gas supply.¹¹

The country is heavily dependent on the indigenous natural gas, which is contributing about 75 percent of the total commercial energy of the country. Though exploration history of oil and gas in Bangladesh goes back almost a century, exploration density has remained very low. So far only about 69 exploration wells have been drilled, which resulted in discovery of 25 gas fields of sizes ranging from more than 4 Trillion Cubic Feet (TCF) to 25 Billion Cubic Feet (BCF) Gas Initially in Place (GIIP). This indicates the extremely low exploration density but high success rate of one in three exploration wells. Of the 69 exploration wells, 13 are in the offshore with 2 discoveries and the rest 56 are onshore with 23 discoveries. It is of great significance that out of the 56 onshore wells, 47 exploratory wells were drilled in the eastern margin of the country with the discovery of 22 gas fields.¹²

According to the GIIP, Bangladesh has 21.3 TCF of proven gas (proved or with probability of 90 percent of greater or equal volume). Out of the total gas fields, 15.4 TCF is recoverable and 7.7 TCF of gas has already been produced. In addition, there is 5.5 TCF of gas as probably recoverable (probable or with probability of 50 percent exceeding) reserves. There is also 7.7 TCF of gas of possibly recoverable (possible or with probability of 10 percent exceeding)

⁹ Ijaz Hossain, "Present and Future of the Bangladesh Energy Policy and Possible Areas of Cooperation between Korea and Bangladesh", Paper presented in the Roundtable on *Energy – Future of Korea-Bangladesh Energy and Power*, December 2009, p. 4.

¹⁰ *Ibid.*

¹¹ *Ibid.*

¹² The Ministry of Energy and Mineral Resources of Bangladesh, *Petrobangla Annual Report 2008*, p. 17.

reserves. Titas, Habigonj, Kailastila, Rashidpur, Bakhrabad, Jalalabad, and Sangu are the major gas fields of Bangladesh.¹³

In the fiscal year 2006-07, a total of 562.22 BCF gas was produced, while in the fiscal year 2007-08, total gas production was 600.86 BCF i.e., gas production growth rate was 6.87 percent in the fiscal year 2007-08. The future sector-wise average gas demands are shown below:

Table 1: Sector-wise Average Gas Demand Projection (in BCF)

Sector	2008-09	2009-10	2010-2011
Power	257.60	278.20	300.50
Captive	102.40	120.90	142.60
Fertilizer	94.00	94.00	94.00
Industry	111.60	133.90	160.70
Commercial	6.40	6.80	7.30
Brick field (seasonal)	0.00	0.00	0.00
Domestic	79.30	88.90	99.50
Tea-Estate	1.00	1.00	1.00
Compressed Natural Gas (CNG)	34.70	58.90	88.40
System loss	20.00	20.5	20.0
Total	707.00	802.5	913.9

Source: *Petrobangla Annual Report 2008*, p. 35.

Against the estimates of gas reserves in Bangladesh, and based on the projected gas demand, mentioned in the Bangladesh Gas Sector Master Plan,¹⁴ a shortfall would commence in 2011 against proved reserves. Probable reserves will meet demand until 2015 and possible reserves will meet demand until 2019. In 2025, the shortfalls in volume for the possible, probable and proven reserves would be 13.1 TCF, 8.5 TCF and 4.6 TCF respectively.

Petroleum products constitute about 23 percent of the commercial energy used in the country. Bangladesh has insignificant domestic production of petroleum products. Currently, Bangladesh imports about 1.2 million tonnes of crude and 2.5 million tonnes of refined oil each year. Total imports, including lubricants, vary from 3.2 to 3.7 million metric tonnes per annum. Since global oil price is increasing dramatically, Bangladesh government has been thinking to take new initiatives to diversify its sources of CNG and other renewable resources.

¹³ Centre for Policy Dialogue (CPD), “Energy Sector: Challenges of Adding New Capacity”, CPD Conference on *Development with Equity and Justice-Immediate Tasks for the Newly Elected Government*, 28-29 March 2009, Dhaka.

¹⁴ Saleque Sufi, “All About Gas Sector Master Plan”, *Energy and Power*, 15-31 January 2006.

The total coal reserves in five coal fields of Bangladesh are estimated to be 2.9 billion metric tonnes. This energy is equivalent to 67 TCF of gas. Recovery rate of coal from reserves varies with the choice of technology and method of mining. Assuming the modest recovery rate of 30 percent coal, the available reserves will translate to about 30 TCF of natural gas equivalent. Some experts say that if properly mined, this can be enough for ensuring energy security of Bangladesh for 30 years.¹⁵

In Bangladesh, imports of crude oil and oil products to the tune of 3.8 m tonnes per year are likely to rise. Here, transport sector accounts for about 50 percent of the consumption of oil, while irrigation makes about 16 percent. Dependence on imported crude oil and oil products makes the economy vulnerable to supply disruption and price hike.¹⁶

Installed, de-rated capacity and evening peak electricity generation have increased over the period 1994 to 2009. Compound Annual Growth Rates (CAGR) during this period were 4.59 percent, 6.17 percent and 5.26 percent respectively for installed capacity, de-rated capacity and evening peak generation respectively. In line with the increase in generation capacity, average daily electricity generation increased steadily from 29.61 Million Kilowatt-hours (MKWhr) in 1994-1995 to 77.64 MKWhr in 2007-08. Most of the electricity generation capacity of the country is located in the eastern region, mainly due to availability of gas. Of the total generation capacity, 4070 MW is located on the eastern side of Jamuna and remaining 863 MW on the western side. Compared to the demand of 3470 MW of electricity in the eastern region, there is a small surplus of 330 MW of electricity in the eastern region. The western side with a demand of 1760 MW has a shortfall of around 897 MW.¹⁷ The mitigation of this east-west divide in electricity generation is imperative, not only to realize the growth potential of the western region, but also to achieve self-sufficiency in food grain production since the granaries of the country are located in the western region. Currently, due to inadequate supply of natural gas, there are substantial losses in the conversion, transmission and distribution of power as well as frequent and costly power outages.¹⁸

¹⁵ Khondkar A. Saleque, "Coal Mining Challenges in Bangladesh (Part-1)", available at: www.energybangla.com/index.php?mod=article&cat=CoalSector&article1789, accessed on 10 March 2010.

¹⁶ A.K.M.A. Quader, "Cooperation in the Energy Sector between Bangladesh and India", available at: www.energybangla.com/index.php?mod=article&cat=RegionalEnergy&article=1765, accessed on 6 February 2010.

¹⁷ CPD, *op. cit.*

¹⁸ Nawrin Samrina, "Energy Security for Bangladesh: Prospects and Strategic Implication of Natural Gas," *ACDIS Occasional Paper*, University of Illinois, Urbana Champaign, USA, May 2004.

2.2 Diversification of Energy Supplies in Bangladesh

Energy development programme in Bangladesh has been suffering from lack of (a) long-term planning, (b) proper institutional setup and (c) apt implementation. The decisions made on energy sector projects have been influenced by internal and external factors such as (i) political party's agenda, (ii) energy based domestic companies and (iii) foreign investors. Moreover, one thing is in the offing that high dependence on natural gas for power generation may lead Bangladesh to the brink of a ditch unless it diversifies its primary sources of energy.

Considering the reality, the present government of Sheikh Hasina has planned to increase power generation from 3,500 MW to 7,000 MW by 2013.¹⁹ The government has prepared a proposal which stated that the nuclear power plant to be set up at Rooppur will be of 600 MW. Rooppur is located at the western region of the country. The 600-MW nuclear plant at Rooppur has also received the green signal from the International Atomic Energy Agency (IAEA). With the approval of IAEA, Bangladesh will set up a Technical Assistance Project at Rooppur. The nuclear plant is expected to be initiated by 2011.

In a meeting with high officials of Petrobangla and Energy and Mineral Resources Division (EMRD) on 16 September 2009 concerning coal mining development in Bangladesh, Prime Minister Sheikh Hasina stated,

Coal will help us confront power crisis. And there is no alternative to it. We need to finalize the coal policy as well. I understand that Germany opted for open cut method. But we have densely populated area unlike them. So we will have to be additionally careful. I would not take any decision today. We must extract coal. But before we take decision we need to know more associated impacts of open cut mining and mitigation measures. How people will be rehabilitated. How we can provide better life for people there. I would like to hear from you soon. I will decide after that on coal policy. And we will decide how we will extract coal.²⁰

According to an inter-ministerial source, the government decided to begin the tender process for the installation of a 100MW-200MW wind-based independent power plant in the offshore areas such as Anwara, Banshkhali or Kutubdia soon. Whereas the latest wind turbine can generate electricity at the wind speed of 4.5 metres a second, the average wind speed in these areas identified was 6.5 metres a second above 50 metres from the ground. The government also decided

¹⁹ *The Daily Star*, 31 July 2009.

²⁰ Khondkar Abdus Saleque, "Hasina Needs Convincing Information on Coal Mining", *EnergyBangla* [Online Bulletin], available at: www.energybangla.com/index.php?mod=article&cat=CoalSector&article=2121, accessed on 10 March 2010.

to install four 1MW wind-based power plants at Swandwip, Hatia and Kutubdia.²¹

The government intends to build a Liquefied Natural Gas (LNG) discharge platform on an emergency basis to ease the mounting energy crisis in Chittagong. It has already constituted a national taskforce to expedite the process of building the deep-sea LNG platform. The taskforce is working vigorously for a solution to the energy crisis through import of LNG. The five-member taskforce is in talks with several global firms for smooth initiation of the LNG use to ease the country's energy supply crunch. The government also actively considers importing LNG via special tankers known as floating, storage, re-gasification units (FSRUs).²²

Another option for energy supply is that Bangladesh hopes to import electricity from Nepal and Bhutan. According to Murshid and Wiig, in Nepal, the category one and two rivers are thought to have a combined technical potential for generating commercial electricity of about 40,000 MW while the country's projected power demand for 2005 was about 622 MW. Huge projects were under way to develop and mainly aimed for electricity export – around 18,000 MW. Thus, Nepal may have additional electricity for export to the neighbours including Bangladesh.²³ Different studies estimate that Bhutan has the potential to generate over 30,000 MW of electricity using its fast-flowing rivers coming down the Himalayan region,²⁴ of which 23,760 MW is techno-economically feasible while only 1,480 MW is being generated currently. Bhutan's present electricity consumption is around 300 MW.²⁵ At present, the country is exporting more than about 1,000 MW of power to India. This electricity transmits to New Delhi which is 1,116 miles route. As Bangladesh is in closer proximity to Bhutan, it may consider exporting its surplus electricity to Bangladesh which will definitely be economically viable. India's cooperation would be essential because the transmission lines will need to use Indian territory.

²¹ "Bangladesh Govt. to Install 100-200MW Wind-based IPP", *Energy Bangla* [Online Bulletin], available at: www.energybangla.com/index.php?mod=article&cat=GreenPage&article=2395, accessed on 10 March 2010.

²² M Azizur Rahman, "Govt mulls building a deep-sea LNG terminal", *The Financial Express*, (online edition), available at: www.thefinancialexpress-bd.com/search_index.php?page=detail_news&news_id=94561, accessed on 10 March 2010.

²³ K.A.S. Murshid and Arne Wiig, "A review of development trends in the energy sector of Bangladesh," *CMI Report 2001*: 3, Chr. Michelsen Institute: Development Studies and Human Rights.

²⁴ Shahidul Islam Chowdhury, "Bangladesh-Bhutan power co-op up in the air," *The New Age*, 25 April 2010.

²⁵ The Royal Bhutanese Embassy in Bangladesh confirms that electricity is being produced from the rivers like Chukha (336 MW), Kurichhu (60MW), Basochhu (64MW) and Tala (1,020MW).

3. India's Concerns about Energy Security

The level of economic performance and fast growing population has made India one of the largest consumers of commercial energy (coal, oil, gas and electricity). India is highly dependent on oil imports, as approximately 70 percent oil is imported. It is expected that by 2020, India will import 80 percent of its energy needs. Indian policymakers have initiated numerous policies to address India's growing energy needs, namely, diversifying the resources beyond oil to other energy resources such as nuclear power, coal, natural gas and renewable energy resources as well as stepping up of exploration activities within its borders. Ever since its growing economy is mainly dependent on energy-intensive industries, it has been trying hard to secure hydrocarbon energy supplies. India's 'Hydrocarbon Vision 2025' has recognized the importance of oil and gas sector in the country. It emphasizes the vulnerability imposed by the dependence on energy sector. Hence, the vision aims at ensuring energy security by achieving self-reliance through increased indigenous production and investment in equity oil abroad. The new policy regimes foresee the necessity of enhancing domestic sources both onshore and offshore in order to minimize the reliance on external sources. However, the present estimates reveal that the domestic supplies are not likely to be adequate at least in the short run to meet the growing demand. Hence, they emphasize the importance of global market and the need to expand interaction with the global players.²⁶

3.1 Energy Demand and Supply Situations in India

In India's energy mix, still now, the non-commercial sources of energy constitute over 30 percent of the total energy supply, the share has declined from the earlier status due to increasing substitution with commercial sources of energy.

Table 2: Primary Commercial Energy Consumption in India

Source	Unit	1990-91	2000-01	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-9*
Petroleum Products	MMT	57.75	106.97	111.78	115.99	120.17	121.05	131.67	140.70	145.31
Natural Gas	BCM	12.77	27.86	29.96	30.91	30.78	31.33	30.79	31.48	31.77
Coal	MMT	211.73	309.63	341.29	361.25	382.61	407.04	430.83	457.08	493.28
Lignite	MMT	13.77	22.95	26.02	27.96	30.34	30.06	31.29	33.98	NA
Electricity	Bn.KWH	289.40	554.50	596.50	633.30	665.80	697.30	752.50	813.10	842.80

MMT: Million Metric Tonnes; BCM: Billion Cubic Meters; Bn.KWH: Billion Kilowatt-hour. Data reflect dispatches of Coal/Lignite (incl. stock differential).

Source: Ministry of Finance (Economic Survey) and Ministry of Petroleum and Natural Gas, India.

²⁶ Girijesh Pant, *India: The Emerging Energy Player*, Pearson Publication, New Delhi, 2008, p.52.

Due to rapid urbanization, industrialization, rising incomes, and growing use of energy-intensive products, India's demand for energy has been increasing. In this regard, following data will provide a picture of the changing scenario. Statistics show that in 2005, about 27.2 percent of India's population lived in urban areas and by 2030 this figure is estimated to grow to 45.8 percent. On the other hand, the country's per capita annual income is set to increase from US\$ 728 today to US\$ 5,930 by 2030. In 2003-04, India had 5.7 million cars while in 2030 there are expected to be 200 million cars on the roads. Moreover, India's primary commercial energy consumption is also predicted to jump from 375.8 million tonnes of oil equivalent (MTOE) in 2004 to 812 MTOE in 2030 (India's own planners estimate that this figure will be higher).²⁷

According to World Bank estimates, around 35 percent of the country's population subsists below the poverty line (US\$ 1/day, 2000 PPP) and does not have access to basic amenities and clean energy forms. Even in 2001, around 44 percent of households did not have access to electricity. The country continues to face electricity shortages, with an overall power shortage of 8.4 percent and a peak time power shortage of 12.3 percent in 2005/06.²⁸

Despite gradual urbanization, around 72 percent of the country's population resided in the rural areas in 2001. The rural urban division in India is manifested not only by the differences in the levels of energy requirements but also in the availability and choice of fuel and technologies to meet the same useful energy needs and services. Energy demands of many households, especially those in the rural areas, continue to be met primarily by inefficient traditional energy forms like fuel wood, crop residue, and animal waste. These fuels are not only inconvenient to use and cause indoor air pollution, but also adversely affect the health of women and children who are exposed to the use of these fuels.

On per capita basis, India's energy consumption is still a fraction of that in the developed countries. In 2003, India's primary energy consumption was 439 kilogram of oil equivalent (KGOE) per capita, compared to 1090 (KGOE) in China, 7835 (KGOE) in the US and a world average of 1688 (KGOE).²⁹

Various estimates indicate that India would need to increase its primary energy supply by at least three to four times and its electricity generation capacity by five to six times of the 2003/04 levels, by 2031. The Integrated Energy Policy Report brought out by the Planning Commission estimates that

²⁷ Tanvi Madan, "India's energy mix", *Energy security series*, 2006, available at: <http://www.brookings.edu/fp/research/energy/2006india.pdf>, accessed on 21 July 2007.

²⁸ Leena Srivastava and Riru Mathur, "India's Energy Security", *FES Briefing Paper*, 2007, available at: http://www.fes-globalisation.org/projects/new_powers.htm, accessed on 23 January 2008.

²⁹ *Ibid.*

under 8 percent GDP growth scenario, India's total energy requirements would be in the range of 1536 MTOE to 1887 MTOE by 2031 considering alternative scenarios of fuel and technological diffusion. The Energy and Resources Institute's (TERI) analysis based on the Market Allocation (MARKAL) model indicates that under the same GDP growth scenario with current plans and policies of the government, commercial energy needs would increase to 2108 MTOE by 2031/32. In reality, the government of India would like to achieve a GDP growth rate of above 10 percent per annum.³⁰

Given the current statistics of energy access and shortages and the likely need for energy in the future, India faces formidable challenges in meeting its energy needs and providing adequate and affordable energy to all sections of society in a sustainable manner.

Although India has considerable coal reserves, with current coal production technology, it is estimated that India's domestic coal production could increase to a maximum level of around 6000 million tonnes per annum (MTPA). India's total coal reserve is around 586000 million tonnes (MT) of which anthracite and bituminous comprise 54000 MT and sub bituminous and lignite comprise 4600 MT. In 2008, total coal production was 194.3 MT of oil equivalents while consumption was 231.4 MT of oil equivalent. India's demand for coal may quadruple exceeding two billion tonnes a year by 2031-32.³¹

India has only 0.5 percent of the global total oil reserve while its share in the global production is 0.9 percent. Its share in total world's consumption has made India the 4th largest oil consumer. Oil production has stagnated at around 33 MT in the past few years and is not expected to increase significantly. In 2008-09, India imported about 128.151 million metric tonnes (MMT) crude oil worth US\$ 75701 million. India depends to the extent of 75 percent on imported oil (more than 30 percent of the country's total imports in 2008-09). This dependency is expected to increase to 90 percent by 2050.

Furthermore, natural gas has emerged as a relatively clean option in the past decade, but there is uncertainty regarding the level of its indigenous availability. Gas reserves stand at 1005 billion cubic meters (0.6 percent of the world's proven reserves). At about 100 million metric standard cubic meters per day (MMSCMD), India produces only about 50 percent of total gas for consumption. India's gas demand is set to increase to 280 MMSCMD by 2011-12. In 2009-10, the demand would be 225 MMSCMD, while supply would be 168 MMSCMD implying a demand supply gap of 57 MMSCMD.

³⁰ *Ibid.*

³¹ UNESCAP, "Energy Security and Regional Cooperation: An Indian Perspective", 2009, available at: www.unescap.org/.../energy/...cooperation/.../subregional%20perspectives/.../India.doc, accessed on 7 October 2009.

As far as power sector is concerned, India's installed power generation capacity is 147402.81 Megawatt (MW). Till December 2008, the installed power generation capacity by mode was coal (77458.88 MW), gas (14734.01 MW), diesel (1199.75 MW), nuclear (4120 MW), hydro (36647.76 MW) and other renewable energy sources (13242.41 MW), considering percentage, the scenario would be - coal 52.54 percent, gas 9.9 percent, diesel 0.81 percent, nuclear 2.7 percent, hydro 24.86 percent and other renewable sources 8.9 percent. The country is facing power deficit today of about 20,000 MW. In future, the power sector will be the major thrust area for natural gas.

Accordingly, under a Business-as-Usual (BAU) scenario, the country is expected to increasingly become reliant on imports of all forms of commercial energy, with total energy import dependency increasing to around 80 percent by 2031. Although the country has been dependent on oil imports for several decades, imports of coal and gas have started during the last decade. By 2031, TERI estimates indicate a dependency of 78 percent for coal (over a billion tonnes), 93 percent for oil (~ 700 million tonnes) and 67 percent for gas (~ 93 BCM) with current estimates of future availability of indigenous energy. India's Energy Dependency (according to BAU scenario) will remain in terms of infrastructural requirements for port development, handling and transportation of this energy.³²

3.2 Diversification of Energy Supplies in India

The growing oil consumption and limited domestic supplies have led India to import oil from other countries. According to the data provided by the Ministry of Petroleum and Natural Gas (MPNG), 160 MMT of crude oil was processed in India's refineries in 2008-09. Of this amount, 127 MMT (79 percent) was imported and the balance of 33 MMT (21 percent) was sourced from domestic production. The dependence on imported crude oil is expected to increase from 77 percent in 2004-05 to nearly 90 percent by 2024-25.³³ Indian hulls carry 14 percent of the total Indian cargo. Of this amount, oil accounts for approximately 95 percent of the cargo. The major sources of India's import of crude oil, based on 2004-05 statistics, revealed that imports of around 67 percent were from West Asia followed by Africa (25 percent), Asian Countries (5 percent) and the remaining comes from America. Saudi Arabia is the major exporter among the West Asian countries, which contributes more than 80 percent of total crude oil.³⁴

³² Leena Srivastava and Riru Mathur, 2007, *op.cit.*

³³ Ministry of Petroleum and Natural Gas (MPNG), *Annual Report 2008-09*, The Government of India, New Delhi, 2009.

³⁴ Ministry of Petroleum and Natural Gas (MPNG), *Annual Report 2004-05*, The Government of India, New Delhi, 2005.

In the coming decade, the major sources of crude oil import are unlikely to change significantly. Since most of the crude oil comes from the volatile countries, India's concern on its import is about uncertainty and supply disruption. In order to strengthen its imports, India has been diversifying the supplies and has achieved some successes on this front. While maintaining traditional supply line from the Middle East, India has sourced supplies from the countries in Africa, Latin America, Southeast Asia and Commonwealth of Independent States (CIS) region. Apart from this, India has initiated to add LNG terminals, encourage pipelines, acquire assets abroad, and conduct aggressive "gas diplomacy". At present, Indian companies purchase LNG on the spot market. Qatar's RasGas also has a twenty-five year contract (started in 2004) to supply Petronet, which operates the terminal at Dahej.

India's energy concerns showed a new dynamism when the Indian government decided to explore and execute transportation of natural gas through pipelines. Pipelines in general are a high-risk venture, but its impact on development of the region through which they pass and on the possibility of intra-regional cooperation has been positive. Therefore, many times these are described as peace pipelines.³⁵ Certainly, they involve high diplomacy because more than one sovereign state is involved. They are vulnerable due to a tight chain, which means each interruption affects the whole chain and has high interdependence between seller and buyer and the transit country. Since it is a transitional project, the risks are added up. Despite the constraints, the pipeline regimes of gas transportation are growing fast compared to LNG shipment in the world.

The Iran-Pakistan-India pipeline project has been discussed over the last decade and a half. First proposed in 1989, various routes have been suggested to transport gas from Iran to India (through pipelines) like deep-sea via the Persian Gulf and the Gulf of Oman, skipping Pakistan; onshore and then offshore along the coast of Pakistan; and onshore through Pakistan. The first option was considered to have too many technical obstacles (though with the construction of the Blue-stream pipeline from Russia to Turkey, some say another feasibility study should be conducted). Experts considered the second option likely to meet the technical obstacles. While considered the most economically viable, the third option through Pakistan was thought to have "serious security" obstacles.³⁶ Many in Indian strategic community thought that Pakistan could potentially disrupt (or at least threaten) India's natural gas supply, because the proposed pipeline will pass through Baluchistan and Sind provinces in Pakistan. Baluchistan is politically unstable and vulnerable; hence it is a security threat to lay down the pipeline through this province. However, the pipeline would certainly have benefits for each country - Iran would find markets for its gas; India would

³⁵ Girijesh Pant, *op. cit.*, p. 77.

³⁶ Tanvi Madan, *op. cit.*

receive much-needed gas; and Pakistan would get natural gas for itself, as well as transit fees (US\$8 billion), taxes (US\$1 billion) and savings in energy costs (US\$5 billion).³⁷

Asian Development Bank (ADB) and Union Oil Company of California (UNOCAL) conducted initial feasibility studies on Turkmenistan-Afghanistan-Pakistan-India pipeline project. The proposed pipeline would bring gas from Daulatabad in Turkmenistan through Herat, Kandahar, Quetta, and Multan to India where it would link up with India's Hazira-Vijaipur-Jagdishpur (HVJ) pipeline. It is estimated that this would bring 1.6 BCF of gas to the country at US\$2.4 to US\$3 per Million Metric British Thermal Units (MMBTU).³⁸ India would offer a large market for gas from Daulatabad (and the pipeline would allow Turkmenistan to diversify its options). Some have proposed to add Russia and Kazakhstan at the beginning of the pipeline.

Another pipeline project is Myanmar-Bangladesh-India, which would bring gas from Myanmar through Bangladesh. This project got complicated when Bangladesh linked the laying of pipeline with new conditions, which made the future of gas pipeline through Bangladesh completely uncertain. This situation forced Myanmar and India looking for an alternative route. Further, India had an initiative to bring Bangladesh's gas to India through pipeline. However, it did not happen due to a debate over the actual gas reserves in Bangladesh.

4. Prospects of Energy Security Cooperation

Bangladesh is strategically located between the two great geo-economic areas, namely South and Southeast Asia, bordering India to the north, west and north-east, Myanmar to the Southeast and the Bay of Bengal to the south. Apart from its strategic location, Bangladesh and its surrounding areas are thought to be rich in energy resources, which remain largely untapped and unexplored. According to some statistics, Bangladesh's own gas reserves appear to be sizeable and have generated considerable interest amongst the large international oil companies. Northeast India and Myanmar are well endowed with gas, in addition to possessing significant oil reserves. Neighbouring Nepal and Bhutan also enjoy a huge, largely untapped hydro-electricity potential. The South Asian economies (especially India and Bangladesh) have been experiencing good rates of growth in recent years, at around 5 to 7 percent.³⁹ The huge Indian economy has opened gradually to foreign investment. The demand for commercial energy and power has increased rapidly, leading to large emerging shortages manifested in frequent power outages. Demand in Bangladesh is also set to rise quickly (at 6 to 8 percent), although from a much lower base. Thus, in medium term demand

³⁷ *Ibid.*

³⁸ *Ibid.*

³⁹ *Ibid.*

for power in India is likely to rise quickly and the country will need to evolve a policy strategy to ensure adequate supplies. Bangladesh should think over its long term energy security and that may need to look beyond its borders to achieve a sensible and optimal energy strategy.

In the context of Bangladesh-India energy cooperation, gas export to India from Bangladesh was the major issue some years back. The issue of gas export to India was first raised by Union Oil Company of California (UNOCAL), operating in Bangladesh. The UNOCAL Corporation had submitted a gas pipeline proposal to the government of Bangladesh, which includes the construction of a thirty-inch diameter, 847-mile (1,363 kilometer) long pipeline with an initial capacity of 500 MMCFD of gas, from northeastern Bangladesh (from the UNOCAL - developed gas field Bibiyana) to New Delhi. Further, UNOCAL proposed to export 3.65 TCF of natural gas over a period of twenty years. According to UNOCAL projections, the government of Bangladesh could have received an estimated US\$3.7 billion (approximately 200 billion in Bangladeshi Taka) as revenues and tax receipts.⁴⁰ UNOCAL also believed that Bangladesh could become an energy hub allowing the transport of gas from Myanmar and North Eastern India to the energy-hungry mainland. Dhaka could just sit back and charge transit fees. In the wake of the proposal, the Bangladesh Supreme Court itself intervened to prevent an immediate decision.⁴¹

However, current situation in Bangladesh reveals that the country has shortage of gas reserves and it will run out of its reserves by 2025 and it needs large imports unless new reserves are not found. It is a proven fact that Bangladesh does not have sufficient gas to export. Rather, it is looking forward to importing gas from Myanmar and electricity from India.

4.1 Myanmar-Bangladesh-India Energy Cooperation Agreement

After the Bangladesh-India bilateral energy cooperation became a 'pipedream', in the proposed Bangladesh-India-Myanmar Pipeline project, once again both Bangladesh and India were in a position to benefit in a number of ways by the construction of this pipeline. The cabinet committee brief was prepared by Bangladesh Ministry of Power, Energy and Mineral Resources during the period of Begum Khaleda Zia government (2001-2006), which

⁴⁰ Srinjoy Bose, *Energy Politics: India-Bangladesh-Myanmar Relations*, Institute of Peace and Conflict Studies, New Delhi, IPCS Special Report, No. 45, July 2007, available at: <http://www.ipcs.org/IPCS-Special-Report-45.pdf>, accessed on 13 June 2008.

⁴¹ Mohan, C. Raja. (2002), "Pipeline politics in Bangladesh", *The Hindu*, (Online edition), available at: <http://www.hinduonnet.com/2002/07/22/stories/2002072202791100.htm>, accessed on 12 November 2007.

underscored the pipeline's benefits to the country.⁴² These include revenue earning from granting a right of way to the pipeline, an estimated US\$ 100 million per annum, wheeling charges over the gas transmission through Bangladesh, an investment of about US\$ 150 million inside Bangladesh for the pipeline construction and involvement in the project of the Gas Transmission Company Limited (GTCL), from which the company may earn US\$ 24 million per year. These advantages are coming to Bangladesh even when it is neither investing in the pipeline nor assuming any risk involved in its construction.

In fact, from the very beginning, Bangladesh was viewing the pipeline as a means of securing economic concessions from New Delhi. During the Yangon deliberations Dhaka made three major economic demands on India:

- Transmission of hydro-electricity from Nepal and Bhutan to Bangladesh through Indian territory;
- Granting of unrestricted and round-the clock transit facilities to and from Nepal and Bhutan through India, and
- Taking necessary measures to address Bangladesh-India trade deficit.⁴³

None of these issues were new and have been on the Bangladeshi agenda for a long time. With domestic concern over the trade deficit with India and unfulfilled transit demands, Bangladesh viewed the pipeline negotiations as an opportunity to leverage some concessions. India, on the other hand, viewed the gas transit pipeline as a purely commercial deal de-linked from other bilateral issues. Also, the issue of trade deficit could not be resolved by India alone and even a complete removal of trade barriers would not resolve the problem. Regarding transit facilities, India felt that the quantity of current bilateral trade did not justify enhancing the existing transit facilities already provided to connect Bangladesh and Nepal. Also, Bangladesh's ability to receive electricity from Nepal and Bhutan presupposes the existence of a common grid across the region that was not in place and since Nepal has been buying electricity from India, the prospect of exporting it to Bangladesh in the near future looks very unlikely.⁴⁴

⁴² Anand Kumar, "India-Myanmar Gas Pipeline Through Bangladesh-Pipe Dream?", South Asia Analysis Group, Paper No. 1216, January 2005, available at: <http://www.southasiaanalysis.org/papers13/paper1216.html>, accessed on 4 April 2005.

⁴³ The Government of India, "Joint Press Statement (Bilateral between Ministry of Energy and Mineral Resources of Bangladesh and Ministry of Petroleum and Natural Gas of India to promote bilateral energy cooperation)", 13 January 2005, available at: <http://www.meaindia.nic.in/pressreleass/2005/01/13js01.htm>, accessed on 7 November 2007.

⁴⁴ Sreeradha Datta, "Bangladesh Factor in the Indo-Myanmar's Gas Deal", *Strategic Analysis*, Vol. 32, No.1, January 2008, p. 105.

Initially, Bangladesh even agreed to host a meeting on 20-21 April 2005, to sign the formal Memorandum of Understanding (MoU) but back-tracked as the three bilateral preconditions put to Delhi remained unfulfilled. Dhaka insisted on resolving the bilateral issues before agreeing to the tripartite MoU. During his visit to India in June 2005, Foreign Secretary Hemayetuddin clarified that Bangladesh was not adverse to the idea of trans-Myanmar pipeline but insisted that some differences needed to be ironed out before any progress could be achieved.⁴⁵ This has indeed been a common Bangladeshi position in the post-Yangon phase. Given the domestic opposition on his return from the Yangon meeting, the then Petroleum Minister Dr. Khondokar Mosharraf Hossain stressed that without an Indo-Bangladesh bilateral treaty, Dhaka would not be able to “sign the trilateral one”.⁴⁶

In July 2005, the Petroleum Ministers of Myanmar and India met in New Delhi to discuss the modalities of transporting Myanmar’s gas. Citing insufficient advance notice, Bangladesh boycotted the meeting. The trilateral meeting thus was reduced to a bilateral affair. Reflecting the prevailing mood in Dhaka, Mahmudur Rahman, adviser to the energy ministry, sarcastically observed: “...if they can do without Bangladesh, let them do.”⁴⁷ But when the Indian Petroleum Minister visited Bangladesh in September, 2005 Bangladesh took a conciliatory position and proposed the formation of two committees, one for the proposed tri-nation gas pipeline and the other for resolving trade issues. These, too, finally did not work out. Once again, India and Bangladesh failed in the energy trade which could have been much beneficial to both the countries.

4.2 Future Possible Cooperation in Energy Sector

After the election held in December, 2008 in Bangladesh, the situation appears to be friendly. The two governments are expected to cooperate in all possible manners particularly in the energy sector. There are a number of possible areas for cooperation between India and Bangladesh.

Bangladesh, Bhutan, Nepal and India multilateral electricity trade can be a viable option in the near future. Experiences of power trade between India and Bhutan, and India and Nepal since the 1960s can be the replicable model for Bangladesh for realizing cooperation in power sector. India will be the key player

⁴⁵ *Ibid.*

⁴⁶ *The Daily Star*, (Online edition), available at: <http://www.thedailystar.net/2005/01/16/index.htm>, accessed on 25 February 2005.

⁴⁷ “Tri-nation Pipeline: Dhaka skips Delhi talks over delay in invitation”, *The Daily Star*, available at <http://www.thedailystar.net/2005/07/06/d5070601022.htm>, accessed on 7 September 2009.

in coordinating and implementing cooperation projects or deals. Absence of interconnecting transmission systems between India and Bangladesh on the Eastern and North Eastern side has to-date hindered the transfer of electricity. Such interconnection at several points along the border can be established immediately if India and Bangladesh agree. This will make electricity import from Bhutan and Nepal to Bangladesh a reality.

Here, several findings can be stated from the study report entitled, "Four Borders Project: Reliability Improvement and Power Transfer in South Asia" conducted by South Asia Regional Initiative-Energy (SARI-E) programme of United States Agency for International Development (USAID) in November 2001. It suggested connecting Siliguri (India) to Anarmani (Nepal) and Thakurgaon (Bangladesh) initially by 132 kV lines, which is capable of being upgraded to 220 kV as the volume of interchange increases.⁴⁸ It also suggested the alternative of connecting Purnea (India) to Duhbi (Nepal) and Ishurdi (Bangladesh). Connections from Chhukha (Bhutan) to Siliguri and then on to Purnea already exist. System studies confirmed the technical feasibility of the option that was considered better than the option of constructing 220 kV lines from the beginning or having 132 kV lines all the time. It could support power transfer capacities in the range of 50 MW to 500 MW. Capital costs would range from US\$9.0 million to US\$52.0 million. Cost of transmission could fall to 0.2 cents/kWh when interchanges amount to 500 MW. The project is expected to have acceptable rates of return, an easy-to-implement five year time frame, and no major environmental issues. Possible problems of synchronous operation of the four systems have to be identified and resolved.⁴⁹

In this connection, a hydropower project in the Kosi River Basin and its integration with the power system network of Bangladesh, Bhutan, India and Nepal deserves our attention. This project has been proposed by Asian Development Bank (ADB) as a means to support the initiative of sub-regional cooperation in energy put forwarded by Bangladesh, Bhutan, India and Nepal under the name of South Asia Growth Quadrangle (SAGQ). ADB has a practical experience in fostering cooperation in energy in the countries of the Greater Mekong Sub-region (GMS) that can be replicated in the case of South Asia. The proposed project itself foresees the interconnection of the power system network of the four participating countries and its integration with the hydropower

⁴⁸ Shanker Krishna Malla, "Towards a Regional Energy Market in South Asia", *SACEPS Paper 16*, South Asia Centre for Policy Studies, 2008, available at: http://www.saceps.org/upload_file/download_pdf/Energy%20Report%20K%20Malla%20whole%20pdf.pdf, accessed on 9 September 2010.

⁴⁹ World Bank, "Potential and Prospects for Regional Energy Trade in the South Asia Region", available at: http://siteresources.worldbank.org/SOUTHASIAEXT/Resources/Publications/4488131219694050026/Regional_Energy_Trade_in_South_Asia_Final_ESMAP.pdf, accessed on 9 September 2010.

development projects in the Kosi river basin of Nepal, which emphasizes on medium size run-of-river projects in the short/medium term leading to larger size storage projects at a later stage. This concept is based on the rationale that medium sized run-of-river projects are relatively less risky, less controversial, relatively less affected by adverse environmental impact, problems of displacement and rehabilitation of the project affected people. Fortunately, such projects are available in the Arun river basin, a tributary of Kosi river basin. These include 402 MW Arun 3 project, 335 MW Upper Arun project and 308 MW Lower Arun project.⁵⁰

India can export its surplus refinery products to Bangladesh in the coming years. With forecasted total domestic refining capacity of 4.96 Million Barrels per Day (MB/D) by 2012, India will become the world's fourth largest refining centre, after the United States, China and Japan. Although expected to grow strongly, Indian product demand by 2012 will grow less rapidly than additions to its domestic refinery capacity. India currently consumes petroleum products at a rate of just over 3 MB/D, growing briskly at slightly more than 4 percent per annum to 3.44 MB/D in 2012. By 2012, therefore, domestic refining capacity will exceed product demand by over 1.5 MB/D. Assuming refinery capacity utilization of slightly below 100 percent by 2012, India will be in a position to export approximately 1.4 MB/D of refined product to the global markets. With the establishment of the world-leading Jamnagar complex and the imminent start-up of 1.2 MB/D of highly complex greenfield refinery capacity, India looks likely, to dominate Asian exports of highest quality products such as high-octane gasoline, alkylate, ultra-low sulphur diesel and petcoke. All these exportable refinery products have a potential market in Bangladesh.⁵¹

Bangladesh and India can have common strategic reserves of crude oil and petroleum products. For example, Strategic Petroleum Reserve (SPR) can be built over time which could be used during the periods of high prices. It could also constitute a strategic stockpile of certain discovered reserves of oil and gas to be activated to full production whenever the prices for crude are too high for the economy to absorb.

It is important to note that India is constructing a SPR for its energy security. The first storage facility at Visakhapatnam will hold approximately 9.8 million barrels (bbls) of crude oil (1.33 million tons) and is scheduled for completion by the end of 2011. The second facility at Mangalore will have a capacity of nearly 11 bbls (1.5 million tons) and is scheduled for completion by the end of 2012.

⁵⁰ Shanker Krishna Malla, 2008, *op.cit.*

⁵¹ International Energy Agency, "India's Downstream Petroleum Sector Refined product pricing and refinery investment", available at: www.hindustanpetroleum.com/Upload/En/.../AnnualReport2009-10.pdf - India, accessed on 9 September 2010.

The third facility of Padur, also scheduled to be completed by the end of 2012, will have a capacity of nearly 18.3 million bbls (2.5 million tons). The SPR project is being managed by the Indian Strategic Petroleum Reserves Limited (ISPRL), which is a part of Oil Industry Development Board (OIDB), a state-controlled organization. India does not have any strategic crude oil stocks at this time.⁵² To this tune, Bangladesh and India can go ahead to build common strategic crude oil and petroleum reserves, if the latter agrees.

India has been contemplating for bringing natural gas and crude oil from the North Eastern India (Tripura and Mizoram) to Eastern India through Bangladesh. Tripura has immense reserves of natural gas presently in crude form. The gas is of high quality, with high methane content of up to 97 percent. Since 1972, Oil and Natural Gas Corporation (ONGC) has been actively engaged in exploration activities in the state. Based on the exploration work so far, ONGC has estimated the total gas reserves as prognosticated reserves of about 400 BCM.⁵³ On the other hand, a survey by the central petroleum ministry about a decade back stated that Mizoram falls in the 'proven commercial productivity zone' and rough estimates indicated there could be about 170 million metric tonnes of untapped crude reserves.⁵⁴ H. Lallenmawia, the Head of Mizoram's geology and mining department said, "We hope crude oil would transform Mizoram into Kuwait in the very near future with the state located in an area believed to be a black gold mine."⁵⁵ Tripura is surrounded by Bangladesh on the north, west, and south-east whereas in the east it has a common boundary with Assam and Mizoram. Mizoram lies in the north east end of India, with much of its southern part sandwiched between Bangladesh and Myanmar. Against this backdrop, India needs Bangladesh to transmit the natural gas of Tripura and the crude oil of Mizoram to the eastern part for reasons of viability and cost-effectiveness of the potential projects. In this context, Bangladesh can extend her cooperation if the pipelines transporting gas/oil either from Myanmar or North Eastern India go through Bangladesh with the provision of accessibility to the gas/oil from these lines when necessity arises.

5. Challenges in Energy Security Cooperation

Many countries in other regions have been cooperating in bilateral and multilateral issues by forming regional forums, making agreements and allowing

⁵² Country Analysis Brief, India Energy Data, Statistics and Analysis - Oil, Gas, Electricity, Coal, available at: <http://www.eia.doe.gov/cabs/India/pdf.pdf>, accessed on 10 September 2010.

⁵³ KNOW INDIA, available at: <http://www.indiainbusiness.nic.in/know-india/states/tripura.htm>, accessed on September 10, 2010.

⁵⁴ Mizoram to become Kuwait of northeast with crude flow, available at: <http://www.whereincity.com/news/2/14587>, accessed on 10 September 2010.

⁵⁵ *Ibid.*

business bodies to deal freely. But Bangladesh and India are lagging far behind particularly in energy sector. The challenges in energy security cooperation between these two neighbours, therefore, need to be addressed more carefully. Bangladesh-India economic cooperation has been overshadowed by mistrust. Before 1947, East Bengal and part of Sylhet region of Assam (present Bangladesh) were part of India and the major networking activities were integrated. To date, the railway links of the North Eastern India with Eastern India through Bangladesh is closed. The North Eastern India which was the natural hinterland of Chittagong port up to 1947 cannot access the port. The access of Nepal or Bhutan through an Indian corridor for transportation of goods to and from Bangladesh and through Bangladesh is restricted. After the independence of Bangladesh in 1971, the mutual relations were thought to have been improved. The first Awami League government of Bangladesh made Ganges water sharing treaty in 1974 with India and some other positive steps were in progress. But the tragic killing of Sheikh Mujibur Rahman, the Father of the Nation, in 1975 hampered the smooth development of bilateral relation. After that, secularism was dropped from the constitution as a state principle of Bangladesh. The military regimes of General Ziaur Rahman and General Hussain Muhammad Ershad had much resentment about the so-called Indian hegemony. Even the initiative taken by Bangladesh to create South Asian Association for Regional Cooperation (SAARC) in 1980s was propagated to protect the political sovereignty of small states in the region. Thus, a sense of misunderstanding and lack of trust have prevailed throughout the years on the issues of re-establishing the lost networks and opening new connectivity like India-Bangladesh gas pipeline projects or electricity transmission lines from Nepal or Bhutan through Indian territory.

Some outstanding disputes that have been affecting Bangladesh-India relations are - fair sharing of waters of 53 common rivers other than Ganges water; the much debated *Tipaimukh* Dam; cross border terrorism in east and north eastern India; maritime boundary demarcation; land boundary demarcation and fencing; alleged illegal migration of Bangladeshis to India; and trade imbalance. Most of the issues have been unresolved for many years. For example, the maritime boundary dispute has been a problem for more than three decades. In November 2008, after an oil and gas exploration attempt by Myanmar in a disputed area, the naval forces of Bangladesh and Myanmar came face to face in the Bay of Bengal. Continuing with their diplomatic effort to resolve the crisis, the top leaders of Myanmar and Bangladesh met in New Delhi on the sidelines of the Bay of Bengal Initiative for Multisectoral Technical and Economic Cooperation (BIMSTEC) Summit.⁵⁶ Later, India and Myanmar made

⁵⁶ Anand Kumar, "Bangladesh disputes Myanmar explorations in Bay of Bengal", South Asia Analysis Group, Paper no. 2931, 21 November 2008, available at: www.southasiaanalysis.org/papers30/paper2931.htm, accessed on 7 February 2010.

their submissions to the UN on 16 December 2008, and 11 May 2009, respectively, encompassing undersea basins that fall within Bangladesh's Exclusive Economic Zone (EEZ) stretching up to 200 nautical miles from the baseline. Bangladesh also formally lodged a protest note to the UN against maritime claims of India and Myanmar on the extended continental shelf in the Bay of Bengal. Bangladesh claimed 29,000 and 22,000 square nautical miles from India and Myanmar respectively, as extended continental shelf in the sea.⁵⁷ Bangladesh is concerned that it might become sea-locked by both India and Myanmar if two powers insist on resolving the issue based on the principle of equidistance instead of equity. As the issue contains many technical and legal aspects, the problem might remain inconclusive for a long time in the future. No doubt, this kind of unresolved dispute would affect negatively on any attempt of India-Bangladesh cooperation regarding strategic energy reserves or Myanmar-Bangladesh-India pipeline link.

Lack of political wisdom by the leadership of both Bangladesh and India has been the ultimate challenge in building energy cooperation between the two countries. As Quader rightly commented that the prevailing deadlock in building cooperation has its roots in non-existence of vision and mission statements dealing with each other. If there were ones, the leaderships would have met frequently and talked coherently to build bilateral and multilateral cooperation.⁵⁸ It is relevant to mention how leaders of other regions show their wisdom and eagerness in dealing with their common interests particularly on energy. Bayano Valy reported from Namibia that a meeting of the Forum of Energy Ministers of Africa (FEMA) was held in Mozambican capital, Maputo recently. In that forum, the President of Mozambique, Armando Guebuza called for greater cooperation among African states, and participation of private business and development donors. Citing the examples of current cooperation among African states such as the Southern African Power Pool and the Western Corridor Energy Project in southern Africa, he said, "Today we all need each other, if we are all to survive."⁵⁹ On the other hand, the Heads of state and government of the countries of Latin America and the Caribbean met in Salvador, Bahia, Brazil, on 16 and 17 December 2008, with the aim of strengthening regional cooperation specially to maximize the generation of energy, diversification of energy sources, exchange of experiences and best practices on energy policies based on efficiency and conservation, transfer of technology on national bio-fuel programme and energy security. They also committed to convene regional meetings to advance the implementation of these objectives. In the South Asian region, political leaders of

⁵⁷ *New Age*, 18 December 2009.

⁵⁸ A.K.M.A. Quader, *op. cit.*

⁵⁹ Bayano Valy, "African energy ministers call for cooperation", available at: [www.namibian.com.na/index.php?id=28&tx_ttnews\[tt_news\]=31020&no_cache=1](http://www.namibian.com.na/index.php?id=28&tx_ttnews[tt_news]=31020&no_cache=1), accessed on 18 March 2010.

neighbouring countries were not seen to have gathered with a view to making an agreement on energy security cooperation.

However, in a joint communiqué in New Delhi on 13 January 2010, the Prime Minister of Bangladesh Sheikh Hasina and the Prime Minister of India Dr. Manmohan Singh agreed to put in place a comprehensive framework of cooperation for development between the two countries, encapsulating their mutually shared vision for the future, which would include cooperation in water resources, power, transportation and connectivity, tourism and education. The Prime Minister of India agreed to supply 250 MW electricity to Bangladesh from its grid. In this context, both Prime Ministers emphasized the need to expedite inter-grid connectivity. They also agreed that the two countries shall cooperate in development and exchange of electricity, including generation from renewable sources, and may set up joint projects or corporate entities for that purpose. Following the understanding, on February 2010, Dhaka and New Delhi agreed to form a joint venture company under Indian management and operation for installation of a 1,320 MW coal-based power plant in Khulna worth up to US\$1.8 billion. Both the sides also finalized the terms and conditions for installing a cross-border power transmission line for enabling Dhaka to import 250 MW of electricity from India.⁶⁰ The New Delhi joint communiqué indicates that India has changed its mind-set towards Bangladesh. In this regard, India got a historical opportunity to apply Gujral's doctrine of 'cooperative security' approach that India would extend its assistance to sort out the outstanding problems and issues with its extended neighbours. India would not ask for anything in return but would give and accommodate what it is able to, in good faith.⁶¹ It is important to note that by saying 'comprehensive framework of cooperation for development between the two countries' India wanted to uphold its natural leadership of the South Asian region. And, by putting priority on energy sector, India actually intended to take Bangladesh as a strategic partner of her present and future security concern. Undoubtedly, it is a sign of maturity on the part of Indian leadership.

On the Bangladesh side, leadership is divided into two camps namely Awami League on the one hand and Bangladesh Nationalist Party (BNP) and Jamaat-i-Islami Bangladesh on the other. The Awami League leaders value bilateral ties with India and respond to any cooperative efforts of India on a priority basis for which they are labeled as pro-Indians by the opposition. The opposition and others have been reluctant to cooperate with India for they allege that India has

⁶⁰ *Energy Bangla* [Online Bulletin], "Bangladesh Govt. to Install 100-200MW Wind-based IPP", available at: www.energybangla.com/index.php?mod=article&cat=GreenPage&article=2395, accessed on 10 March 2010.

⁶¹ Mohd. Aminul Karim, "Bangladesh-India Relations: Some Recent Trends", ISAS Working Paper, No. 96, 12 November 2009, available at: www.isas.nus.edu.sg, accessed on 17 March 2010.

always shown eagerness to get the bigger share in any agreement whether it is bilateral or multilateral. For this reason, while in power during 2001-2006, the Energy Minister of the BNP-Jamaat coalition government stymied the Bangladesh-India-Myanmar gas pipeline deal with a view to having more concessions before hand from a bilateral accord with India. The Khaleda Zia government had a foreign policy of 'Look East' for building economic cooperation, but literally had no room for energy relation with these countries. Even in her belated visit to India on 20-22 March 2006, Begum Khaleda Zia did not discuss about energy security cooperation with her counterpart Dr. Manmohan Singh.⁶²

6. Conclusion

Energy is a scarce resource and an economic commodity. Energy security cooperation has foreign policy implications and strategic postures. It may take many shapes such as multi-lateral or bilateral and regional or sub-regional cooperation. But the materialization of the prospective energy ventures depends largely on individual country's energy security concerns and willingness of the leadership of the partner countries.

In this paper, it has been observed that India is going to be reliant on imports of all forms of commercial energy, with total energy import dependency increasing to around 80 percent by 2031. The country has been dependent on oil imports for several decades, but imports of coal and gas have started during the last decade. These concerns have led India to import gas from Myanmar through Bangladesh. On the other hand, Bangladesh has been heavily dependent on the indigenous natural gas serving about 75 percent of the total commercial energy. The country has been facing severe electricity shortage for the last two decades. These concerns have led Bangladesh to import electricity from Nepal and Bhutan crossing the Indian borders.

This paper also observed that after many twists and turns in the past, the present leadership of Bangladesh and India has shown their eagerness to cooperate in energy sector. Following Gujral doctrine of 'cooperative security', Indian leaders have extended their assistance to resolve the outstanding problems and issues with Bangladesh. Both the current head of the governments of the neighbouring states agreed to expedite inter-grid connectivity, development and exchange of electricity including generation from renewable sources, and setting up of joint projects or corporate entities.

However, this paper has come up with some possible joint venture projects of energy security cooperation like Bangladesh, Bhutan, Nepal and India multilateral electricity trade; export of India's surplus refinery products to

⁶² *The Daily Star*, 23 March 2006.

Bangladesh; Bangladesh and India common strategic reserves of crude oil and petroleum products; and natural gas and crude oil from the North Eastern India (Tripura and Mizoram) to Eastern India through Bangladesh. These projects are robust and need political fine tuning of the parties concerned.

Finally, it is important to note that the region of South Asia has a good potential of energy resources, yet the countries lack in technology and high investment. Hence, countries can utilize resources if they come forward for cooperation. India is in a strategic position to strike bilateral deal with any of its neighbours while Bangladesh, Bhutan and Nepal are unable to do so without involving India. Against the backdrop of such a ground reality, the present leadership of Bangladesh and India has made a fruitful beginning.

Razia Sultana

UNPLANNED RAPID URBANIZATION IN BANGLADESH: A THREAT TO HUMAN SECURITY

Abstract

Like many other developing countries, unplanned rapid urbanization is a major security threat for Bangladesh. Due to exponential growth of population, the country is facing a host of challenges especially in Dhaka city. In this regard, the city of Dhaka has been taken as a case as the city in recent years has experienced rapid urbanization and might turn out to be one of the densely populated cities in the future. To perceive the overall impacts of unplanned urbanization, existing social, economic, environmental and political concerns such as urban poverty and scarcity along with inequity in water, sanitation and other basic services have been touched upon in the paper. These issues have been addressed mainly from the human security perspective. The paper also tries to show how human security aspects are conceptually interlinked with the issues of urbanization. Apart from highlighting the effects of mal-urbanization on human security aspects in the city, the paper tries to address the existing gaps between urban policy and planning and ways and means to overcome the problems in a more concerted way.

1. Introduction

While urbanization is seen as a crucial aspect of development in the twenty first century, it has now become an important process of urban people to ensure security and safety. Since the last couple of decades, urbanization process has deeply challenged the human security aspects owing to exponential growth of population in many cities. More precisely, in the cities of developing countries, the massive demographic transformation from rural to urban areas has intensified the mushrooming of slums which have become the abode of a huge number of rootless people. This large scale migration in the cities, however, has brought negative impacts over environment, planned development, economy, health, politics and a host of others.

Like many other developing countries, Bangladesh is undergoing unplanned rapid urbanization which has been identified as a formidable security threat in several studies. In particular, Dhaka is under considerable strain as a significant

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portion of inhabitants resides (either permanently or temporally) in this urban location. As the population growth outpaces the development in this city, poverty, hunger, food shortage along with absence of various amenities like safe drinking water, proper sewerage systems, drainage system and solid waste disposal are the glaring phenomena among the common mass of the capital. These poor qualities of urban settings, nevertheless, increase health challenges, making social costs higher, degrade environment, and add the problems of pollution as well as traffic congestion. Besides, the burgeoning number of migrants from rural to urban areas increases a wide variety of concerns like crime, violence, social unrest and sexual harassment of women that tend to decline the level of security, safety and comfort.⁶³

In this context, the principle aim of this paper is to explore the growing nexus between urbanization and human security aspects, both conceptually and empirically. To cover these issues, the paper mainly deals with the following enquiries: What are the key human security issues that relate to urbanization? How does mal-urbanization affect human security aspects in Dhaka city? What are the existing steps and policies of urbanization from government and non-government sides and how do they address the security and safety issues of Dhaka city? What are the gaps between policies and implementation and how can the gaps be reduced for ensuring urban security?

The paper is divided into five sections. After analyzing the background in section 1, the paper tries to develop a conceptual framework of human security aspects with urbanization in section 2. Section 3 attempts to identify some of the major human security and unplanned urbanization related concerns particularly in Dhaka city. Viewing in this light, section 4 underlines the existing urban policies initiated by the government, non-government as well as international agencies. Finally, in section 5, some policy suggestions are outlined to deal with the gaps for ensuring human security of the urban dwellers.

2. Conceptual Framework: Human Security and Urbanization

2.1 Understanding Human Security: A Multi-disciplinary Perspective

The concept of human security is multi-dimensional and context specific in nature; therefore, the existing definition of human security almost covers “everything from physical security to psychological wellbeing” of the people.⁶⁴

⁶³ Akhtar Hussain, S. M Keramat Ali and Gunnar Kvåle, “Determinants of Mortality among Children in the Urban Slums of Dhaka City, Bangladesh”, *Tropical Medicine and International Health*, Vol. 4, No. 11, 1999, pp. 758–764. Also see, Khandakar Golam Tawhid., “Causes and Effects of Water Logging in Dhaka City, Bangladesh”, *TRITA-LWR Master Thesis*, Department of Land and Water Resource Engineering, Royal Institute of Technology, Stockholm, Sweden, 2004.

⁶⁴ Shaheen Afroze and Abul Kalam Azad, “Human Security in Bangladesh: Discourse, Practice and Policy Proposition”, Paper presented at the Work-in-Progress Workshop

Human security notions have been considered as an institutional form by the United Nations (UN) in 1948 through the Universal Declaration of Human Rights where it asserts that “everyone has the right to life, liberty and security...”⁶⁵ In the 1960’s, it was acknowledged that military security would not be sufficient unless the security of individual was not taken into consideration. In the 1990’s, after the end of Cold War, human security concerns had been broadly shifted to individual and community levels rather than the state, considering the vulnerable situations of world’s population. Since then, various scholars, academicians, nations as well as international organizations exemplified the concept considering the individuals as the core of analysis addressing their numerous social, economic, political and cultural concerns.

While explaining the meaning of human security, Ramesh Thakur, the leading Peace Researcher, addressed the security of people as “anything which degrade their quality of life – demographic pressures, diminished access to or stock or resources, and so on - is a security threat”.⁶⁶ On the contrary, Khattak *et al* acknowledged human security with two important techniques: “protection and empowerment”.⁶⁷ ‘Protection’ encompasses ensuring different social, political and economic aspects such as food, water, sanitation, health and so on. On the other hand, ‘empowerment’ includes increasing the capabilities of people, especially women in their decision-making process. From the thematic point of view, he also explained human security based on three sub-categories which are mutually interlinked in the following ways: i. livelihood security (e.g. absence of poverty, job loss and economic exploitation); ii. political security (e.g. civil and political freedom including food security as well as assurance of livelihood security); iii. environmental security (e.g. reducing societal costs of environmental hazards such as soil erosion, deforestation, water pollution, lack of pure water and sanitation).

Notwithstanding the individual, political, social and environmental aspects of human security mentioned by various scholars and practitioners, different international organizations and nation states explain human security from individual wellbeing to global security. Credibly, the concept of human security

of BIISS–Ford Foundation Collaborative Project on *Human Security in South Asia: Discourse, Practice and Policy Proposition*, organized by BIISS, Dhaka, 26-28 September, 2004, p.1.

⁶⁵ *Ibid*, p. 4.

⁶⁶ Ramesh Thakur, “From National to Human Security”, in Stuart Harries and Andrew Mack (eds.), *Asia-Pacific Security: The Economics-Politics Nexus*, Allen and Unwin, Sydney, 1997, pp. 53-54.

⁶⁷ Khattak Gul Saba, Habib Kiran and Khan Sadiq Foqia, *Women and Human Security in South Asia: The Cases of Bangladesh and Pakistan*, The University Press Limited, Dhaka, Bangladesh, 2008, p. 6.

was well explained in Human Development Report (HDR) of United Nations Development Programme (UNDP) in 1994 highlighting the agendas of “freedom from fear” and “freedom from want”. Supporting the notions of this UNDP Report, the UN Commission on Human Security (2003) chaired by Sadako Ogata and Amartya Sen admitted that human insecurity was one of the crucial challenges for individuals. It provided a formal definition in which the concept of human security was considered as a series of “political, social, environmental, economic, military, and cultural systems” that jointly ensure people’s “survival, livelihood and dignity”.⁶⁸

Countries like Canada defined human security as “freedom from pervasive threats to people’s rights, safety or lives.”⁶⁹ The foreign policy of Canada highlighted 5 principles including good governance and accountability of private and public sectors to avoid trafficking in small arms, income inequality between the rich and the poor, environmental degradation, rapid population growth, migration, child abuse, drug trade, crime, and so on. The Government of Japan also recognized most of the components of human security mentioned by the Human Security Commission and delineated the concept as “the preservation and protection of life and dignity of individual human beings.” Like the UNDP Report, the country also believes that, human security would actively work when people have “the right to live in peace” and secure lives with “free of fear and want.”⁷⁰

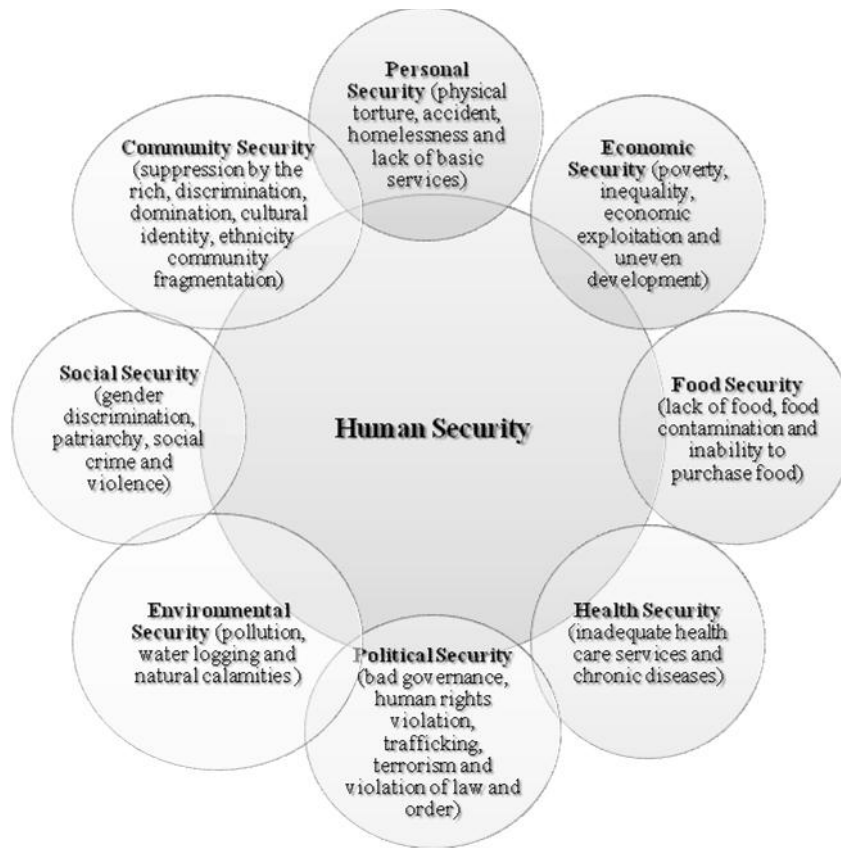
Considering all the definitions and discussions outlined above, it can be perceived that the concept of human security is no longer constrained with the traditional issues of state security; rather, it is widened to persuade the essential security requirements of individuals. Therefore, more emphasis is now given to human rights and safety issues which have historically been ignored. From the essence of the above definitions, it can be argued that human security is the combination of eight categories (social, economic, food, health, environmental, personal, community and political) to promote the concepts of “freedom from fear” and “freedom from want” and this could be figured out in the following way:

Figure 2. 1: Categories of Human Security and Patterns of Threats

⁶⁸ Cited from UN Habitat, “Enhancing Urban Safety and Security”, Global Report on Human Settlements, United Nations Human Settlement Programme, London, UK, 2007, p. 8.

⁶⁹ Canada Foreign Affairs (CFA), “Freedom from Fear in Urban Spaces”, Discussion Paper, Human Security Research and Outreach Program, Canada, Foreign Ministry of Canada, 2006, available at: <<http://www.dfait-maeci.gc.ca/foreignp/humansecurity/menu-e.asp>>, accessed on 19 July 2010.

⁷⁰ Shiro Okubo, “Freedom from Fear and Want” and “Right to Live in Peace” and “Human Security”, *Ritsumeikan International Affairs*, Vol. 5, 2007, pp. 1-15.



Source: Compiled by the author from various sources

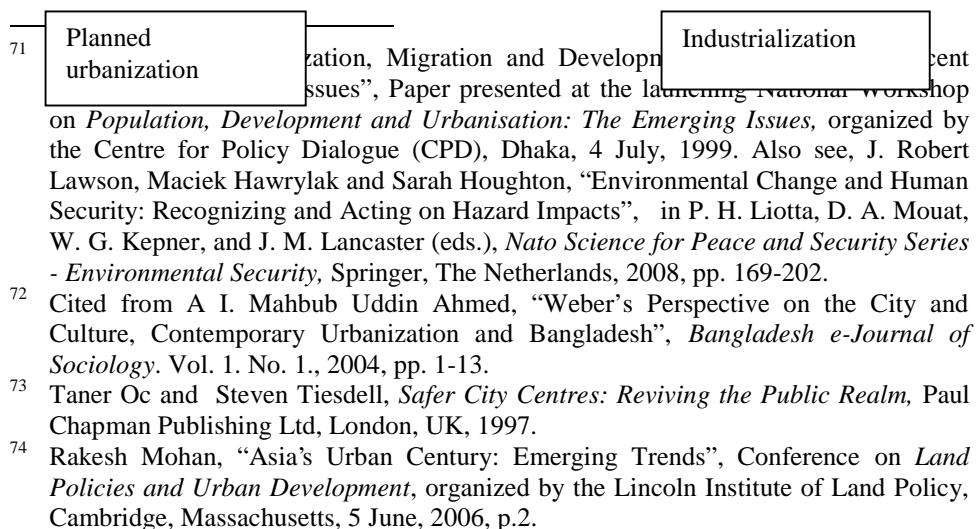
2.2. Urbanization and Human Security Paradigm: A Normative Linkage

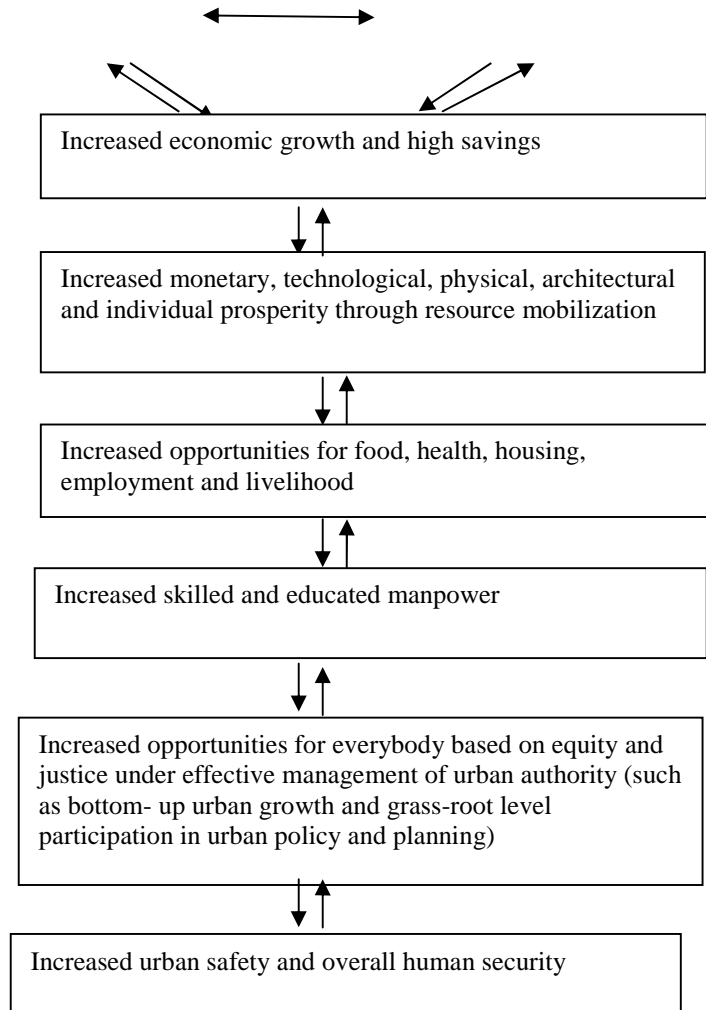
How the process of urbanization is inherently related to human security? In fact, human security and urbanization are, in conjecture, commonly supportive. Nowadays, ensuring safety of the cities is the core aspect of urbanization. Therefore, urbanization does not only mean the advancement of infrastructure coupled with the social, economic and demographic transformation of a city. It is also related to a city's capacities of planning, management and providing safe and secured environment. While analyzing the nexus between urbanization and human security, a broad range of distinctive characteristics of human security (such as reduction of poverty and violent confrontation in the city, protection of people from forced movement, ensuring economic security, providing necessary healthcare facilities, increasing literacy rate, etc.) articulated by the UN Commission on Human Security (2003) could be mentioned. Besides, many

authors delineate that urbanization and development (in all aspects) have a positive relationship that leads to peace, safety and security of citizens.⁷¹

Defining an urban city, Max Weber put emphasize on city's safety issues like law enforcement, equity regardless of class and ethnicity as well as strong base of economy which denote the important aspects of human security.⁷² Taner and Steven opined that a city would be safe when it could offer a series of physical interventions (such as lighting, parking, educational institutions, hospitals, banks, etc) followed by waste management practices, facilities for women employees and other services at various stages.⁷³ Thus, it can be said that a planned city not only ensures physical safety but also offers sufficient places to live, provision of food, safe transport, education, employment opportunities and a host of others. Evidences show that many cities are now considered as "engine of growth" or "agents of change" for creating a conducive environment for all types of development.⁷⁴ For instance, cities like Singapore and Hong Kong are more secured as people could exercise all kind of public facilities and their freedom from fear, freedom from want and dignity are not threatened by unplanned urbanization. Also, these cities are providing public services irrespective of the rich and the poor based on equity and justice. This sort of distinctive growth of cities is gradually becoming a strong entity which shows a new prospect for human security goals shown in the following Figure.

Figure 2. 2: Urbanization and Human Security Linkage





Source: Concepts taken from Rita Schneider-Sliwa, "Theoretical Framework: Global and Local Forces in Cities Undergoing Political Change", in Rita Schneider-Sliwa (ed.), *Cities in Transition: Globalization, Political Change and Urban Development*, Springer, The Netherlands, 2006.

The above Figure shows the close interaction between urbanization and human security through a number of steps and addresses a safer city by means of ecological balance, gradual economic development, sufficient employment opportunities, satisfactory supply of housing and a host of others.

2.3. Mal-urbanization and Human Insecurity

From the above discussion, it is well noted that human security and urbanization are interlinked with each other as the concepts are related to overall safety and wellbeing of the individuals. However, safety is an abstract idea which can be conceptualized comparing with its opposite remark 'insecurity'. Nevertheless, insecurity is a subjective notion; to some, it is traced from mal-nutrition while to others, it is from violence. However, it is perceived that the failure of planned urbanization tends to increase the propensity of overall human insecurity. As remarked by Rioux, "human security rather comes from a definition of the insecurity as the whole of the political, economic, social, environmental, and cultural threats that confront individuals in their daily lives."⁷⁵ On the contrary, mal-urbanization coupled with malfunction of the services poses threats to all kinds of freedom of individuals as it deprives various political, economic and social rights. Hence, considering all forms of concerns, a stipulation of relationship between human insecurity and mal-urbanization can be shown in the following way: Human insecurity = f(livelihood insecurity, personal insecurity, community insecurity, economic insecurity and environmental insecurity) = f(mal-urbanization)

Though urbanization does not produce hunger, poverty, crime and other illegal acts directly per se, the presence of large volume of people within a small space aggravates uneven and unplanned urban growth through slum settlements. This pertinent scenario of mal-urbanization is very common in most of the cities of Asia, Africa and Latin America that poses tremendous human security threats. In these regions, around one billion people are residing in slum areas and the number is estimated to increase to roughly around two billion by 2030.⁷⁶ Some emerging issues in the cities of different countries such as conflict between police and slum dwellers during slum eviction in Jakarta, rapid influx of refugee, terrorism and drug trafficking in Kabul, widespread community violence at Karachi in Pakistan, small arms proliferation in Bujumbura, presence of gangs and militia groups at Mogadishu in Somalia, increased child death caused by organized armed violence in the slums of Rio de Janeiro, crime and violence in Guatemala city, involvement of children in urban gangs in Nigerian cities and massive explosion of slums in Sub-Saharan Africa are some of the glaring examples of threats towards urban safety and security.⁷⁷

⁷⁵ Cited from United Nations Institute for Training and Research (UNITAR), UN Habitat and Swiss Federal Institute of Technology (EPFL), "Human Security: Urban Security and Safety Initiatives", A Guidebook for Local Authorities, 2008, p.3, available at: http://lasur.epfl.ch/recherche/projets/vups/publications/Human_Security/Projet_anglais.pdf, accessed on 15 August, 2010.

⁷⁶ CFA, 2006, *op.cit.*

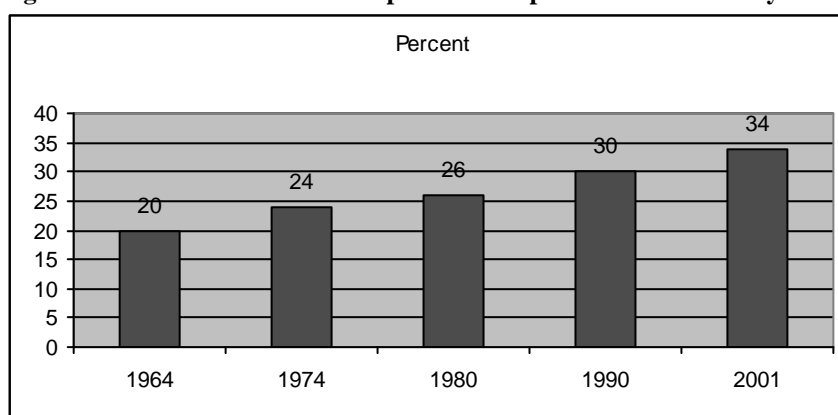
⁷⁷ For details, see, Jean du Plessis, "Forced Eviction: A Threat to Urban Human Security", in Foreign Affairs and International Trade Canada (DFAIT) and Canadian Consortium on Human Security (CCHS), (eds.) *Human Security for an Urban Challenge: Local Challenges, Global Perspectives*, Canadian Consortium on Human

3. Urbanization and Human Security: The Scenario of Dhaka City

3.1 The Trends of Urbanization: A Brief Overview

Dhaka, the capital city of Bangladesh, is one of the most densely inhabited and rapidly growing cities in the world. In 1951, the city's population was 411,279 which rose to 718,766 in 1961. During 1960's, the city was comprised of only 20 percent of urban population. From 1980 onward, there is a gradual increase of urban population proportion from 26 percent to more than 30 percent which is shown in the following Figure.

Figure 3. 1: Increase of Urban Population Proportion in Dhaka City



Source: Data Compiled from Nazrul Islam, 1999, *op.cit.*, Xinhua News Agency, "Bangladesh's Urban Population to Reach 99 Million By 2030: WB", 2005, available at: http://www.redorbit.com/news/science/342866/bangladesh_urban_population_to_reach_99 mln_by_2030_wb/, accessed on 16 August, 2010.

After the Liberation War in 1971, urbanization process was accomplished at a rapid scale to meet the requirements of Dhaka city. In 1974, the population unexpectedly augmented to 2,068,353. In 1981, the population reached 3 million within 510 sq.km. area and wetlands were encroached by building new commercial, administrative and residential areas. During 1981-1991, within a decade, the city gained its highest growth rate and urban area was again enlarged from 510 sq.km to 1353 sq km.⁷⁸

Table 3. 2: Urban Agglomeration in Dhaka City (annual rate of change shown in parenthesis)

	Share in Urban
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Security, Centre of International Relations, University of British Columbia, Canada, 2006-2007.

⁷⁸ Shahadat Hossain, "Rapid Urban Growth and Poverty in Dhaka City", *Bangladesh e-Journal of Sociology*. Vol. 5, No.1, 2008, pp.1-24.

Estimated and Projected Population (Per thousand)						Population	
1990	1995	2000	2005	2015(Projected)	2020(Projected)	1990	2015(Projected)
6,526	8,217 (4.61)	10,159 (4.24)	12,430 (4.03)	14,625 (3.25)	16,842 (2.82)	9.84	11.36

Source: UN Habitat 2007, *op.cit.*

During 2000-2001, the city's population reached around 11 million with more than 56.5 percent growth in the last decade. In 2006, the population was 12.4 million which ranked the city in the 11th position among the mega cities of the world.⁷⁹ In 2010, of the 160 million people in the country, more than 13 million of them are living in Dhaka city.⁸⁰ It is projected that during 2000-2015, the city's growth rate would be 3.6 percent and the total population would be 21.1 million by 2015. The city then would be ranked as the 4th on the list of world's mega cities. Therefore, the UN termed the rapid population trend of this city as "exceptional case."⁸¹

3.2. Mal-urbanization and Effects on Human Security in Dhaka City

Needless to say, unplanned rapid urbanization in Dhaka city has become a formidable challenge for the urban government as it is concentrating people and wealth within the particular fringing area. This unplanned urbanization of the city has down-sized the growth potential by creating pressure on the basic urban services and generated a number of negative impacts on numerous security issues of urban dwellers.

3.2.1 Livelihood Insecurity

Heavy Stress on Housing and Growth of Slums

In Dhaka, unplanned urbanization has created pressure on housing that leads to mushrooming of slums termed as *bastee*. Of the 13.5 million people in the city, around one third lives in lower standard houses. Within three decades from 1974 to 2005, slum inhabitants became eleven times greater and the number of slums augmented from 500 to 4,300, which makes the city as the biggest slum location in the country.⁸² The gradual increase of slums, however, is a concern

⁷⁹ Manoj Roy, "Planning for Sustainable Urbanization in Fast Growing Cities: Mitigation and Adaptation Issues Addressed in Dhaka, Bangladesh", *Habitat International*, Vol. 33, No.3, 2008, pp. 276-286.

⁸⁰ Mohammad Abdul Qayyum, "Causes, Consequences and Challenges of Demographic Explosion in Bangladesh", Paper presented in the Panel Discussion on *Causes, Consequences, and Challenges of Demographic Explosion in Bangladesh: Policy Prescriptions and Future Outlook*, organized by BIIS on 5 August, 2010.

⁸¹ *World Urbanization Prospects: The 1999 Revision*, United Nations, New York, USA, 1999.

⁸² Centre for Urban Studies (CUS), MEASURE Evaluation and National Institute of Population Research and Training (NIPORT), "Slums of Urban Bangladesh: Mapping

for urban safety and security as population density of slums is 200 times greater (531,000 people per sq. mile) than that of other inhabitant areas.⁸³ Absence of cooking gas, pure drinking water, garbage collection, drainage system and other basic facilities increases the vulnerabilities of slum people. Meanwhile, slum eviction from the government and non-government owned land is a very common feature. During 1995-2005, 242,442 people were forcibly evicted and around 7 percent of them had experience of slum eviction for once or more.⁸⁴ Thus, fear of forced deportation and tenure insecurity are the reality of urban slum people.

Unemployment Problem

Unemployment problem has figured prominently in Dhaka city. By now, a significant segment of migrants in this city is below the age of 37 who are capable of doing labour intensive works.⁸⁵ As a large cohort is unskilled youth, they used to get involved in various illegal activities such as prostitution, begging, mugging, stealing and so on. On the contrary, around 500,000 children live on the streets and 75 percent of them reside on the road sides of the city.⁸⁶ They also have to hunt for temporary jobs for their survival. As the street children have no available and suitable jobs, they often have to involve in works with unsafe environment (e.g. waste picking and drug selling) increasing the frequency of crime, deaths and numerous health hazards.

3.2.2 Social Insecurity

Violence against Women

Women in urban areas often face the difficulties to access equal share of resources and to involve in decision making process. The gender inequality in urban areas often increases the events of violence against women. Generally, the most common forms of violence against women are discrimination, physical abuse, rape, trafficking, acid throwing, prostitution and torture. According to a survey on 2,702 women conducted by International Centre for Diarrhoeal Disease Research, Bangladesh (ICDDR,B) and *Naripokkho*, in 2000-2001, 40 percent and 19 percent of urban women respectively had the experience of torture

and Census 2005”, Dhaka, Bangladesh and Chapel Hill, USA, 2006. Also see, Khan Haider, “Challenges for Sustainable Development: Rapid Urbanization, Poverty and Capabilities in Bangladesh”, Munich Personal RePEc Archive (MPRA), Paper No. 9290, Denver, USA, 2008.

⁸³ *Ibid.*

⁸⁴ Jean du Plessis, 2006-2007, *op.cit.*

⁸⁵ Shahadat Hossain, 2008, *op.cit.*

⁸⁶ Alessandro Conticini, “Urban Livelihoods from Children’s Perspectives: Protecting and Promoting Assets on the Streets of Dhaka”, *Environment and Urbanization*, Vol. 17, No. 2, 2005, pp.69-81.

and physical abuse by their husband and extended families.⁸⁷ Another dreadful part of urban society is the sexual abuse of adolescent and young girls who used to work outside home especially in the garment industries. Though, many victims do not flash out the events fearing of further attacks by the musclemen (locally known as *mastans*).⁸⁸ Besides, women are susceptible to rape and trafficking which are hidden social crimes in urban society. In terms of trafficking, women and young girls are selected for trade by means of prostitution, enforced labour and slavery. Only from Dhaka city and nearby areas, the number of prostitutes is around 50,000 who used to work in brothels and hotels.⁸⁹ As a result, women are gradually become susceptible to HIV/AIDS and various sexual transmitted diseases.

Crime, *Mastans* and Safety in Streets

Dhaka city is gradually turning into a city of crime, violence and insecurity. In a Focus Group Discussion conducted by the World Bank in 4 slum areas of Dhaka in 2004/2005, it was reported that 93 percent of the respondents has more or less experiences about 33 types of crime related vulnerabilities such as drug trade, gambling, murder, violence and so on.⁹⁰ The presence of musclemen intimidates the city dwellers by means of collecting money forcibly from trade centres, market places, bus terminals and construction areas. Often, they conduct illegal operations like torture, murder, looting and stabbing to gain control over the limited urban recourses including water, gas, electricity, etc.⁹¹ The city streets, as expected, are organized for comfort and safety. In Dhaka city, the scenario is quite opposite and diverse. Mostly, road sides and open footpaths are occupied by the homeless people who reside there and sleep at night temporarily. According to a survey in 1996 by ADB-LGED-GOB, around 11,500 people sleep in different locations of streets such as open footpath, transport station, park, play yard, garages, and different construction sites.⁹² Therefore, women who live in

⁸⁷ Tania Wahed and Abbas Bhuiya, "Battered Bodies and Shattered Minds: Violence against Women in Bangladesh", *Indian Journal of Medical Research*, Vol. 126, No.4, 2007, pp. 341-54.

⁸⁸ Christoph Schultz and Jeremy Bryan, "Human Security of Female Migrant Workers in Dhaka", in DFAIT and CCHS (eds.), *Human Security for an Urban Challenge: Local Challenges, Global Perspectives*, Canadian Consortium on Human Security, Centre of International Relations, University of British Columbia, Canada, 2006-2007.

⁸⁹ Tania Wahed and Abbas Bhuiya, 2007, *op.cit.*

⁹⁰ World Bank, "Dhaka: Improving Living Conditions for the Urban Poor", *Bangladesh Development Series*, Paper No.17, World Bank Office, Dhaka, 2007.

⁹¹ K. I. Ahmed, "Urban Poor Housing in Bangladesh and Potential Role of ACHR", Policy Paper, *Asian Coalition of Housing Rights*, Bangkok, Thailand, 2007.

⁹² Asian Development Bank (ADB)-Government of Bangladesh (GOB)-Local Government Engineering Department (LGED), "A Report on the Survey of Street

the streets with inadequate illumination and lighting are subject to harassment, physical abuse, rape as well as kidnap.

3.2.3 Economic Insecurity

Urban Poverty and Inequity

It is anticipated that extreme migration from rural areas has shifted rural poverty in the metropolis. In 1999-2000, about 43 percent of urban people resided under the poverty line and Dhaka city predominantly received the highest rate of poverty.⁹³ During 1995-96 to 2000, the proportion of urban poor in the city living below the upper poverty line and lower poverty line rose from 40.2 percent to 44.8 percent and 27.8 percent to 32 percent respectively.⁹⁴ Although urbanization encourages economic development, on the way around, it increases income inequality in the city. According to Gini coefficient measurement, income disparity of Dhaka city increased from 0.37 in 1985-86 to 0.44 in 1995-96. Gender inequality is highly prevalent in wage structure of low paid jobs such as construction, crafts, manufacturing and small trade. Besides, due to the hostile and unfriendly attitudes towards female employees, they get limited access to labour industries. This poor income sources ultimately lead to poverty and poor health of women owing to their failure of maintaining the basic needs.

3.2.4 Environmental Insecurity

Water Logging and Drainage System

Rapid growth of population immensely affects different aspects of environmental settings. For the last couple of years, water logging of Dhaka city has been a widespread problem especially during the monsoon (May to October). This is mainly due to the encroachment of drainage paths, insufficient drainage system, absence of proper management, lack of inlets and outlets and other unplanned development initiatives. During the rainy season, water logging turns into a crisis as it generates social, economic and environmental hazards in the city. The stagnant flood and rain water create various types of disease vectors which aggravate diarrhoea, malaria, typhoid, dengue and other water borne diseases. Another adverse impact of water logging is the massive environmental pollution along with foul smelling when logged water mixes with open sewerage

Dwellers of Dhaka City”, in *Urban Poverty Reduction Project*, Final Report, Dhaka, GOB and ADB, 1996.

⁹³ Nazrul Islam and Salma A. Shafi, “Solid Waste Management and the Urban Poor in Dhaka”, Forum on *Urban Infrastructure and Public Service Delivery for the Urban Poor Regional Focus: Asia*, jointly sponsored by the Comparative Urban Studies Project, Woodrow Wilson International Centre for Scholars (WWICS), Washington DC, USA and The National Institute of Urban Affairs (NIUA), New Delhi, India, 24-25 June, 2004.

⁹⁴ Shahadat Hossian, 2008, *op.cit.*

and latrines. It also increases the propensity of ground water contamination which threatens access to pure drinking water.

Solid Waste Disposal

In Dhaka city, different types of wastes (solid, clinical, and industrial) increase the hazards of urban life. Each day, around 4,000 metric tons of wastes are generated and it may reach around 6,000 metric tons if the pace of population growth increases further.⁹⁵ The biggest amount of solid wastes (e.g. peace of cloths and liquid chemical waste) are derived from the industrial sectors especially from garments, and near about 300 tanneries situated in different urban locations. The wastes from these sectors are polluting the water of adjacent rivers. Furthermore, the most unsafe wastes are sourced from the 500 clinics and hospitals where a significant portion of wastes is infectious.⁹⁶

Table 3. 3: Nature and Composition of Solid Waste in Dhaka City

Sources of Solid Waste	Amount (%)	Materials	Amount (%)	
			Inhabited Areas	Industrial Areas
Domestic	40-60	Waste from food	84.37	79.49
Industrial	5-2	Paper	5.68	7.22
Street sweeping	20-30	Textile	1.83	1.59
Combustion	20-30	Plastic	1.74	1.48
Non-combustion	30-40	Glass	6.38	10.22
Humidity	45-50	-	-	-

Source: Khandakar Golam Tawhid, 2004, *op. cit.*

The situation is gradually deteriorating as Dhaka City Corporation (DCC) fails to collect 50 percent of the wastes which usually pile in the drains. Subsequently, water logging takes place on the streets that ultimately disrupts normal life, increases mosquitoes, pollutes the environment and brings severe health impacts.

Pollution (water, air, sound and soil)

Air pollution has adverse impacts at different locations in Dhaka city. According to Bangladesh Atomic Energy Commission, every year, 50 tons of leads are discharged in the air and the extent of lead is the highest in the world.⁹⁷

⁹⁵ Nazrul Islam and Salma A. Shafi, 2004, *op.cit.*

⁹⁶ *Ibid.*

⁹⁷ David Hodgkinson and Walton-Ellery Sandie, "Strengthening Bangladesh: Transport, Sustainability and Better Lives", Hodgkinson Group, 2007, available at: http://www.hodgkinsongroup.com/documents/transportation_sustainability.pdf, accessed on 18 August 2010.

Transport sector is identified as the major source of Carbon dioxide (CO₂) gas emission as 20 to 30 percent of gas is discharged from the vehicles. Consequently, the outbreak of various air borne diseases poses greater health risks and children become the worst sufferer.⁹⁸ In a study, it was found that the lead level among the street children was 90-200 micrograms per deciliter which exceeded the World Health Organization (WHO) suggested secured blood lead content of 25 micrograms per deciliter.⁹⁹

On the contrary, water scarcity is acute in Dhaka city due to a number of reasons like increase of population, over use of ground water and pollution of water through different sources. At present, 58 percent of urban dwellers has to rely on contaminated sources of water and the slum dwellers are considered as the most vulnerable groups as only 37 percent of them has access to safe drinking water. It is projected that only 40 percent of urban people has sanitary waste removal access and water is contaminated through wastes released from toilet in open places.¹⁰⁰ This poor sewerage system and unsafe water are the major sources of water borne diseases like cholera, diarrhea, typhoid as well as other acute respiratory infections which cause one fourth of country's child deaths.¹⁰¹

The major sources of noise pollution emanating from vehicular horn, loud speakers in the meetings and industrial sound are severe threats as the noise has already crossed the acceptance level in Dhaka city. In 2002, WHO carried out a study on 45 different industrial, commercial and residential locations of Dhaka city and identified that almost all the areas crossed the tolerance level of noise.¹⁰² Comparing to the noise levels between the residential and commercial areas from 1999 to 2002, it was found that commercial areas were severely affected than the residential locations and there were some places in the former where noise level increased more than 10db within 3 years.¹⁰³ This scenario of noise pollution is a hazard for both physical and mental health of urban dwellers especially for the elderly and children.

⁹⁸ Manoj Roy, 2008, *op.cit.*

⁹⁹ David Hodgkinson and Walton-Ellery Sandie, 2007, *op.cit.*

¹⁰⁰ Hamidur Rahman Khan and Qamrul Islam Siddique, "Urban Water Management Problems in Developing Countries with Particular Reference to Bangladesh", *Water Resources Development*, Vol. 16, No. 1, 2000, pp. 21-33.

¹⁰¹ Water Aid, "Fatal Neglect: How Health Systems are Failing to Comprehensively Address Child Mortality?", cited in <http://gurumia.com/2010/04/03/bangladesh-to-improve-water-quality-to-save-children/>, accessed on 2 December 2010.

¹⁰² United Nations Environmental Programme (UNEP), "Dhaka City State of Environment: 2005", 2005, available at: <http://www.rrcap.unep.org/reports/soe/dhaka-soe-05/3-4dhaka-noise.pdf>, accessed on 21 August, 2010.

¹⁰³ *Ibid.* also see, The World Health Report, "Reducing Risks, Promoting Healthy Life", WHO, Geneva, 2002.

Because of unplanned settlement, some commercial and industrial areas of Dhaka city are facing severe soil contamination. In 2000, a study conducted by the Australian Research Centre found that soil contamination exceeded the environmental quality level and turned into an acidic form with pH 5.7 particularly in Tejgaon commercial areas.¹⁰⁴ Besides, Hazaribagh area is extremely contaminated by chromium because of the presence of significant numbers of tanneries.

Construction, Road Mismanagement and Traffic Accident

The construction and reconstruction activity of roads, high rise commercial buildings, shopping malls, sewerage, underground telephone, electricity and other utility services in unplanned ways is a quite common feature in Dhaka city. While doing housing construction, the plot owners prepare building structure without keeping space for roads and dump sands, brick, stones and other construction materials on the public roads violating the rules of DCC. Consequently, the construction materials mix in the drainage paths and create obstruction to pass the water. On the other hand, inefficient and insufficient transportation system in Dhaka city has become very risky and unsafe for people especially for women. Quite often, women have to face the unusual events like physical harassment, rubbing and bag snatching in the overcrowded public buses.¹⁰⁵ Alternatively, increase of vehicles, presence of around 500,000 rickshaws, bumpy road surface, absence of parking facilities, occupying foot paths by the vendors, digging of roads, mal-function of public transport, violation of traffic rules and poor traffic arrangement are singled out as major causes of increasing traffic congestion, accident, health problem, economic loss and air pollution in Dhaka city. According to a report, 90 percent of the road accidents occur due to road crossing by the pedestrians and traffic rules violation by bus and truck drivers.¹⁰⁶

Earthquake

One of the major environmental threats for the country is earthquake and Dhaka is identified as one of the most vulnerable cities. From the last 150 years, a significant number of earthquakes with $M > 7.0$ took place from 100-500km

¹⁰⁴ UNEP, 2005, *op. cit.*

¹⁰⁵ Safeen, "Transport Constraints", 2008, available at: <http://safeen.wordpress.com/2008/11/04/transport-constraints/>, accessed on 23 August, 2010.

¹⁰⁶ Cited from AVISO, "Urbanization and Environmental Change: Issues and Options for Human Security", Issue No.11, 2003, available at: <http://www.gechs.org/aviso/11/>, accessed on 5 September 2010; Also see, David Hodgkinson and Walton-Ellery Sandie, 2007, *op.cit.*

epicenter distance from Dhaka city.¹⁰⁷ From 1762 to 1997, around 6 major earthquakes occurred in the city.¹⁰⁸ Besides, a series of earthquakes with $M > 4$ had been perceived in different times. Recently, on 10 September 2010, the two earthquakes with $M > 4$ have called for urgent preparation. It is projected that, if the earthquake is felt with $M \sim 7$, 80 percent buildings of Dhaka city might be collapsed.¹⁰⁹ Because of construction of high rise buildings violating the Rajdhani Unnayan Kartipakha (RAJUK) rules and regulations by the developers and the land owners, the post earthquake vulnerabilities might be severe in the future. It is also estimated that a massive earthquake with $M \sim 7$ / or $M \sim 8$ might take place at anytime in the country caused from excessive water extraction from the groundwater and faults at various levels of soils.

3.2.5 Street Vending, Food and Health Insecurity

Street vending with a temporary built-up arrangement is a common view in Dhaka city. The number of street vendors is gradually increasing and their services are highly demanding for a particular segment of urban people (e.g. rickshaw puller, beggar, migrants and homeless people) with a view to meeting their daily food requirements at a low cost. It was estimated by DCC in 2003-2004 that nearly, 90,000 street hawkers had been doing their temporary business and a significant number of poor women were involved in food vending predominantly in city's commercial areas.¹¹⁰ Though street vending creates employment opportunities for lower educated women and migrated people, the concern is, street hawkers are facing livelihood insecurity as they have no legal and permanent status to run their temporary business. Often, they are continuously humiliated by the legal authorities and brokers whom they need to provide a significant amount of money as bribes to run their business.¹¹¹ In most cases, the street vendors offer food with less nutrition and poor hygiene which result in health insecurity as people often become victims of various water borne diseases. Currently, Bangladesh Hawker's Federation and other unions are

¹⁰⁷ Jamilur R. Choudhury, "Urbanisation and Mega City Risks: The Dhaka City Scenario", 8th National Forum, *DKKV/CEDIM: Disaster Reduction in Climate Change*, 15-16 October, 2007, Karlsruhe University, Germany.

¹⁰⁸ *The Shomokal* (a Bengali Daily), 15 September 2010.

¹⁰⁹ *Ibid.*

¹¹⁰ Sharit K Bhowmick, "Street Vendors in Asia: A Review" *Economic and Political Weekly*, 28 May – 4 June, 2005, pp. 2256-2264.

¹¹¹ Willem van der Geest, Mobasser Monem and Golam Hossain, "The Mega Urban Food System of Dhaka, Bangladesh", Paper presented at the *20 European Conference on Modern South Asian Studies (ECMSAS)*, The University of Manchester, England, 8-11 July 2009.

working for food vendors. Unfortunately, there is no comprehensive policy for them to date.¹¹²

3.2.6 Political Insecurity

In Dhaka city, political aggression commonly takes place either between the police and hostile political parties or between the supporters of government and opposite political parties. Other means of political crimes are hidden assassination, raiding and the demolition of possessions.¹¹³ This poor and corrupted political system directly or indirectly increases urban insecurity. Misfortune and deaths as a result of political conflicts and *Hartals* (strike) against government are very common in Dhaka city. In 2005, 21 *Hartals* took place and the fatalities caused from strikes augmented to 74 percent which was 60 percent in 2004. In most cases, innocent civilians are the victims of deaths and injuries.¹¹⁴ In addition, economic costs due to political instability and strikes are massive. Besides, incidences of bomb blast, attack on journalists and hiring of musclemen by the political parties to conduct demonstration raise the question of security and safety of general public.

4. Significant Measures and Gaps between Policies and Implementation

Since the independence in 1971, the successive governments of Bangladesh have taken different policy initiatives to overcome the rapid pace of urban growth. Regrettably, no significant progress was made about formulating a comprehensive urban policy. Though, from time to time, various governments have adopted urban policy documentations, 5 Year Plans and various strategies shown in Table 4.1.

Table 4.1: Urban Policy Initiatives by the Government

Initiatives	Year	Objectives
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¹¹² Sabina Faiz Rashid, “Urban Poverty and Social Exclusion: The Health Challenges for the Poor Living in Slum Settlements”, Paper presented at *Global Forum on Health Research II*, Beijing, People's Republic of China, 29 October - 2 November 2007.

¹¹³ Shahadat Hossain, “Social Characteristics of a Mega City: A Case of Dhaka City, Bangladesh”, Paper presented at *TASA Conference*, University of Western Australia and Murdoch University, 4-7 December, 2006.

¹¹⁴ Mushtaq H. Khan, “Bangladesh Human Security Assessment (2005)”, Department of International Development (DFID), Bangladesh, 2005.

1st Five Year Plan	1973-1978	Alleviate poverty, creation of employment opportunity, equal distribution of incomes, programmes for reducing population etc.
Report/Documentation on Human Settlement Policy	1976	Identification of region for a balanced growth Development of metropolitan city in the North
2nd Five Year Plan	1980-85	Extension of infrastructure, service and transport facilities from 100 growth centres to 1200 mega cities Establish agro-based industries to create employment opportunities
3rd Five Year Plan	1985-90	Inclusion of decentralization process by upgrading 460 <i>Thana</i> into <i>Upazila</i> (sub-district) headquarters for urban central point.
4th Five Year Plan	1990-95	Initiating macroeconomic policies Introduction of poverty alleviation programme through improving health, education, water and sanitation
Dhaka Metropolitan Development Plan (DMDP)	1995-2015	An elaborative plan for 20 years to ensure services for local people
Participatory Perspective Plan (PPP)	1996	PPP for 15 years for overall urban development

Source: Nazrul Islam, 1999, *op.cit.*; Golam Rahman, Deanna Alam and Sirajul Islam, "City Growth with Urban Sprawl and Problems of Management", 44th ISOCARP Congress 2008, *City Growth with Urban Sprawl and Problems of Management for Sustainable Urbanization*, Dalian, China, 19-23 September, 2008.

According to the 5 Year Plan for 1973-1978, a number of initiatives was carried out to make a sustainable urban development. Despite that, none of these were successfully implemented due to improper urban planning, lack of labour division, placement of inappropriate executive agencies and disagreement about plans after changing the governments in different periods of time.¹¹⁵ Besides, absence of participation of poor people in urban development, lack of coordination and transparency among different government ministries and involvement of too many departments (around 42) in urban development process delay the implementation of the policies.¹¹⁶ Often, it is very difficult for the Dhaka Municipal Corporation to coordinate with other agencies, finish the project within particular deadline and go forward with a new venture. More ominous, urban local authorities have been facing tremendous funding crisis because of limited resources, rampant corruption, nepotism and inability to raise the revenues from levy and other sources. Hence, it has become very complicated for the urban authorities to meet the ever rising demand of the urban people.

¹¹⁵ Md. Saidur Rahman, "Future Mass Rapid Transit in Dhaka City: Options, Issues and Realities" *Jahangirnagar Planning Review*, Vol. 6, No.2, 2008, pp. 69-81.

¹¹⁶ Pranab Kumar Panday, "Policy Implementation in Urban Bangladesh: Role of Intra-organizational Coordination" *Public Organization Review*, Vol.7, No.3, 2007, pp.237-259. Also see, Shahadat Hossain, 2006, *op.cit.*

While considering the sector wise urban development, it is found that the urban authorities have been facing a series of challenges to ensure security and safety of urban community. For instance, in case of alleviating poverty, government took the initiative of “*Dal Bhaat*” (rice-lentil) programme in First 5 Year Plan to ensure the minimum nutrition and basic needs of urban dwellers. In addition, the government signed National Poverty Reduction Strategy (NPRS, 2005) and Millennium Development Goals (MDGs, 2000) addressing the issues of adequate management of water and sanitation by 2005. Because of absence of resource mobilization, failure to halt rapid rural-urban migration and lack of job opportunities, the programmes, nevertheless, did not bring much fruitful outcomes.

On the other hand, to renovate slums and ensure other basic utilities (e.g. water, sanitation, health care, etc.), government adopted various policies like the National Housing Policy (1993), Bangladesh Urban and Shelter Sector Review (1993), Bangladesh Urban Sector National Programme Document (1994), Bangladesh National Habitat II Report (1996), Sector Development Programme (SDP)-Water and Sanitation Sector in Bangladesh (WSSB) (2005), Guidelines for Water Supply (2006) and so on. However, due to absence of specific land policy and government awareness, 70 percent of urban poor does not have any land and 8 percent of wealthy people occupies near about 40 percent of urban land.¹¹⁷ Despite taking several measures to provide access to water and sanitation in the slum areas, urban authorities are facing paramount challenges to ensure these basic services owing to shortage of funding, lack of efficient management and employees, excessive system losses of Dhaka Water Supply Authority (DWASA), presence of musclemen to control the basic services and a host of others.¹¹⁸

Regarding waste management, DWASA and DCC are fully accountable to clean Dhaka city. Due to longstanding mismanagement, lack of proper policy guidelines, and inability to collect taxes (40-60 percent of tolls remain uncollected) of DCC, tons of garbage are regularly dumped on the road sides. It is estimated that if the waste is properly segregated and deposited, it can be a good source of organic fertilizer for the country.¹¹⁹ There are some laws of waste management like the Municipal Ordinance 1983 and Bangladesh Environmental Conservation Act 1995, but till now, neither DCC nor the local government has adopted any substantive waste management policy in relation to collect,

¹¹⁷ Nazrul Islam, “Urban Land Management in Bangladesh: The Status and Issues”, UMP – Asia Occasional Paper No. 12, Urban Management Programme Regional Office for Asia – Pacific (UMP – Asia), UNDP, 2004.

¹¹⁸ Hamidur Rahman Khan and Qamrul Islam Siddique, 2000, *op.cit.*

¹¹⁹ Pranab Kumar Panday, 2007, *op.cit.* Also see, Salma A. Shafi, “Poverty Alleviation and Urbanization in Bangladesh”, UMP-Asia Occasional Paper No. 4, UMP-Asia, 2004.

transport, separate and discharge of harmful wastes. Most of the time, waste pickers and temporary cleaners collect wastes without taking any protective measures and continue their jobs with lump-sum remuneration.

In terms of water logging, the city is continuously expanding without any Master Plan and the existing laws and regulations are outdated to meet the emerging concerns. Additionally, blockage of wetlands and building the embankment without any space for drainage facilities result in various problems that badly affect the urban dwellers residing in low lying areas. As mentioned in Wetland Conservation Act (2000), nobody has the constitutional rights to construct anything in marshland and flood prone zones. Nevertheless, the landowners and real estate businessmen are incessantly enlarging their actions in the catchment areas which repulsively contravene the DMDP and the Wetland Conservation Act.

On the contrary, to reduce CO₂ gas emission and environmental degradation, a number of policies were formulated including National Environment Policy (1992), National Environment Management Action Plan (1995), Environmental Conservation Act (1995), Environmental Conservation Rules (1997), and Environmental Court Act (2000). Moreover, the Department of Environment (DoE) signed Kyoto Protocol and Ozone Depleting Substances Rules (2004) to avoid environmental hazards. Notwithstanding these policies and some of other noteworthy initiatives of urban authorities like combating air pollution, prohibiting polythene shopping bag, banning of two stroke three-wheelers, introducing Compressed Natural Gas (CNG) oriented vehicle and setting of Air Quality Monitoring Station, there is no significant improvement of overall environmental quality.¹²⁰ For example, polythene bag is still used in different shopping malls by the deceptive traders in the city.

With regard to transportation sector, inefficient management system is a decisive predicament to ensure security of urban people. Also, it has negative effects on urban wealth and environment. Lack of systematic procedures in public buses such as overcrowdedness, careless driving, indifference towards traffic rules, long queue for ticket, lack of proper arrangement for female passengers as well as refusal by drivers to take them during peak hours have made the lives of urban dwellers challenging. Recently, Bangladesh Road Transport Corporation (BRTC) has introduced new buses with reserved seats for female passengers. Even then, women are facing sexual and verbal nuisances while commuting in public transport due to shortage of bus services.

By now, ensuring social security of women is a formidable challenge for the urban government. Events such as violence against women, rape, sexual abuse

¹²⁰ Mousumi Biswas, *et al.*, "How Far is Bangladesh in Ensuring Environmental Sustainability?", Supro Position Paper, Shamoli, Dhaka, Bangladesh, 2007.

and other sorts of crimes are clear violation of human rights. The law and order system is still followed by the British Penal Code which is insufficient to address these concerns. To prevent human rights violation at a large scale, government has signed international conventions like Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW) and adopted a number of Acts namely Dowry Prohibition Act (1980), Cruelty to Women Ordinance (1983), Family Court Ordinance (1985), Women and Children Repression Act (1995), Acid Crimes Control Act (2002), Suppression of Violence Against Women and Children Act (2003) and so on. In most cases, these Acts are, however, difficult to implement properly because of women's helpless position, their lack of awareness, high cost to continue court cases and dominance of powerful groups in legal system.

In addition to government initiatives, various Non-Government Organizations (NGOs), Community Based Organizations (CBOs) and other international organizations (such as ADB, DANIDA,¹²¹ Human Habitat) have brought a crucial breakthrough to address the vulnerabilities and insecurities of Dhaka's urban poor. UNDP is assisting and funding in carrying out DMDP for 20 years (1995-2015) for planned urban development. Around 15 NGOs are working at technical levels with a view to increasing participation of poor people in urban planning and management.¹²² Moreover, a number of international and local NGOs have community development programmes to improve the living standard of slum people. The glaring example is Local Partnerships for Urban Poverty Alleviation Project (LPUPAP) implemented by Ministry of Local Government, Rural Development and Cooperatives, LGED in association with UNDP and UN Habitat which have been working since 2000 targeting 360,000 poor people in 338 slums.¹²³

5. Conclusion and Recommendations

Despite the efforts of the government and NGOs to ensure human security of urban poor people through various urban policies and planning, the development, nonetheless, is not well integrated and organized. The unintended development

¹²¹ Danish International Development Agency.

¹²² Social Development Direct (SDD), "Involving the Urban Poor in Municipal Governance in Bangladesh", ADB and NPRS-PRF, 2007, available at: <http://www.adb.org/Documents/PRF/knowledge-products/BAN-Municipal-Governance.pdf>, accessed on 8 September 2010.

¹²³ Salma A. Shafi and Geoffrey Payne, "Land Tenure Security and Land Administration in Bangladesh", Final Report, *Local Partnerships for Urban Poverty Alleviation (LPUPAP)*, LGED, UNDP and UN-Habitat Project, 2007, available at: http://www.gltm.net/index.php?option=com_content&task=view&id=9&Itemid=69, accessed on 9 September 2010.

actions are infringing the existing laws and regulations. Moreover, security and safety issues are not coherently considered as part of urbanization policy, planning, design, management and implementation. Thus, addressing security and safety issues are the unmet needs for the wellbeing of urban people. To overcome the existing situations, urban authorities need to take appropriate initiatives. Following steps can facilitate the concerned authorities to reduce the distresses of city dwellers.

5.1. Adopting Urban Policy and Implementation of the Existing Plans

Urban planning in a sustainable manner is perhaps the best possible path to address the urban insecurity issues against the back drop of high population growth. To make the city sustainable and secured, a comprehensive urban policy is required addressing social, economic, environmental and health hazards of urban dwellers. Also, successful implementation of DMMP, 5 Year Plan and other related development plans is crucial for a balanced growth of the city. To implement the existing plans in effective ways, involvement of various stakeholders is essential to consider some of the important aspects of urban planning like the procedures, clarity, probable size of the city, proper rules of development and efficient institutional dealings.

5.2. Incorporating Security and Safety Issues in Urban Planning

Security and safety are the unmet requirements of urban people. Urban government needs to formulate the policies addressing the safety concerns of urban dwellers. Issues that are posing threats especially to the vulnerable groups (e.g. women and children) of society should be incorporated in urban policy. For instance, regarding street children, urban government can create different employment opportunities to reduce crime and violence committed by them. Likewise, the government can adopt separate regulations to ensure safety in every sector. The idea of adopting distinct regulations and implementing those seem to be difficult for a radical change of society at present. But, it will be accepted gradually by the society in course of time.

5.3. Coordination and Continuous Monitoring among Different Ministries

As urban management is handled by so many ministries, coordination among them is crucial to address the common interests of urban dwellers and implement the urban policies accordingly. However, certain initiatives can be taken to make the urban authorities more effective and workable. For instance, an autonomous institution can be established for continuous monitoring of nepotism, political influence, corruption and ill management of different ministries. Under this institution, grants and resources can be properly allocated adopting certain rules and regulations to overcome fund constrains. Skilled and efficient urban planners

should be recruited in proper places based on sound educational background and expertise avoiding the political recruitment procedures. Moreover, regulations should be implemented by clear division of tasks among the employees of DCC. This authority should take the prime responsibility of increasing funds so that they can work autonomously by reducing the dependency on governments.

5. 4. Cooperation among the Government, NGOs and Donor Agencies

Undeniably, maintaining social, economic and environmental security concerns is a gigantic task and it is not possible for the urban authorities solely to handle it. Therefore, active participation of different NGOs and international organizations are pertinent to provide available urban services in case of housing, waste management, pollution and health. CBOs can play a very important role to upgrade the skills and services by equipping the urban poor people with proper education and vocational training. The role of donor agencies is also crucial and they should extend their cooperation especially in various urban poverty alleviation programmes. Moreover, they need to be flexible in case of grants rather than imposing terms and conditions on the government.

5. 5. Ensuring Basic Services in Slum Areas

Though the informal settlement has become an integral part of urban poor people, slum eviction is a common threat for them. To overcome this hindrance and support tenure safety, some policies and legal frameworks (such as the property rights for all citizens addressed in Article 42 of the Bangladesh Constitution and the Town Improvement Act, 1953) need to be properly activated. There must be a housing and land policy to address the tenure rights regarding those who have been living in temporary settlements. Besides, urban authorities should give more attention to upgrade some of the basic needs such as water, sanitation, gas, and solid waste management for overall wellbeing of slum dwellers. In this case, CBOs can play an active role to make the slum dwellers empowered so that they can maintain these services by themselves. To ensure equal rights of slum dwellers, LGED can play a strong role to take action against those musclemen who illegally control the ownership of these services and forcefully demand extra service charge from the deprived residents.

5. 6. Poverty and Unemployment Problems

Poor income, inequality, lack of resources, education as well as professional skills of urban poor are identified as the primary causes of urban poverty and insecurity. In this regard, government can play a crucial role in mobilizing the resources and developing the rural areas to reduce the city ward migration. Some urban poverty alleviation programmes, construction and waste management projects can be undertaken with the active involvement of poor urban dwellers especially with the unemployed youth so that they can have regular income

opportunities. Additionally, government can provide different vocational trainings and educational skills to them with a view to increasing their productive capacities. Once they have the livelihood security, poverty will reduce gradually and it will ultimately reduce the ill social activities committed by the young generation. To halt the rapid rural-urban migration, employment opportunities should be created in the rural areas and this venture, obviously, will have a positive impact on both poverty and unemployment in urban areas.

5.7. Legal Action against Repression of Women and Children

Protecting urban women from violence is one of the biggest challenges for urban government. To eliminate violence and sexual abuse of women, existing laws and regulations should be effectively implemented against the criminals and *mastans*. Besides, significant level of public awareness and behavioural change programmes for men are necessary to eradicate discrimination, dowry, and other ill social practices. In this regard, community based educational programmes can be arranged to raise the awareness on women's social and regal rights. Moreover, women need to be empowered by giving them more opportunities in job sectors so that they can ensure their livelihood security. In case of street children, some educational programmes can be organized on a regular basis so that they become aware of their rights, personal safety and security.

5.8. Proper Traffic Management

Appropriate traffic management is essential to avoid traffic congestion and high rate of accidents. To make the transportation system safe and sound, the public sector needs to adopt some policy measures like widening the roads, ensuring adequate sidewalks for pedestrians, parking provisions for high rise shopping malls and lanes for bicycle as well as making the foot path free from illegal settlement of temporary shops and markets. To avoid accident, strong rules and regulations for the bus and truck drivers are necessary. To make the traffic management system more environment friendly, actions should be taken regarding construction of the road activities and banning of old motor vehicles which emit CO₂ gas.

5.9. Proper Waste Management

Solid waste is a great social, physical and environmental threat for urban dwellers. To improve the situation radically, complete set of laws and legislations should be adopted for the city dwellers as well as the waste management authorities. In this regard, DCC needs to play a prompt role about resource mobilization, accessible dustbins, and other administrative steps so that waste cannot deposit on the streets and create blocks in the drains. Besides, collaboration between private and government sectors is required for efficient drainage management, estimation of exact quantity of wastes, waste separation

for recycling and surveillance against the violators who do not compile the waste in assigned places. In this regard, CBOs can run some programmes to increase awareness of urban dwellers and remove all types of wastes from door to door. To ensure job and health security of cleaners, DCC should provide them regular payment, adequate medical facilities and some protective measures such as hand gloves, masks and medicines.

5.10. Appropriate Measures for Water Logging and Earthquake Management

To manage a sustainable drainage system, DCC should have an inclusive Master Plan about the actual width and length of natural drainage system which will restrain water logging, water pollution and the spread of disease vectors. Apart from DCC, RAJUK, Bangladesh Water Development Board (BWDB) and other concerned agencies should take responsibilities to halt unauthorized encroachments of water sources including lakes, wetlands and rivers by the developers and urban dwellers. Legal action should be taken against those who are running illegal construction and dumping the building materials on the road sides. In case of earthquake, government should take some preventive measures to reduce the vulnerabilities emanating from this natural disaster. This might incorporate a series of actions like arrangement of necessary equipments, listing of risky buildings, identifying those high rise buildings which are built violating the National Building Code, as well as involvement of Disaster Management Bureau in association with DCC and private organizations to initiate earthquake preparedness programmes and campaign for raising awareness of common mass.

5.11. Reduction of all Kinds of Pollutions

Water, air and noise pollution are increasing at an alarming rate in Dhaka city. To prevent all forms of pollution, urban authorities can consolidate a set of policies to improve overall environment. For instance, to avoid water contamination, proper management needs to be taken about the insufficient sewerage system as well as industrial pollutants. To check CO₂ emission, government should adopt proper policies against vehicles, industries and brick fields that generate pollution. With a view to decreasing the noise pollution, government should properly implement the existing rules and regulations including Noise Control Rules, 2004 and prohibition of hydraulic horns especially in the industrial areas.

5.12. Ensure Urban Food and Health Security

Effective urban government is very crucial to control the quality of food and provide services to maintain healthy environment for the urban poor. As a significant portion of poor urban workers depends on the street food vending, there should be some rules and procedures for urban food vendors so that they

are obliged to provide quality food. In this regard, coordination between DCC and the police are necessary to scrutinize the quality of food and services.

In fact, planned urbanization can help to make a city more secured. On the contrary, unplanned rapid urbanization might be the direct outcome of insecurity which is perceived in case of Dhaka city. Thus, there is no alternative of planned urbanization to make the city free from all sorts of social, economic, political and environmental vulnerabilities. In addition, developing pro-poor policies and participation from all sectors are important to improve the quality of urban life and make the city more safe and sound. Otherwise, the city might face formidable challenges which will increase the insecurity of urban dwellers in their regular life pattern.

Nabiha Gul

POLITICAL TRANSITION IN NEPAL: FROM MAOIST INSURGENCY TO DEMOCRACY

Abstract

The year 2008 brought unprecedented change for Nepal when almost 250-year old monarchy was replaced with a democratically elected government. With that, the world's only Hindu Kingdom came to an end. The country endured years of political crisis that had not only bred economic instability but also social turmoil. The 10-year long struggle against monarchy that started in 1996 in the name of 'Maoist insurgency' did succeed in dethroning the King. However, the country is still in the grip of political differences and yet to adapt to the democratic trends. Nepal's experience from monarchy to democracy has been a history of enduring contradictions. Making process of democratization a reality in Nepal seems to be a formidable task for there still is a power struggle going on among political parties. For a developing country like Nepal, abolition of monarchy and formation of a democratically elected government is not the beginning of a new era but a crucial phase in battered politics where the future of democracy is yet to be decided.

1. Introduction

Nepal has been among the countries of the world which have a history of protracted political instability. For centuries, the country had been ruled by monarchs and remained the world's only Hindu Kingdom till 2006. Meanwhile, there have been several phases in which different forms of governance were employed. From absolute monarchy to a multi-party politics to partyless *panchayat* system and then to multi-party democracy, each kept the powers of the King intact. As a result, on the one hand, power rivalry increased among political elite that gave rise to *factionalism* in political parties, and on the other, led to social fragmentation.

The most contemptuous corollary of political instability was the ten-year long civil war commonly known as Maoist insurgency led by the Maoist faction of the Communist Party of Nepal in 1996. The aim of the Maoists was to acquire due share in power and to abolish monarchy in Nepal, thus the authority of the crown was challenged for the first time. Maoists not only gained popularity but also great number of followers. Their cause and struggle against monarchy was widely supported by the anti-King sections as for them it was a struggle for

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emancipation of the poor, deprived and socially segregated classes. The society which had been battered by years of authoritarian politics further deteriorated.

The struggle against monarchy succeeded in abdication of the monarch. However, the country which was said to be on the path of true democracy is still grappling with institutionalizing democracy. For a developing country like Nepal, the abdication of monarchy is not only the beginning of a new era but also a crucial phase in its politics, for democracy has never been experienced in its letter and spirit before. On the road to democracy, several challenges lie ahead for the leaders as well as the people.

The modest intention of this paper is to analyze the causes and consequences of political instability in Nepal and challenges to the institutionalization of democracy. The paper comprises five sections following the Introduction in section 1. Section 2 deals with the political history of Nepal and identifies the factors and sources of instability. Section 3 covers the origin and development of Maoist insurgency. Section 4 examines the transition of politics in Nepal from insurgency to democracy and the role of regional and extra-regional powers in Nepalese politics. The final section discusses challenges to the process of democratization in Nepal.

2. Political History of Nepal: Inconsistencies and Contradictions¹²⁴

Prior to the British conquest of the subcontinent, politics in Nepal had been characterized by the power rivalry between the noble families among which the most prominent royal families were the Ranas and the Shahs. After the British arrival in the region, the Nepalese government led by the Ranas at that time, sought an accommodation with the British to preserve its independence. A *de facto* alliance was formed in 1860, under which Kathmandu allowed the recruitment of Nepalese for the highly valued Gurkha units in the British Indian Army, and also accepted British guidance on Nepalese foreign policy. The British in return permitted virtual autonomy to Kathmandu in domestic affairs and assured the Rana regime of its help against any foreign and domestic incursions.¹²⁵

Following the withdrawal of the British in 1947, the Rana regime was deprived of its vital support, and the government was exposed to dangers primarily from domestic front. The anti-Rana elements, including the Nepalese Congress Party (NCP) formed an alliance with King Tribhuvan Bir Bikram Shah. The *Mukti*

¹²⁴ The political system in Nepal was termed as nothing but a combination of inconsistencies and contradictions by Professor Dr. Ananta Raj Poudyal in his article "Fifty years of political experience in Nepal", *Liberal Times*, Vol. V, No. 2, February 1997, cited in Fahmida Ashraf, "Maoist Uprising in Nepal", *Strategic Studies*, Islamabad, Vol. XXII, No. 2, Summer 2002, p. 63.

¹²⁵ *Encyclopedia Britannica*, "Nepal", Macropedia, Vol. 24, 15th Edition, p. 782.

Sena (Liberation Army) of NCP launched an armed rebellion against the Rana regime in 1950. With diplomatic efforts by the Indian government, a settlement was reached between the Ranas, the NCP and King Tribhuvan in February 1951 that ended the 104-year old rule of Rana family. On 15 February 1951, King Tribhuvan ascended the throne and guaranteed introduction of democratic reforms in the country.¹²⁶

Political Reformation: A Myth

With the supremacy of the Crown retained, institutionalization of democratic system proved a formidable task for King Tribhuvan. The country had been only accustomed to autocracy, and adoption of democratic values was an equal challenge both for the state and the society. However, there was great optimism among the people that King Tribhuvan would bring political reforms and their country would follow democratic norms, but no such reforms took place. After King Tribhuvan's death in 1955, his son Mahendra Bir Bikram Shah was enthroned. King Mahendra followed the legacy of his father and a constitution was approved in 1959 under which the first-ever general election was held in the country. The NCP won the election and formed the government with the constitutional monarchy in place. However, controversies between the cabinet and the King continued and King Mahendra dismissed the NCP government in December 1960. The constitution of 1959 was abolished and a new constitution was promulgated in 1962.¹²⁷

Panchayat System

Under the new constitution, the King exercised the sole power and a non-party system was established in the country. However, *Rashtrya Panchayat* was also formed after the election to the panchayat in 1963. All kinds of political activities by political parties were banned. Internal opposition to this system was weak and disorganized. King Mahendra died in January 1972 and his son Birendra Bir Bikram Shah was crowned in 1975. King Birendra, after assuming power, tried to expedite economic development programmes while maintaining panchayat system instituted by his father. His efforts proved fruitless and the country faced systematic political crisis in 1979. A national referendum was conducted in May 1980 to decide between non-party and multi-party system. The result showed a tilt towards existing system. However, King Birendra decided to retain the 1962 constitution but liberalized the political system by providing political space to political parties while retaining the partyless system. The arrangement did not

¹²⁶ Karl Heinz-Kraemer, "The revolution of 1950/51", available at: www.nepalresearch.com/history, accessed on 13 April 2009.

¹²⁷ Encyclopedia Britannica, *op. cit.*

satisfy the political parties and the NCP began a civil disobedience in 1985 for restoration of multi-party system.¹²⁸

Jana Andolan (People's Movement)

The supporters of multi-party system – a coalition of leftist and centrist opposition forces, began a campaign demanding political reforms in 1990. Nation-wide protests, demonstrations and strikes were held for months. The King tried to suppress the movement through force but in vain. Ultimately, the ban on political parties was lifted and the King appointed a coalition interim government led by the NCP and the Unified Leftist Front (ULF) - a faction of communist party. In November 1990, a new constitution was promulgated that provided for both constitutional monarchy and a multi-party parliamentary political system. On 12 May 1991, general election was held in which the NCP won by a majority and formed the government. On the other hand, a faction of the Communist Party of Nepal, United Marxist-Leninist (UML) emerged as the strong opposition to the newly formed government.¹²⁹ The NCP government introduced political and economic reforms but kept a patronizing attitude. Several political parties and their factions, for instance, the Nepalese Democratic Party (NDP), Rastriya Prajatantra Party (RPP), Rastriya Jana Morcha (RJM), Sadbhavana Party (SP), and Nepal Workers' and Peasants' Party (NWPP),¹³⁰ were dissatisfied on the agenda and policies of the NCP government.

What followed the *Jana Andolan* was largely the routine political course. No fundamental change was brought in, and the greater objective of *Jana Andolan* to bring change in Nepalese politics was not fulfilled. The leaders either acted on their party directives or followed the power struggle.

A fair analysis of the history of Nepal establishes a fact that political system in the country has never been consistent. There had been predominantly King's rule in Nepal. However, there have been test and trial of some other forms of governance as well. With powers of the King intact, the country experienced absolute monarchy to a multi-party politics to partyless *panchayat* system and then to multi-party democracy. There have been contradictions as well in terms of theory and practice of each system of governance that was established in the country in different eras. An important dimension of political structure in Nepal is the caste-based political elite. Nepal is predominantly a Hindu but heterogeneous society that has more than 52 castes and 44 ethnic groups.¹³¹

¹²⁸ *Ibid.*

¹²⁹ *Ibid.*, p. 783.

¹³⁰ Bertil Litner, "Nepal struggles to cope with diehard Maoist violence", *Jane's Intelligence Review*, June 1999, cited in Fahmida Ashraf, *op. cit.*

¹³¹ Gilles Booquerat, "Ethnicity and Maoism in Nepal", *Strategic Studies*, Vol. XXVI, No. 1, Spring 2006, p. 79.

These castes have rather political connotations than the social ones. Political elite has been formed by the upper-caste Hindus and lower castes are segregated politically as well as socially. Stability of a political system depends upon the leadership, which was ever-lacking phenomenon in case of Nepal. The political elite has always been interested in 'power' and the result was political instability and inconsistency. The causes of political instability, therefore, were:

- long-standing rule of the crown;
- power struggle among political elite;
- lack of sincere leadership; and
- political segregation of lower castes.

The consequences of the political inconsistency and instability were political and social fragmentation and civil discontentment. Not only it marred the socio-economic condition that ultimately bred anti-state sentiments among people and led the society towards political chaos. Moreover, it fashioned the ever-growing gap between state and society. Another important consequence was division of political parties into several factions. Above all, the most contemptuous consequence was the emergence of revolutionary faction of Communist Party of Nepal that led a ten-year long civil war against the throne.

3. The Maoist Phenomenon: Origin and Development

Given the political inconsistencies spanning more than four decades and dissatisfactory role of the democratically elected government, the Maoist faction of Communist Party of Nepal (CPN-Maoist) emerged as a rebellion group and launched an armed struggle against the King and the government in 1996. As analyzed by Karl H. Kraemer,

In practice the politicians have not been able to implement many aspects of the constitution. Even fundamental rights guaranteed by the constitution, like that of equality of all citizens, have not legally been realized. Corruption and selfishness of the politicians and traditional ways of thinking must be regarded as the main reasons for such short-comings. The poor state of affairs is reflected by the instability of governments. It opens room for the development of radical forces like that of Maoists who reject the constitution and fight a violent war.¹³²

Communist Party of Nepal

The Communist Party of Nepal was founded in Calcutta in September 1949 by Pushpa Lal Shrestha. The main slogan of the party was "civil liberties for all, let us form Revolutionary Civil Liberty Committee", published in the pamphlet

¹³² "Nepal Index", available at: www.uni-wuerzburg.de/law, quoted in Fahmida Ashraf, *op. cit.*, p. 64.

issued at the occasion of the formation of the party.¹³³ The Communist Party was not granted legal status by the government. It, however, continued to oppose the autocratic rule in the country. As observed by Dr. Chitra K. Tiwari,

The communist movement in Nepal that appeared after the formation of the Communist Party emerged as an intellectual opposition to Nepali Congress's policy of compromise. A few communist leaders argued that their main enemy was domestic feudalism led by the King while others insisted that Nepali Congress with its support from expansionist India and imperialist America was the main enemy. As a result, Nepal saw at one moment as many as 19 communist parties.... The participating intellectuals in this movement had comprised of upper caste Brahmin, Chhetri and Newar (BCN).¹³⁴

Furthermore, past movements by the communists and others were basically the movements against BCN ruling elite by the BCN non-ruling elite and there was always a scope of mediation and compromise due to network of family relations. However, since the inception of Maoist movement, the scenario has changed. There is a great level of participation of people from lower castes, especially the untouchable that made it difficult to resolve certain issues due to the particular mind-set of ruling elite.¹³⁵

Communist Party of Nepal-Maoist

The origin of present day Maoists can be traced from CPN's Fourth Convention in 1975. The Convention strongly advocated the removal of absolute monarchy. For nearly ten years, the Fourth Convention represented the radical left in Nepal. The top leaders like Pushpa Kamal Dahal (Maoist supremo called as Prachanda), Dr. Baburam Bhattarai and other well-known leaders came from the Communist Party. By the time of the political change in 1990, the CPN-Mashal had been founded with Prachanda as the General Secretary. The CPN-Mashal got together with other factions to fight the general election of 1991 and floated a political wing, the Samyukta Jana Morcha (United People's Front) whose Chairman was Baburam Bhattarai. The United People's Front (UPF) emerged as the third major party in the Nepalese parliament. However, it split into two following the radicalization of the revolutionary wing, and in 1995, Prachanda and Baburam Bhattarai formed the Maoist faction of the Communist Party of Nepal.¹³⁶

¹³³ "History of Communist Party of Nepal", available at: www.cpnunl.org/history, accessed on 30 November 2009.

¹³⁴ Chitra K. Tiwari, "Maoist insurgency in Nepal: Internal Dimension", South Asia Group Analysis Papers, Paper No. 187, available at: www.southasiaanalysis.org, accessed on 10 March 2009.

¹³⁵ *Ibid.*

¹³⁶ Deepak Thapa, "Maoist insurgency", *The Frontier Post* (Peshawar), 21 September 2001.

Jana Yudh (People's War) - the Maoist Insurgency

After its inception, the CPN-Maoist remained underground for almost one year and on 12 February 1996, they proclaimed 'Jana Yudh' seeking to destroy the autocracy and establishing people's government. The Maoists had presented a 40-point document of demands in early February to the then government headed by Prime Minister Sher Bahadur Deuba. These demands included drafting of a new constitution, declaring Nepal a secular state, abrogation of number of treaties, including Mahakali Treaty with India, fulfillment of socio-economic requirements of poor classes, nationalization and redistribution of land and property.¹³⁷ The Maoists gave a deadline of 17 February 1996 to the government to fulfill these demands. However, five days before the deadline the armed clashes broke out.¹³⁸ The insurgency was neither a temporary nor an ordinary phenomenon as it survived 10-year period. It challenged the authority of the King aiming to bridge the ethnic and state-society divide. Ideologically, it was not strong but politically it was well-organized, which not only emerged as a force but changed the dynamics and entire context of politics in Nepal. Their struggle undoubtedly was violent and challenged the state's writ. However, for the beneficiaries and supporters it was the manifestation of revolutionary change in Nepal.

The organizational structure of CPN-Maoist had two fronts - the political front and the military front. The political front was responsible to create awareness about the communist ideology among common masses. The Maoist force comprised of socially segregated people, unemployed and mostly uneducated youth of 15-18 years and suppressed women. The guerillas used the military techniques of Mao Tse Tung, and were also trained on the strategies of the Chinese Military strategist 'Sanju'.¹³⁹ The forests and mountainous range were best used by the guerillas to hide in. The military front had comprised of around 5000 armed personnel, including militia.¹⁴⁰

King Birendra, considering the Maoist attacks as terrorism and law and order problem, ordered the police only to deal with the rebellion. He was against deploying the RNA to counter the attacks. A series of clashes between the Maoist guerillas and police and law enforcement agencies began and claimed more than 4000 lives till early 2001. The Maoists had started insurgency from the western districts of Rolpa and Rukum, and by 2003 they had gained control of 68 out

¹³⁷ Deepak Thapa (ed.), *Understanding the Maoist Movement of Nepal*, Kathmandu, Martin Chautari, 2003, pp. 391, quoted in "South Asia Intelligence Review", available at: www.satp.org, accessed on 12 March 2010.

¹³⁸ Deepak Thapa, "Maoist insurgency", *op. cit.*

¹³⁹ Anju Alex, "Maoists of Nepal", available at: www.nepalcentral.com/maoists.html, accessed on 22 February 2010.

¹⁴⁰ "UML report on Maoists, 2001", available at: www.nepalcentral.com/maoists.html, accessed on 30 November 2009.

total 75 districts in Nepal, while rest of the districts were also affected by the fighting. The influence of the Maoists was the strongest in the economically and socially deprived northern and western parts of the country.¹⁴¹ They established regional governments and local courts restricting the control of Kathmandu authorities to districts capitals.¹⁴²

Support from Locals

Some analysts identify social segregation as having a role in generating support for Maoists, some identify unemployment and poverty as a reason for locals to join Maoists, and to some it was ethnic and political marginalization of large sections of society that generated support for the insurgents. Largely Maoists attempted to mobilize grievances by appealing to ethnic communities suffering discrimination. The movement had also a strong support base among rural women because of Maoists' focus on agenda of women's rights.¹⁴³ The Maoists promised self-rule and autonomy to various ethnic groups and influence to join their movement. Moreover, as part of their 40-point demand draft, they had stressed upon the end to the caste system and untouchability of dalits once and for all.¹⁴⁴ The Maoists' main support forces consist of Magars, Tharus, Janjatis (Gurungs, Rais, Limbus, Tamangs, Dalits), Brahmins and Chhetris - the last two also provided political and military leadership.¹⁴⁵

As in the case of conflicts in many other parts of the world, Nepalese society was largely divided on the issue of Maoist insurgency. If a large section of society was supporting Maoists, on the one hand, then on the other, almost equal was the number of pro-king people who were opposing the insurgency and had termed the violent actions by Maoists as terrorist activities. Some people however, held neutral views.

Sources of Arms Supply

In the beginning of their armed struggle, Maoists had no real weaponry. Gradually, they started making their own muskets, snatching licensed shotguns and other weapons from local residents and capturing 303 rifles from the police. Later on, they enhanced their arsenal, primarily by capturing weapons from the security forces, including sophisticated automatic weapons, explosives and mortars. They also purchased arms, in particular from the black market in Indian

¹⁴¹ Segufta Hossain, "Maoist People's War in Nepal: Issues and Concerns", *BIISS Journal*, Dhaka, Vol. 27, No. 1, January 2006, p. 26.

¹⁴² Stuart Gordon, "Evaluating Nepal's integrated "security" and "development" policy", *Asian Survey*, Vol. XLV, No. 4, July/August 2005, p. 581.

¹⁴³ *Ibid.*, p. 582.

¹⁴⁴ Segufta Hossain, *op. cit.*, p. 32.

¹⁴⁵ *Ibid.*, p. 31.

state of Bihar and Uttar Pradesh.¹⁴⁶ They had concentrated on buying detonators, explosives and bullets rather than guns. The Maoists had skilled bomb-makers who initially made some types of homemade explosives and gradually became more skilled in electronically detonated landmines.¹⁴⁷

Support from International Allies

Nepalese Maoists are believed to have links with India's People's War Group (PWG) and Maoist Coordination Centre (MCC), which are active in Andhra Pradesh and Bihar.¹⁴⁸ Moreover, the Crisis Group Asia Report, 2007, identified two groups as important in providing international backing for the Maoists - Revolutionary Internationalist Movement (RIM) and Coordinating Committee of Maoist Parties and Organizations of South Asia (COMPOSA). The RIM considers itself the custodian of Marxism-Leninism and Maoism's guiding principles. It was established in 1984 by groups in China wishing to protect Mao Zedong's legacy. The CPN-Maoist is only RIM member whose aim of revolution has been put into practice. On the other hand, COMPOSA was formed in 2001 by nine Maoist outfits from India, Bangladesh, Nepal, and Sri Lanka. The Nepalese Maoists have played a significant role in its leadership.¹⁴⁹

Changing Agenda of Maoists

At the start of People's War, the Maoists' agenda was to overthrow monarchy and bring 'new democracy', which will give way to socialism and ultimately communism. However, with the prolonged conflict and change in socio-political context, they reviewed their agenda and focused on three policies - a constituent assembly; democratic republic; and a multi-party system.¹⁵⁰ The change in their agenda was inevitable as after eight years of struggle, they had started losing public support. People wanted Maoists to put down arms and to help establish what they have been calling the 'people's government'.

Post-Royal Massacre, Political Changes and the Insurgency

By 2001, the insurgency had been advanced and had spread to most parts of the country. The CPN-Maoist established its People's Liberation Army comprising thousands of Maoist soldiers. In June 2001, in a bizarre event King Birendra along with the Queen and some other family members were massacred in the

¹⁴⁶ "Nepal's Maoists: Their aims, structure and strategy", The International Crisis Group, *Asia Report*, No. 104, 27 October 2005, quoted in *ibid*.

¹⁴⁷ Segufta Hossain, *op. cit.*, p. 38.

¹⁴⁸ Anju Alex, *op. cit.*

¹⁴⁹ "Nepal's Maoists: Purists or Pragmatists?", The International Crisis Group, *Asia Report*, No. 132, 18 May 2007, available at: www.crisisgroup.org, accessed on 13 April 2009.

¹⁵⁰ *Ibid*.

Royal Palace, allegedly by Crown Prince Dipendra, who shot himself as well after shooting his family. It was not only an unfortunate event but also changed the course of politics in Nepal in the coming years.

Late King Birendra's brother, Gyanendra Bir Bikram Shah was crowned as the King of Nepal, although he was considered responsible for the Royal massacre. In dealing with Maoist insurgents, after a short period of ceasefire and negotiations, King Gyanendra called out full force of the Royal Nepalese Army against the Maoists - an option late King Birendra had never opted for.¹⁵¹ The deployment of Army only led the situation from bad to worse as Maoists were not deterred by the Army and their movement kept advancing. The following years saw intense political rift among political elite and other political parties on political reforms and government's inability to deal with the Maoist problem. The insurgency by then had spread to all districts of Nepal, only excluding Kathmandu.

The following years saw a clear picture: a state within a state in Nepal. On the one hand, 'new organs of power' grew up. Maoists established people's courts involving the villagers to settle disputes. Child marriage was made illegal and discrimination against so-called lower castes was banned following which young people began to choose their partners without reference to caste. The production and sale of alcohol was restricted. Women had been provided with a right of due share in property.¹⁵² On the other hand, the insurgents committed gross human rights violations, including kidnapping, indiscriminate bombings, torture and rape. Moreover, the Nepalese military was also found involved in arbitrary arrests, extrajudicial executions, torture, rape, and targeting of civilian population.¹⁵³

Royal Coup 2005

The conflict continued to escalate and the government increased raids on Maoists and in exchange armed attacks between the Maoists and the Army increased the number of casualties. Alongside domestic uproar over government's inability to control civil crisis, there was an outside pressure as well on King Gyanendra to establish government's writ and to introduce democratic reforms. Political parties appeared divided on the issue of Maoists and were also demanding political reforms. Faced with real political upheaval and apparently unable to manage with

¹⁵¹ "The 12th Anniversary of the People's War in Nepal and its unsettled outcome", *Revolution No. 121*, February 2008, available at: <http://revcom.us>, accessed on 13 April 2009.

¹⁵² *Ibid.*

¹⁵³ Segufta Hossain, *op. cit.*, p. 35.

it, King Gyanendra dissolved the parliament and instituted direct 'emergency rule' of the King in February 2005. The leaders of political parties were put under house arrest and severe clashes broke out between the Army and the Maoist rebels. Furthermore, the King orchestrated municipal polls which were not accepted by the people.¹⁵⁴

The Royal coup came as a blow to the already battered politics in Nepal. It provided the revolutionaries with a stronger reason to continue their fight against the 250-year old monarchy more aggressively. They had been able to secure support from some other parties and hence seven major parties of Nepal went under an agreement with the Maoists. The alliance named Seven-Party Alliance (SPA) and CPN-Maoist resolved to join hands against the monarch for some common goals such as resumption of the parliament and democracy. For this, they concluded a 12-point understanding for *loktantra* (democracy), peace, forward thinking, and national independence. The understanding generated a nation-wide wave which completely defeated the settlements reached after the February polls. The understanding not only received national support from all quarters, but was also welcomed at the international level.¹⁵⁵

Loktantra Andolan: 2006 Civil Crisis

Under the 12-point agreement, the SPA launched nation-wide campaign and called for rallies and demonstrations against the absolute Royal rule. They demanded reinstatement of the parliament and restoration of multi-party system. By March 2006, the protests against the King turned into mass movement which was quite similar to that of *Jana Andolan* in 1990. Several analysts called the democratic movement *Jana Andolan II*. People from almost all walks of life participated in the protest rallies. General strike was observed in early May.¹⁵⁶ The country faced another wave of severe civil crisis. Government used strict measures against the protestors. Several people died in armed clashes between the Army and the protestors. However, the King was unable to suppress the mass movement. In a 19-day long protest from 6-24 April 2006,¹⁵⁷ the King bowed to the pressure and announced to revive the parliament.

An interim government was established in May 2006.¹⁵⁸ In an unprecedented move, the parliament cut down the powers of the King, and the throne was made symbolic in role. A bill was adopted that included unanimous agreement on placing taxes on the royal family and its assets, ending the Raj Parishad (the Royal advisory council), declaring Nepal a secular country, not a Hindu

¹⁵⁴ Available at: www.advocaynet.org, accessed on 12 March 2010.

¹⁵⁵ *Ibid.*

¹⁵⁶ *The News* (Karachi), 2 May 2006.

¹⁵⁷ "Jana Andolan II", available at: www.himrights.org, accessed on 25 May 2010.

¹⁵⁸ *The News*, 3 May 2006.

Kingdom and scrapping the King's position as the Supreme Commander of the Royal Army. Moreover, the 'Royal' title was taken off from several institutions. The Kingdom was named Government of Nepal, and the RNA was named 'Nepali Army'. The interim government announced to hold elections for the Constituent Assembly in 2007.¹⁵⁹

End of Insurgency

Following the establishment of the interim government, the foremost concern was to settle the Maoist issue. The government held negotiations for the peaceful resolution of this issue. On 21 November 2006, the government and the Maoist leaders signed the Comprehensive Peace Agreement (CPA), ending the 10-year long insurgency.¹⁶⁰ Under the CPA, the Maoists agreed to continue with the peace process and conflict management. The parties resolved to reform Royal army and adopt a new constitution thereby instituting the process of democracy in Nepal.

4. Nepal: On the Road to Democracy

The abdication of the monarch followed by the general election was indeed a milestone in a country battered by almost 250-year rule of monarchy and the Maoist insurgency. For supporters of democracy in Nepal, it was an unprecedented event as they had hardly envisaged a 'monarch free' political system in Nepal. For international community on the other hand, it was undoubtedly a remarkable achievement by Nepalese people as they were the real force in making the *Loktantra Andolan* a success. As for Nepalese people, there were multiple reasons to participate in *Loktantra Andolan*. One, they had lost trust in the King, as King Gyanendra was already suspected of having involved in Royal massacre and then the Royal coup was strongly disapproved by large number of people. Moreover, King's inability to contain civil war also made people lose their faith in the throne. Second, the people wanted an end to the insurgency. They had been exposed to severe militancy for so many years and they were demanding the politics of rivalry and bloodshed to get over. Third, they had been motivated by the spirit of bringing change in their society. They wanted the autocratic and instable political system to be replaced by democracy for they were in a dire need of socio-political emancipation.

Nepal's experience from monarchy to democracy has been a history of enduring contradictions. In addition, the years of insurgency were of bloodshed and political unrest. Keeping in view the complicated history of Nepal, the democratization of state and society seems to be a formidable task. The country that has always been under an authoritarian rule and where politics was dominated by the so-called upper caste political elite is predominantly

¹⁵⁹ *Ibid.*, 19 May 2006.

¹⁶⁰ *Ibid.*, 22 November 2006.

undemocratic. To turn democratization into a reality, political will and commitment to peace are needed. With the general election and a multi-party political setup in place, Nepal was said to have been on the road to democracy. However, the resignations of Prime Minister Pushpa Kamal Dahal in May 2009,¹⁶¹ and the then Prime Minister Madhav Kumar Nepal in June 2010,¹⁶² have brought the country's newly democratic setup on the verge of turmoil. In Nepal, the process of democratization has yet to begin.

External Influences in Nepalese Politics

The external powers' influence in Nepalese politics has been regarded by certain quarters as one of the major destabilizing factors. Geographically, Nepal is sandwiched between two regional giants-India and China. Politically, since the departure of the British from the region, India, China and the US have influenced Nepalese politics in which India has always been viewed as patronizing the Palace.

India as a Factor in Nepalese Politics

India has been the key external player in Nepalese politics. Several quarters view political instability in Nepal as a result of Indian involvement and dominance in the country's politics. The monarchs have always been supported by the Indian government. Since the inception of People's War, Indian government explicitly expressed its anti-Maoist stand as the country itself faces the Maoist problem inside its land. The Nepalese government was also provided by India with weaponry against the Maoists. It is due to the consistent support from India to the Royal Palace that discriminatory treaties like the Mahakali Treaty (water treaty) between Nepal and India were not objected by the Nepalese government. Anti-king elements, including Maoists always raised voice against such issues and the Indian involvement in Nepalese politics. Not only India's role has been crucial in every major political change and the sustenance of such changes that Nepal has witness since the late 1940s, but many believe that it also played a central role in the collapse of the Royal regime in 1990.¹⁶³ India also stopped supply of weapons to the RNA following the Royal coup in 2005.

Apparently, India calls for 'independent and democratic' Nepal. However, constitutional monarchy is what India has always favoured for Nepal. Moreover, any assertion by Kathmandu is taken as anti-Indian stand. The dependency of Nepalese people on India, their relationship, the close people-to-people contacts

¹⁶¹ *Dawn* (Pakistan), 5 May 2009.

¹⁶² Available at: <http://news.bbc.co.uk>, 30 June 2009, accessed on 12 April 2010.

¹⁶³ Rabindra Mishra, "India's key role in Nepal affairs", 22 November 2005, available at: <http://www://news.bbc.co.uk>, accessed on 6 May 2010.

make Nepal India's natural ally but the country must have the right to decide about the fate of its people and its territory without any external influence.¹⁶⁴

China as a Factor in Nepalese Politics

China views political and economic stability in Nepal imperative to regional stability as it serves as a buffer between China and India. Nepal also has been careful to maintain friendly relationship with China both for economic and political reasons and also to counterbalance Indian predominance in the country. It has also been the recipient of tacit but significant arms supply from China. For certain political changes, such as the institution of Panchayat system, the Nepalese government had the consent of Chinese government along with Indian support.¹⁶⁵ Chinese government never owned the Nepalese Maoists as the followers of their revolutionary leader Mao Tse Tung. Instead, Beijing always stood by Nepalese monarch against the Maoists fighters. Following the Royal coup in 2005, Chinese government continued its arms supply to Nepal even when Indian government had stopped arms supply to RNA.¹⁶⁶ However, Chinese role in Nepalese politics does not supersede Indian influence. Some sections in Nepalese leadership strongly favour close ties with China.

It was a tradition for every new Nepalese government to pay a courtesy visit to New Delhi. However, unlike his predecessors, Prime Minister Dahal had started off by visiting Beijing. The Chinese government, on the other hand, not only limited its contacts to the Maoist rulers in Kathmandu, but it also approached leaders from across political spectrum.¹⁶⁷ With the change in the government once again, the tilt of Nepalese government is expected to remain towards India but Kathmandu is also likely to keep closer ties with China to counterbalance New Delhi's influence in future.

US Role in Nepalese Politics

The US foreign policy interests in Nepal 'seek to prevent the collapse of Nepal which, should it become a failed state, could provide operational or support territory for terrorists.' The US became Nepal's first bilateral aid donor in January 1951 and has since contributed more than 1.4 billion dollars bilaterally or multilaterally to Kathmandu.¹⁶⁸ The US support to Nepalese government has

¹⁶⁴ Vidya Bhushan Rawat, "New democracy in Nepal", 28 August 2008, available at: www.coucurrents.org, accessed on 10 April 2010.

¹⁶⁵ *Encyclopedia Britannica*, *op. cit.*, p. 782.

¹⁶⁶ Available at: <http://news.bbc.co.uk> accessed on 7 May 2010.

¹⁶⁷ *Ibid.*

¹⁶⁸ Bruce Vaughn, 'Nepal: Background and US relations', *CRS Report for Congress*, February 2006, available at: www.fas.org, accessed on 30 November 2009.

mostly been non-military assistance, though the country provided Nepal with light weaponry and other military assistance in its fight against the Maoists. The CPN-Maoist has been listed as Other Terrorist Organization by the US. During People's War, 'strengthening Nepal to prevent a Maoist takeover was key to achieving US regional and bilateral goals'.¹⁶⁹ Moreover, the US apparently supported India in taking a lead role in the situation in Nepal in the wake of takeover by the King in 2005.¹⁷⁰ The political elite also tends to believe in providing more space for influence to India in Nepal against China.

5. Emerging Realities and Challenges to Democracy

Apparently, Nepal has transcended the authoritarian barrier in its politics. However, there are some emerging realities that define the course of politics in Nepal today. Along with that, the challenges to the system pose a threat to the smooth activity of newly established 'democratic' setup. For many analysts, the idea of democracy itself is a challenge to take its roots in unequal societies like Nepal.

Democracy today is simultaneously everywhere and nowhere. Everywhere in the world it is upheld as an ideal and yet nowhere is there enough of it... there is dissatisfaction with its operation. No doubt this is partly to do with the inherent difficulties of institutionalizing 'rule by the people' in complex and unequal societies....¹⁷¹

The foremost is the legal power and emancipation of the Maoists. The party that had been recognized as a 'militant' or 'terrorist' group was elected to rule and then within nine months its government was dissolved. The Maoists, during the insurgency, had got hold of almost every region in the country. And now again, they have been protesting against the government which is at large a destabilizing factor. Secondly, ethnic minorities have learned lessons from Maoists' experience and they also are raising their voices for socio-political emancipation. This factor can become a force of instability for a democratic setup. Thirdly, there is a great change in the approach of vast majority of people. No matter how divided their opinion might be on certain socio-political issues but as a political system vast majority wants only democratic government in place. The inability of the government in bringing socio-economic stability in the country or reversal to the old-styled autocratic regime can have drastic consequences. Fourthly, the international community is seeking 'a new Nepal' to deal with and expecting the government to institute some concrete strategy for democracy-related reforms in the country.

¹⁶⁹ *Ibid.*

¹⁷⁰ *Ibid.*

¹⁷¹ A. Agarwal, C. Britt and K. Kanel, *Decentralization in Nepal: A Comparative Analysis*, Oakland: ICS Press, 1999, quoted in David Gellner and Krishna Hachethu (eds.), *Local Democracy in South Asia: Microprocessess of Democratization in Nepal and its Neighbours*, New Delhi, Sage Publications, 2008, p. 13.

As discussed earlier, a country like Nepal that has been predominantly undemocratic, institution of democratic system is actually a beginning of a crucial era where the state is faced with several challenges. The challenges that the government faces, during the course of democratization, seem difficult to be dealt with as the former Prime Minister Dahal had been quoted as saying that 'running a country is harder than running a guerilla war'.¹⁷² Following the resignation of Prime Minister of Nepal in June in 2010, the foremost challenge now appears to be the election of a new Prime Minister. Twelve rounds of parliamentary polls have been conducted but in vain. The parliament has been unable to elect a prime minister. As a result, there appeared a political vacuum and political instability continues.

The second fundamental challenge for the government is to evolve a consensus on the draft of a new constitution. Initially, following the formation of the democratic government, the elected leaders were given 30-month time to promulgate a new constitution with the national consensus. Then the deadline was extended with a fresh one when the Constituent Assembly (CA) was to draft a new constitution by 28 May 2010, which it failed to meet.¹⁷³ Several domestic issues mar the progress on the new constitution as leaders appear less competent, and there is fundamental disagreement among them on various issues. The devolution of power must be given prime consideration in the debate over the new constitution and leaders must be rational in deciding upon the issue of devolution of power constitutionally.

Third challenge is the question of the PLA. According to the CPA, members of the PLA were to be included in the Nepalese army or to find new jobs. However, progress on the management of Maoist combatants remained stagnant. Currently, around 24,000-strong PLA is corralled under the UN supervision and the national army.¹⁷⁴ The devolution, demobilization and decommissioning of Maoist cadres remains a crucial issue. The PLA members are well-trained and have access to arms; thus the Nepalese society is still vulnerable to ethnic and political differences. Moreover, the Nepalese Army wants PLA members entirely disarmed.¹⁷⁵ The integration process has, however, failed to reach any logical conclusion with every initiative stalled by the lack of consensus among the political parties and their growing mistrust.¹⁷⁶ In the long run, this issue, if not managed in time, is going to create trouble for the process of democratization.

¹⁷² *The Economist* (London), 28 March-3 April 2009.

¹⁷³ Nishchal Nath Pandey, "Nepal: What Next?", available at: www.ipcs.org/articles, accessed on. 1 June 2010.

¹⁷⁴ *Ibid.*

¹⁷⁵ Segufta Hossain and M. Jasim Uddin, "Political Developments in Nepal, 2006-07: An Assessment", *BIISS Journal*, Dhaka, Vol. 28, No. 3, July 2007, p. 319.

¹⁷⁶ "South Asia Intelligence Review", Vol. 8, No. 45, 17 May 2010, available at: www.satp.org, accessed on 20 May 2010.

Fourth, the loyalty of Nepalese army to the throne is still a critical issue. Constitutionally, the role of the RNA was to defend and respect the throne. The RNA has never been assertive as a military force prior to King Gyanendra's ruling to use military actions against the Maoists. The RNA has a strong role in supporting the throne and to maintain a pro-king lobby. Question arises about their reliability and loyalty whether the once pro-king force will be equally loyal to the democratic leadership. Moreover, keeping in view the past role of the RNA, the reintegration of the PLA with the national army seems to be a difficult task. The government needs to be cautious enough in dealing with this challenge because it holds great potential of turning into a conflict.

Fifth, Nepal has a multi-ethnic and traditionalist society where social fabric is designed on caste-based norms and values. Since the time of insurgency, ethnic minorities and minor castes were ensured equal rights and social emancipation after the establishment of democratic setup. The fact remains that politics in Nepal has always been dominated by a few socio-ethnic groups. The participation of different minorities in governance and decision making process becomes an important aspect of democratic system. In the past, these minorities have been assured of socio-political representation on an equal basis but it was rarely implemented.¹⁷⁷ Elimination of discrimination against ethnic minorities and regional rights to self-determination must be considered as the foremost task by the government, otherwise any further discrimination or suppression of rights may cause violence and instability.

Sixth, the Nepalese society has badly been exposed to arms and armaments during the course of ten-year long insurgency. Especially the youth is now quite fascinated with the idea of use of force in order to fulfill their demands. Disarming the Maoist cadres and also the whole society is a real task. The United Nations is supporting the Nepalese government in the management of PLA cadres; however, this is a problem that has been ingrained in Nepalese society.¹⁷⁸ Following the dissolution of Maoist government and the protests by the Maoists against the new government, the PLA cadres came out of their cantonments and assaulted locals, especially in Kailali District.¹⁷⁹ The show and use of arms by the PLA cadres not only pose a threat to the fragile democratic setup, but the very presence of great number of arms in the society is a constant threat to security and political stability in the country. Moreover, it increases the risk of any potential conflict in the conflict prone local districts. There is a need for a concrete strategy by a government to be in place to deal with this challenge as well.

¹⁷⁷ Hossain and Uddin, *op.cit.* p., 316.

¹⁷⁸ *Ibid.*, p. 317.

¹⁷⁹ "South Asia Intelligence Review", Vol. 8, No. 45, *op. cit.*

Lastly, the permanence and preservation of peace process is also a challenge. The CPA is largely respected, owned and so far followed by the political leaders and the Maoists themselves. However, since the time the Maoist prime minister has resigned, the country has faced yet another spate of protests and strikes. Difference of opinion and lack of consensus on all the pressing issues among coalition parties is bringing them to a standoff. Conscious and careful efforts are required to encourage a long-lasting peace process in order to maintain democracy.

6. Conclusion: Whither Democracy in Nepal?

Democracy refers to a system that is established on the basis of plurality, equality, justice and freedom for all. It is characterized as a system that intends to eliminate social exclusion, discrimination and injustice from socio-political practices. For countries where democracy is instituted through revolution or transition from autocratic regime, democratization of state and society brings several challenges and thus proves to be a formidable task than a mere change.

In Nepal, keeping in view the challenges that the country is faced with in the course of establishing democratic system, the future of democracy remains to be vulnerable. The country experienced enduring centralized socio-political system under monarchy for decades. There are several other factors as well due to which the country suffered systematic underdevelopment, poverty and political instability. Now there is a conscious effort on part of the people and leaders to promote democracy in Nepal. For the Nepalese, this must not be considered as only the beginning of a new era but it is the beginning of the real task. If abolition of monarchy was a challenge, so is the establishment of democracy. Not only challenges but several risk factors are also involved. State and society both need reforms in entirety. A slight mishandling of the system or miscalculation of policies may have grave consequences. To maintain and promote the democratic trend, responsibility lies with both government and society. The government needs to dissolve their differences and work in harmony. People, on the other hand need to own the system, shun the practices of discrimination based on castes and ethnic backgrounds, and develop adaptability to the newer norms. Democracy in Nepal can only work and sustain if both leaders and people turn sincere and demonstrate political will to bring the real change by strengthening democratic setup.

WOMEN DEFICIT AND VIOLENT CONFLICTS: PERSPECTIVES ON DEMOCRACY IN ASIA

Abstract

Literature on civil war, insurgency and terrorism has highlighted the role of other causal factors such as the scarcity of valuable natural resources, the degree of ethnic fractionalization, societal segmentation and the type of political regime while showing short shrift to the importance of population age structure. Saying this does not in any way denude these factors of their significant role in the onset of civil war but the importance of youthful age structure in insurgency based civil wars and terrorism should not be undermined. Numerous studies explicated how female deficits in Asia could drive the youths into the vortex of violence and terrorist activities. Taking India and China as case studies, this paper argues that a significant number of young adult males will not be able to tie the nuptial bond due to deficit of women in the society. These left out unmarried adult males would be the stirring causes of conflicts, insurgency, civil war and acts of terrorism intensely affecting the perspectives of democracy in these countries.

1. Introduction

The influence of youthful age structure for onset of civil wars and terrorist activities is enormous. In 2005, 1.9 billion people- nearly one third of the world's population- is under the age of 15. Ninety percent of these youth lives in less developed countries. Even if the fertility decreases, large birth cohorts in the developing countries are unlikely to dwindle for a few decades and will stay until 2035. As these large birth cohorts enter adulthood, the risk of insurgent civil wars and terrorism increases. In absolute numbers, the increase in youth cohorts will be enormous. In the average least developed countries, the ratio between the number of 15 to 29 year olds and the number of 30 to 54 year olds is expected to stay above one until 2035. The strain on school systems and labour markets in these countries will be profound. It is likely that a high relative cohort size with burgeoning women deficit will be the inciting causes of conflicts, insurgency, civil war and acts of terrorism in the least developed countries profoundly affecting the perspectives of democracy in these countries.

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Thus, a very youthful population is an important factor among others that flare up only under certain conditions or sparks. At the same time, sparks can only trigger violent conflicts when contextual factors enable them. In such a situation, relative cohort size is an important predictive factor for civil war, particularly insurgent based civil wars. The link between relative cohort size and civil war becomes stronger if attention is riveted at the sub-national level, as insurgent groups often come from sub-populations with high relative cohort size. (For example, Chechens in Russia, Northern Irish in the United Kingdom, and Palestinians in Israel, Kashmiri Muslims in India, Bodos in Assam). Recent suicide bombings in London and Paris are important reminders that developed countries are not immune to violent rebellions from youthful sub-populations. They signal the urgent need to improve integration and equality. Industrialized countries facing major pension shortfalls due to high ratio of retirees to workers could mitigate the problem by hiring young workers from the developing world though migration and integration are politically sensitive issues.

Different studies show that by the year 2020, 12-15 percent of their young adult males will not be able to tie the nuptial bond because the girls who would have grown up to be their wives were eliminated by their societies instead. With each passing year between now and 2020, both the proportion and number of young adult males that exceed the number of young adult females in China and India will increase. Furthermore, this is compounded by the fact that in a society of too few women, the men who get the chance to marry are certainly of higher socio-economic status. Those men who are left out are poorer, less educated, less skilled and less likely to be employed. These left out unmarried adult males are likely to evince a predilection for establishing a system based on physical force in order to obtain what they cannot obtain legitimately. In such a spectrum of remaining unmarried, their likely shift from potential threats to potential protectors of society can be stalled.

It is in this context that the main objective of this paper is to demonstrate how this difference in the population of both male and female in a particular age group in the developing countries has impacted the stability of their respective political systems. To analyze this, the paper is organized as follows. The first section provides an Introduction, while section 2 gives a theoretical outlook of gender, conflicts and democracy. Section 3 examines the empirical evidences of this nexus particularly focusing on the Asian countries. Section 4 tries to analyze the effects of female deficit on democracy and the security trajectory of the countries. Finally, section 5 concludes with the recommendations.

2. The Nexus among the Evolution of State Concept, Violent Conflicts and Demography: A Theoretical Outlook

The established notion in political science is based on the maxim that state is a territoriality or boundary inhabited by population. With the Westphalia thematic becoming a *sine qua non* of political theories about state, its constitution and the multitudes i.e. people not only formed the coping stone on which a supreme political entity rests, but also considered to be synonymous with the state. Among a myriad of political and non-political institutions, state stands preeminent to become the sole identity/security referent for the multitude, and refers the title to what a people can be called. Paradoxically, if it is the people who constitute the state, it is in reality the latter which give identity, a political juridical title and a politically recognized existence to the people. In the absence of a state population is just a multitude. Crowned with the supreme uncontested political and legal exclusivity, i.e., sovereign power, state remains the symbol and provides the metaphor for the existence of collective identity transcending any other identity based on other denomination such as caste, class, religion, sex, population and other categories. The state, after the Westphalia Treaty provided the ontological foundation of nationalism. All other distinctions remained either subservient or merged with the ultimate identity with the state. These distinctions remained important to mark the immediacy of their identity and later on with the distant state to distinguish their identity from other people and nations not to override the ultimate identity with the state as a whole.

To view the population as a whole not in terms of distinctions or categories and identifying with the state as a nation is a constitutional desideratum for ushering in a political, legal, juridical order in the society. In other words, the foundation of people is state in the sense that a definiteness or particularity or an identity is thrown around a population to distinguish it from the multitude. State stands as a symbol of political catharsis for collectivity and assumes the rightness of authority to call a population a definite identifiable category to be entitled to come under a politico-legal and juridical order. State is a political immediacy/entity/ character, 'all sought for', political identity to bring an end to being permanently consigned to the category of what Machiavelli once portrayed of Italian people as a masterless man. It remains a permanent and prominent mainstream in the political lexicon protecting and at the same time dominating if need arises, the other strands of different hues.

From an onlooker perspective, the vast population or multitude with different distinctions or categories look cohesive and homogenous as like other distinctions. Identity with the state is the sole and prominent distinction to be achieved by man to be what Rousseau says, "instead of a stupid and unimaginative animal, he becomes intelligent and citizen". The existing plurality of identities does not have the legitimacy to challenge the ultimate identity with the state. It is insulated from the fear of distortion of particularities. If need arises, it even crushes these particularities to reinforce the identity with state.

Though state was a boundary and spatial distancing concept in relation to similar other states, it is considered 'whole' or permanent from a cosmological perspective, spanning beyond time and space into people's timeless culture or civilization. With the spindle of its own culture, values and hallowed views of civilization, it was tried to be woven into a timeless cosmological tapestry. Instead of being confined to a political identity, it moves beyond to be identified with a civilization. Huntington's clash of civilization is a nice metaphor to justify America as a hegemonic state. "Greatness of a civilization" is culled from history to justify a state. Even Hegel to make state a universal and cosmological concept identified it with the 'march of God/ God on earth.'

These were the views about the prominent state providing identity to the people in an age where the monarchy controlled vast empires disintegrates and nations became free to constitute or consider themselves as separate identities on Westphalia thematic. Thus, said does not mean that this established notion about reification of the state's symbiotic relation with people as a collectivity was ideal and the pluralities of particularities in terms of individuals, sex, religion, class, caste or group completely was lost in the whole. Understanding of state as the ultimate refuge of the people can be plausible from a constitutive perspective in a specific historical context.

The development in the field of science and its application to social sciences heralded revolutionary change in the established thinking about state and its relation with people. Newtonian and Cartesian image of the universe as nothing but matter or particles in motion provided the ontological foundation to Hobbes's and Lock's concept of possessive individualism. Individuals are seen simply as particles in motion for power, glory and wealth. Thus, people – the political reification of the collectivity state- were reduced to individuals as a category. In Hobbes's case, complete individualism is complementary with absolute state. Locke seeing the contradiction between absolutism and individualism was of the view that limited state creates the condition for growth of individualism. A new identity in terms of individualism emerged to challenge the absolute state. These categories or distinctions got sharpened with the spread of democracy and liberal ideas for identity in their own distinctions not necessarily with the state. What was looking coherent, homogenous or a collectivity appeared cleft into divisions, cleavages and fractions on the basis of caste, class, sex, religion, group, environment, civilization. These searches for different identities other than with the state clash with each other with state becoming an intervening variable.

These distinctive categories do not perceive as being interconnected or interrelated or as inseparable part of the whole rather think in terms of disjointed separateness or 'the other', needing preferential treatment. They prefer to define their identities in terms of their own distinction not necessarily with the state. Paradoxically, the state is constantly asked to identify itself with a particular category's distinctions. The whole is to identify with the part or particularities.

The conflicts in the state are understood as the consequences of these categories seeking identity in their own distinctions. Marx developed the category of class in terms of productive forces to challenge the false identity of the proletariat within the state. The wars or violent conflicts were understood in terms class struggle. Caste and religion came up in Indian societies as a category demanding preferential treatment from the state. Sex – the distinction between male and female has recently become a very distinguishable category demanding dismantling of male dominated political institutions.

The population no longer seems a conglomerated and homogenous unit looking alike. It seems to be fragmented into different categories – caste, class, sex, religion, environment and civilization etc. Unity or universalism is no longer the characteristic of state. Particularism and separateness at present defines individuals' identity with state. Identity of individuals in terms of caste, class, gender, religion, reign etc supreme over identities with the state. The root causes of conflicts and motives in the state are found lying embedded in particularistic like caste, class, sex and religion, etc. These particularistic are today found more magnified than their identities with the state-the ultimate political organization. The consideration of 'people' as a whole – a homogenous unit is a constitutive desideratum when a state is to be formed and to survive as a viable political unit. "The voice of the people as the voice of God" is a holistic concept built around the state to endow the latter with stability, permanence and legitimacy to rule. It implies a euphemism for demonstrating legitimacy to the rule.

With the rise of particularities in terms of caste, class, gender, religion, environment, civilizations or groups, 'the people' seems to be fractured and no longer holistic. The identities and security sought in terms of these particularities in the context of a state imply that the human beings are concerned with their immediate, intimate, or those that affect them than with the distance or beyond the immediacy to the far fetched state. Security which is basically understood as protector of identities of human beings both in materialistic and spiritual terms is no longer considered a monopolistic attribute of a state. The discrepancy between the security of state and security of the people came to the fore and occupied the center stage of security studies. Finding out the root causes of security threats or conflicts between states or even among individuals in particularities like caste, class, gender, environment, religion and civilization have become very common today. But demography, the difference in age structure and male/female dichotomy in population studies, has become equally a security threat or a point of conflict within a state with destabilizing consequences.

3. Demography and Population Age Structure: Impacts on the Stability of the Political System

In fact, studies on demographic issues are very few. Demography and population age structure have raised in recent years the concern of policy makers and analysts, because of their consequences upon security, stability and democratic structure of a state. When the demography of a state is analyzed in terms of male and female population and their age structure, the differential in their number in a particular age group has a great impact on the stability of the political system.

3.1. Population Age Structure and Conflict

Three months after the attacks of September 11, 2001, the New York Times asked, "Is the Devil in the Demographics?". This paper examines the vulnerability of large cohorts of unemployed youth to extremist ideology and political recruitment. In the post-9/11 era, however, there has been very little academic research on the relationship between youthful age structure and warfare. Literature on civil war, insurgency and terrorism has instead highlighted the role of other causal factors such as the scarcity of valuable natural resources, the degree of ethnic fractionalization, societal segmentation and the type of political regime while showing short shrift to the importance of population age structure. Saying this does not in any way denude these factors of their significant role in the onset of civil war but the importance of youthful age structure in insurgency based civil wars and terrorism should not be undermined. History stands to witness the linkage between young population and violence. Herbert Moller¹⁸⁰ in his study established a close correspondence between the rise of Nazi party in Germany and the surges in proportion of young men in the population. Yale historian Paul Kennedy¹⁸¹ adduces that revolutions occur more often in countries with large populations of energetic and frustrated young men.

3.2. Excess Youth: A Perfect Volcanic Eruption?

Some recent conflicts in Rwanda, Sierra Leone, the Middle East and Pakistan sponsored terrorism in Kashmir lend credence to excess youth hypothesis. Philip Gourevitch¹⁸² describes how Rwandan genocidaires were recruited from among the jobless young men who were "wasting idleness and attendant resentments. Most of the men were motivated by the opportunity to drink, loot, murder and enjoy higher living standards than they were previously accustomed to".¹⁸³

¹⁸⁰ Herbert Moller, "Youth as a Force in Modern World", *Comparative Studies in Society and History*, Vol. 10, No.3, 1968, pp.237-60.

¹⁸¹ Paul Kennedy, *Preparing for the Twenty-first Century*, Random House, New York, 1993.

¹⁸² Philip Gourevitch, *We Wish to Inform You that Tomorrow We will be Killed with Our Families: Stories from Rwanda*, Farrar, Strauss and Giroux, New York, 1998. p. 26.

¹⁸³ *Ibid.*

Similarly, Mastany in his work pointed out the case of Sierra Leone where young people comprised 95 percent of the fighting forces in a recent civil war. In his view, the youth are a “long neglected cohort; they lack jobs and training, and it is to convince them to join the fight”.¹⁸⁴ Recent acts of terrorism in Palestine and the Democratic Republic of the Congo seems to have close correspondence with the fact that both areas have among the highest ratios of young adults (15-19) to older working age adults (30-54) anywhere in the world.¹⁸⁵

Population growth has slowed worldwide and will likely to end within the next century. But high fertility rates in Africa, the Middle East and Pakistan will continue to bring increasingly larger cohorts of young adults for the next few decades. As the statistics show, the ratio of young people to adults in the developing world will continue to remain well above the 1980 world peak for decades to come. The National Intelligence Council¹⁸⁶ refers to these increasing youth cohorts as a part of perfect volcanic eruption- including failed states, poor economies, environmental scarcity and religious extremism- that will likely stoke the fire of violence in terms of terrorism and insurgency in certain parts of the globe for decades to come.

3.3. Relative Cohort Size: A Better Measure of Age Structure

The main thrust of the argument is that the presence of young adults is not as important as the degree of alienation, frustration, and marginalization they experience. These factors are subjective and difficult to measure; one way might be to examine how far the schools and the labour markets must expand to accommodate the incoming cohort of teenagers. A rough estimate can be obtained by measuring the current group of young adults (ages 15 to 29) as a proportion of the number of older working adults (ages 30 to 54) to find a relative cohort size after a similar measure proposed by Richard Easterlin.¹⁸⁷

Relative cohort size can provide the missing link between the population of young men and the risk of insurgency based civil wars or terrorism. Easterlin’s relative cohort size hypothesis explicates the relationship between youthful

¹⁸⁴ Lisa Mastany, “The Hazards of Youth”, *World Watch Magazine*, September-October, 2004, p.19.

¹⁸⁵ Sarah Staveteig, “The Young and the Restless: Population Age Structure and Civil War”, *Environmental Change and Security Project (ECSP)*, Issue 11, 2005, p.13.

¹⁸⁶ National Intelligence Council, “Mapping the Global Future: Report of the National Intelligence Council’s 2020 Project,” 2004, Washington, D.C, Government Printing Office, available at: <http://www.foia.cia.gov/2020.pdf>, accessed on 29 September 2010.

¹⁸⁷ Richard A. Easterlin, “What will 1984 be like? Socioeconomic Implications of Recent Twists in Age Structure”, *Demography*, Vol. 15, No.4, 1978, pp. 397-432. Also see, Richard A. Easterlin, *Birth and Fortune: The Impact of Numbers on Personal Welfare* (second edition), University of Chicago Press, Chicago, 1987.

populations and the economic and psychological frustrations that enable political instability, and ultimately civil war, insurgency or terrorism. As a large relative cohort comes of age, the tension produced by lack of success in the job and marriage markets may in the presence of other factors render armed conflict, rebellion and insurgency a more appealing option. The relative cohort size may not be an immediate cause of civil war. But a large birth cohorts often strain the schooling system and labour market of a county, particularly a developing one, which can result in massive frustration, unemployment, reduced wages and dissatisfaction- and arguably create a potential army of young men who could be easily recruited in a rebellion or terrorist groups like the Nepalese youth into the Maoist fold or the Tamils into the Liberation Tiger of Tamil Eelam (LTTE) in Sri Lanka. Yet in most of the developing countries, where economic opportunities are not even sufficient for current youth cohorts, a rise in the population entering the labour force is likely to increase joblessness. In countries with less economic opportunities and fewer channels for enacting social change, large cohorts of young adults may choose more violent means of protest and change.

3.4. Relative Male Income

One of the most important explanations of the importance of relative cohort size is what Easterlin calls relative male income, which is the standard of living a man's income can buy relative to his father's standard of living. Relative male income is inversely related to relative cohort size, other things being equal. Not every society may respond the same way to low relative male income but large birth cohorts in any country -particularly males- must be accommodated by the school system and eventually by the labour market. In populations with many women of child bearing age, population momentum will cause overall population size to increase even after decades after fertility declines. The government will be required to increase expenditures on services such as roads, schools, and hospitals to accommodate each new cohort. When the large birth cohort reaches adulthood, they will require more jobs than vacated by previous cohorts.

In deeply religious contexts where pre-martial sex is forbidden and men are expected to financially establish themselves prior to marriage, such a shortage of economic opportunities can be particularly frustrating, as the shortage can prevent even educated adults from entering into marriage and achieving cultural notions of adulthood. Imagine the following advertisement for Al Qaeda: "Wanted: Educated individuals preferably with a graduate degree in a technical field who have foreign language skills preferably fluency in English as well as a deep antipathy to their own and others' political leaders and must be comfortable with violence and available for training and important assignments in foreign countries." It shows that the terrorists of Al Qaeda were educated, and mostly from countries that have long graduated from the category of the world's poorest. What led them to such a path is perhaps disgust with their own often corrupt

governments, a sense of humiliation by the West, religious fanaticism, boredom and alienation or perhaps dim prospects for a fulfilling career.¹⁸⁸ Research on suicide bombers, for example, has shown that many are well educated and highly capable, yet lack the economic opportunities necessary to establish themselves.¹⁸⁹

While testing the importance of relative cohort size in the probability of civil wars, the researchers have found that high infant mortality rates, lower per capita incomes, and larger population sizes consistently had a higher risk of civil wars onset.¹⁹⁰ Infant mortality rate and per capita income were nearly strong predictors of civil war onset, and both measures were highly correlated to one another. Calculating youth as a percentage of the entire population (non-relative cohort size) did not determine the onset of civil wars. On the other hand, comparing a specific population of youth to a specific population of adults (relative cohort size) and comparing a specific population of youth to all adults, both strongly predicted the risk of civil war.

As found from the study, future relative cohort size could also be used to predict conflict. Relative cohort size can be measured up to 10 years in advance using current data on population age structure. For example, the ratio of future young adults (e.g., the current 5 to 19 year old) to future older adults (the current 20-to 44 year old) - combined with current information about infant mortality, population size, and governance- can predict whether conflict will occur 10 to 15 years from now almost as well as waiting 10 years to measure the actual cohort size. This finding could help develop conflict prevention policies; by identifying large relative cohorts up to 10 years before they reach young adulthood. Policymakers and funders might devise better strategies for easing the transition, and thus reduce the chances of conflict.¹⁹¹

3.5. Missing Women and Conflict

Valerie M. Hudson and Andrea M. den Boer in their works explicate how male deficits in Asia could drive the youths into the vortex of violence and terrorist activities.¹⁹² For example, the Indian government's estimate of its birth sex ratio is approximately 113 boy babies born for every 100 girl babies, with

¹⁸⁸ Carol Lancaster, "Poverty, Terrorism and National Security", *Environmental Change and Security Project Report*, Woodrow Wilson International Center for Scholars, Washington, D.C: 2003, Issue 9, p.19.

¹⁸⁹ Ehud Sprinzak, "Rational Fanatics", *Foreign Policy*, September-October, 2000, pp. 66-73.

¹⁹⁰ Sarah Staveteig, "Relative Cohort Size and the Rise of Civil War Worldwide, 1955-2000", Paper presented at the XXV International Union for the Scientific Study of Population Conference, Tours, France, July 2005.

¹⁹¹ *Ibid*, ECSP, issue 11, 2005, p.15.

¹⁹² Valerie M. Hudson and Andrea M. den Boer. *Bare Branches: The Security Implications of Asia's Surplus Male Population*, MA: MIT Press, Cambridge, 2004.

some locales recording ratios of 156 and higher.¹⁹³ The Chinese government states that its birth sex ratio is approximately 119, though some Chinese scholars have gone on record to show that the birth sex ratio is at least pegged at 121.¹⁹⁴ Similarly, countries such as Pakistan, Bangladesh, Nepal, Bhutan, Taiwan, Afghanistan and South Korea are examples of high female deficit. Another indicator of gender imbalance is early childhood mortality. In some of the Asian nations mentioned above, early childhood mortality rates for girls are actually higher than boys.¹⁹⁵

What forces drive the deficit of females in Asian nations such as India and China? Some scholars are of the view that hepatitis B disease and antigens of which have been associated with higher birth sex ratios, play a great role in preventing female births.¹⁹⁶ Supporting this thesis is another view that holds gender imbalance in Asia and elsewhere as man made phenomenon. It is through prenatal sex identification and female sex selective abortion or through relative neglect and abandonment in early childhood compared to male offspring, that females are eliminated. Another cause of gender imbalance is the ingrained preference for sons in Asian countries reinforced by religion and ancient culture and underrating of female life. The age old bias for boys, coupled with China's draconian one-child policy imposed since 1980, has produced what Gu Baochang, a leading Chinese expert on family planning, described as "the largest, the highest, and the longest" gender imbalance in the world.¹⁹⁷ For centuries, Chinese families without sons feared poverty and neglect. The male offspring represented continuity of lineage and protection in old age. The traditional thinking is best described in the ancient "Book of Songs" (1000-700B.C.)¹⁹⁸:

When a son is born
Let him sleep on the bed
Clothe him with fine clothes,
And give him jade to play...
When a daughter is born,
Let her sleep on the ground,
Wrap her in common wrappings,
And give broken tiles to play...

¹⁹³ India Registrar General, Census of India, 2001, Series 1: India, Paper of 2001, Provisional Population Totals, Office of the Registrar General, New Delhi, India.

¹⁹⁴ China State Statistical Bureau, Major Figures of the 2000 Population Census, Beijing: China Statistics Press, 2001.

¹⁹⁵ United Nations Population Division, "Too Young to Die: Genes or Gender", The United Nations (UN), New York, 1998.

¹⁹⁶ Emily Oster, "Hepatitis B and the Case of the Missing Women", *Journal of Political Economy*, Vol. 113, No. 6, December, 2005, pp. 1163-1216.

¹⁹⁷ NBC News, September 14, 2004.

¹⁹⁸ *Ibid.*

Table 1: Number of Missing Women for Selected Asian Countries Using Census Data

Country	Year	Actual Number of males	Actual Number of Females	Actual Sex Ratio	Expected Sex Ratio	Expected Number of Women	Missing Women
Afghanistan	2000	11,227,000	10,538,000	106.5	96.4	11,646,266	1,108,266
Bangladesh	2001	65,841,419	63,405,814	103.8	99.6	66,646,266	
China	2000	653,550,000	612,280,000	106.7	100.1	652,897,103	2,700,028
India	2001	531,277,078	495,738,169	107.2	99.3	535,022,234	40,617,103
Pakistan	1998	68,873,686	63,445,593	108.6	99.2	69,429,119	39,284,065
South Korea	2000	23,068,181	22,917,108	100.7	100.0	23,068,181	5,983,526
Taiwan	2000	11,386,084	10,914,845	104.3	100.2	11,363,357	151,073
Total							448,512
							90,292,573

Source: Quoted from Valerie M. Hudson and Andrea M. den Boer “Missing Women and Bare Branches: Gender Balance and Conflict” in Environmental Change and Security Program, The Woodrow Wilson International Center for Scholars, NW Washington, DC, Report, Issue 11 2005, p. 22.

From a relatively normal ratio of 108.5 boys to 100 girls in the early 1980s, the male surplus progressively spiralled to 111 in 1990, 116 in 2000, and is now close to 120 boys for each 100 girls at the present time. As it is reported, in 8 to 10 years, China will have something like 40 to 60 million missing women, which will have enormous implications for China’s prostitutions industry and human trafficking. According to a report by the International Planned Parenthood Federation, the vast majority of aborted fetuses, more than 70 percent, were female, citing the abortion of up to 750,000 female fetuses in China in 1999. A report by Zhang Qing, the population researcher of the Chinese Academy of Social Sciences, said the gender imbalance is statistically related to the high death rate of female babies, with female death rate at age zero in the city or rural areas consistently higher than male baby death rate. Only seven of China’s 29 provinces are within the world’s average sex ratio, Zhang Qing’s report cited eight “disaster provinces” from North to South China, where there were 26 to 38 percent more boys than girls.

The hint of serious problems ahead can be seen in the increasing cases of human trafficking as bachelors try to purchase their wives. According to one estimate, over the next decade, some 40 million Chinese men will be unable to find wives due to the scarcity of females, thus the growing number of so called

“bachelors’ villages” in various parts of China.¹⁹⁹ While the 2001 census showed that India’s countrywide sex ratio for children under age six had risen to only about 108. It also revealed that the north-western states of Haryana and Punjab had reached ratios of 122 and 126 respectively. This practice of culling of girls is not confined to Asia; evidence for this practice can be found in every continent. India’s predilection for male child is antiquated and ingrained in its culture and religion. A woman having no male child is held inauspicious in the society and augurs ill for those who see her first before starting a new work. The social reasons are that sons will take care of their old parents and as such are entitled to perform all religious functions and offer consecrations to their deceased parents.

4. Effects of Female Deficit on Democracy and the Security Trajectory of Nations

What effect will this deficit of females have on the security trajectory of nations? In this regard, anthropologist Barbara D. Miller has termed the preservation of a balanced sex ratio a “public good” that nations overlook at their peril.²⁰⁰ As studies show, by the year 2020, 12-15 per cent of their young adult males will not be able to tie the nuptial bond because the girls who would have grown up to be their wives were eliminated by their societies instead. With each passing year between now and 2020, both the proportion and number of young adult males that exceed the number of young adult females in China and India will increase.²⁰¹ The Chinese call it “guang gunner” “bare branches”- branches of the family tree that will never bear fruit, but which may be useful as “bare sticks” or clubs. This Chinese metaphor attests to the centrality of this above thesis that “men who are not provided the opportunity to develop a vested interest in the system of law and order will gravitate toward a system based on physical force, in which they hold an advantage over other members of the society”.

Furthermore, this is compounded by the fact that in a society of too few women, the men who get the chance to marry are certainly of higher socio-economic status. Those men who are left out are poorer, less educated, less skilled and less likely to be employed. These left out unmarried adult males are likely to evince a predilection for establishing a system based on physical force in order to obtain what they cannot obtain legitimately. In such a spectre of remaining unmarried, their likely shift from potential threats to potential protectors of society can be stalled. The rate of criminal behaviour of unmarried men is many times higher than that of married men; marriage is a reliable

¹⁹⁹ *Ibid*

²⁰⁰ Barbara D. Miller, “Female-selective Abortion in Asia: Patterns, Policies, and Debates.” *American Anthropologist*, Vol. 103, No. 4, 2001, pp.1083-1095.

²⁰¹ Valerie M. Hudson and Andrea M. den Boer, *op.cit.*

predictor of a downturn in reckless, antisocial, illegal, and violent behaviour by young adult males.²⁰² If this shift or transition affects a sizable proportion of a society's young men, the society is likely to become less stable.

Strong evidences establishing the linkage between gender imbalance and conflict are found by studies in India.²⁰³ This is not new. Historical case studies stand a testimony to this. In the 19th century, Nien rebels came from a very poor region in China with a sex ratio of at least 129 men per 100 women.²⁰⁴ At first, relatively smaller groups of men coalesced to form smuggling and extortion gangs. Eventually, these gangs banded together to form larger armies wresting territory from imperial control. It took the emperor many years to subdue the rebellion. From a sociological perspective, this thesis holds good. The scholars have studied the behaviour of unattached young males, noting their propensity to congregate with others like them and to engage in dominance displays in such groups. Sociologists have found that the risky shift in group behaviour, where a group is willing to take greater risks and engage in more reckless behaviour than an individual member of the group, is much more pronounced in groups comprised solely of unattached young adult males.²⁰⁵

With the rising sex ratio, the incidence of crime, violence, drug smuggling, trafficking, prostitution and weapon smuggling will increase.²⁰⁶ The question crops up how the governments respond to such a situation where the rate of sex ratio is on the increase. Aware of the negative consequences of bare branches, "most governments in the past tried to thin the number of bare branches, whether through fighting, sponsoring the construction of large public works necessitating dangerous manual labour, exporting them to less populated areas, or co-opting them into the military or police".²⁰⁷ One 16th century Portuguese monarch sent his army, composed primarily of noble and non-noble bare branches, on one of the later crusades to avoid a crisis of governance; more than 25 per cent of that army never returned, and many others were seriously wounded.²⁰⁸ To control the

²⁰² Allan, Mazur and Joel Michalek, "Marriage, Divorce, and Male Testosterone", *Social Forces*, Vol.77, No.1, 1998, pp. 315-330.

²⁰³ Philip Oldenburg, "Sex Ratio, Son Preference, and Violence in India: A Research Note." *Economic and Political Weekly*, Vol. 27, No.49-50, 1992, pp. 2657-2662.

²⁰⁴ Sarah Staveteig, "The Young and the Restless: Population Age Structure and Civil War", *Environmental Change and Security Project (ECSP)*, Issue 11, 2005, p.22.

²⁰⁵ Norris R. Johnson, James G. Stemler, and Deborah Hunter, "Crowd Behaviour as 'Risky Shift': A Laboratory Experiment.", *Sociometry*, Vol. 40, No.2, 1977, pp.183-187.

²⁰⁶ Valerie M. Hudson and Andrea M. den Boer, *op.cit.*

²⁰⁷ *Ibid.*

²⁰⁸ James L. Boone, "Noble Family Structure and Expansionist Warfare in the Late Middle Ages", in Rada Dyson-Hudson and Michael A. Little (eds.), *Rethinking Human Adaptation: Biological and Cultural Models*, West View, Boulder, CO, 1983, pp. 79-86. Also see, James L. Boone, "Parental Investment and Elite Family

rising instability caused by increasing bare branches, the governments are likely to favour more authoritarian approaches to internal governance and less benign international presences. As seen, gender imbalance does not cause war or conflict *per se*, but it can aggravate it. The potential for democracy in countries in Asia like India, China and other countries where gender imbalance is increasing, is likely to be affected by bare branches.

Thus, a youthful population age structure with the bare branches in combination with other factors like rising unemployment, environmental degradation and economic deprivation can increase the risk of the onset of civil conflict and political violence. Recent studies by Richard Cincotta and Elizabeth Leahy suggest that three- fourths of all countries with recent conflict will likely experience conflict in the next decade. One fourth of all non-conflict countries with 60 percent young age structures under 30 years of age will likely experience a new civil conflict during the next decade.²⁰⁹ As the above studies show, the relative cohort size of youth population between the ages 15 to 29 is more vulnerable to extremist ideology and insurgency. In the event of climate change and its disastrous impact on all aspects of human life, the linkage between youth age structure and violence becomes crystal clear.

5. Conclusion

From the above discussions, it can be argued that increase in cohort size of youths combined with deficit of women can exacerbate the crisis further in the Asian countries, which has already demonstrated such symptoms of civil unrest. Table 1 clearly points to the increasing women deficit in Asian countries with India and China heading the list. Gender imbalance does not cause war or conflict *per se*, but it can amplify it. Will the internal stability caused by substantial numbers of bare branches (by 2020, 28 million in India – the same or more in China) overshadow external security concerns for the governments of these nations? Some potentially unstable situations jump to mind: the feuding countries of Pakistan and India have gender imbalances, as do China and Taiwan; and the resource rich Russia Far East faces an influx of Chinese workers while Russia continues to lose men.²¹⁰ How will gender imbalances affect the potential for democracy in China and evolution of democracy in India and other Asian countries? The gender imbalances of these two countries will not remain

Structure in Pre-industrial States: A Case Study of Late Medieval-early Modern Portuguese Genealogies”, *American Anthropologist*, Vol. 88, No.4, 1986, pp.859-878.

²⁰⁹ Richard P. Cincotta and Elizabeth Leahy, “Population Age Structure and its Relation to Civil Conflict: A Graphic Metric”, *ECSP Report*, 2006-2007, p. 55.

²¹⁰ Vladimir Radyuhin, “A Chinese Invasion”. *The Hindu*, 2003, September 23, available at: <http://www.worldpress.org/Asia/1651.cfm#down>, accessed on November 7, 2005.

solely their problem, as alone they comprise more than one-third of the world's population. The status of women in these nations could become an important factor in both domestic and international security in Asia, with possible implications for the entire international system.

A better understanding of contextual factors leading to civil wars, insurgency and terrorism may improve policy maker's ability to prevent these in future. Research on the cause of civil wars, insurgency and terrorism should incorporate measures of relative cohort size and women deficit. Unraveling the background factors that put a country at risk for conflict is arguably more important than finding the immediate spark of conflict as policy is much better equipped to address structural problems than immediate factors. In many countries around the world, one cannot prevent large relative youth cohorts and women deficit particularly in Asian countries over the next two decades, but understanding the role of relative cohort size and women deficit and formulation of planning and right policy wisely could help reduce the risk of future insurgency based civil wars.

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WHY ‘LOOK AFRICA’? AN ANALYSIS OF ECONOMIC POTENTIAL FOR BANGLADESH

Abstract

One of the recent foreign policy priorities of the Government of Bangladesh is to consider Africa as a major region of huge economic potential. This paper examines the potential of Bangladesh’s exports to African countries by adopting an augmented stochastic frontier gravity model. It reveals significant export potential in some selected African countries, which can be utilized by removing ‘behind the border’ constraints. The paper also explores the investment potential in the African countries to benefit backward linkage industries of Bangladesh as well as to create employment in agriculture, food processing and pharmaceutical industries. It reveals that Bangladesh can export considerable number of skilled professionals and semi-skilled workers in the mineral and service sectors in African countries by strengthening mutual cooperation.

1. Introduction

The cooperation between Africa and the developing countries of the South is not a new phenomenon. In 1955, African and Asian nations held a conference in Bandung, Indonesia, to promote economic and cultural cooperation. The Bandung Conference underscored the need for developing nations to reduce their dependence on industrialised countries by providing assistance to one another. In April 2005, leaders of Asian and African countries gathered in Jakarta to celebrate the fiftieth anniversary of the Bandung Conference and identify ways to boost cooperation between both regions. Recently, the increasing role of large developing countries in global trade, finance, investment and governance, coupled with their rapid economic growth has rekindled interest in Africa-South cooperation and has stimulated debate on its implications for Africa’s

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development.²¹¹ It has opened up a new window for economic cooperation between Africa and other developing countries. In such a situation, a number of developing countries are increasing economic cooperation with the African countries for mutual benefits. However, Bangladesh is lagging behind in reaping the benefits. A major issue that may be raised is why Bangladesh and the African countries are interested in establishing and strengthening relations between them. In general, it can be argued that the relationship might be based on the need and desire to pursue mutually beneficial cooperation for common development. Furthermore, Bangladesh's relationship with African countries can be based on complementary advantage. On one hand, the African countries need technology and skilled manpower and external capital to address its development needs and challenges. On the other hand, Bangladesh needs land, natural resources and markets, and Africa has a lot to offer in these areas.

There is a general perception among the policymakers, academia and the business communities in Bangladesh that there is a large scope to increase exports of goods and skilled manpower in Africa. It is also argued that there is an immense opportunity for investment cooperation in new mutually beneficial areas. As a result, the present Bangladesh government's policy for economic diplomacy focuses on Africa as a new destination for the country's manpower and exportable goods. The Bangladesh government has already sent a "fact-finding mission to Africa" aimed at exploring major areas in the second largest continent of the world which is rich in oil and mineral resources. The governments of several African countries have also expressed their interests to the Bangladeshi contingents that are deployed as UN peacekeepers for a long time, mentioning that Bangladesh-Africa cooperation would be attractive to African countries because it would increase and diversify the source of development activities available to the region. Against this background, a number of pertinent questions may be raised: What are the prospective areas of Africa-Bangladesh economic cooperation and why this cooperation is important for Bangladesh? Is there a prospective market for Bangladeshi goods and manpower? What are the potential areas of investment?

The main objective of this paper is to address these questions. Following the introduction, section 2 provides brief overview of the socio-economic conditions of African countries as well as Bangladesh. In section 3, Bangladesh's export potential to Africa is analysed using the gravity model of international trade. In this section, methodology and database, econometric issues and estimation results are presented and discussed. Section 4 analyses the investment opportunities for Bangladesh in African countries in the areas where both the

²¹¹ UNCTAD, "South-South Cooperation: Africa and the New Forms of Development Partnership", *Economic Development in Africa Report 2010*, United Nations Conference on Trade and Development, p. 1.

parities have mutual interest. Employment opportunities in Africa are discussed in section 5, while concluding remarks have been made in section 6.

2. Socio-Economic Status of Africa and Bangladesh

2.1 Socio-Economic State of Africa²¹²

Africa is the world's second largest continent comprising 30.3 million square kilometres of land areas which is 6 percent of the world's total surface area and 20.4 percent of total land area. Africa's population increased by 2.3 percent between 2008 and 2009, reaching about a billion which accounts for around 15 percent of the world population. The density of population is 33 people per square kilometre, which is not so high compared to Asia. The population distribution by age is different in Africa compared to the other continents. Seventy percent of the African population is aged 30 or younger. This population provides Africa with a large pool of labour force which it could draw for rapid economic growth. The rapid population increase, together with increased rural-urban migration, has created many problems in Africa, including inadequate provision of sanitation and social services, housing and employment. This has also increased the incidence of poverty in Africa. Although there is lack of accurate data on poverty situation in Africa, evidence shows that poverty is rising. Using the new US\$ 1.25 per day poverty line, an estimate shows that 51 percent sub-Saharan African and 3 percent North African population were living in extreme poverty in 2005. The incidence and severity of poverty is relatively higher among women and children than in men. The global economic crisis is expected to increase the number of people living in extreme poverty in Africa.

Table 1: Basic Economic Indicators, 2009

	Population (thousands)	Land area (thousands of km ²)	Population Density (pop / km ²)	GDP based on PPP valuation (US \$ Million)
Sub-Saharan Africa	745 238	19 530	38	1141 198
South Africa	50 110	1 221	41	487 107
North Africa	208 851	8 523	25	1163 873
Other Africa	4 155	1 049	4	10 111
Africa	1 008 354	30 323	33	2 825 691
Bangladesh	144 500	148	979	241 100

²¹² The data and statistics in this section are mostly drawn from *Economic Report on Africa 2010: Promoting high-level sustainable growth to reduce unemployment in Africa*, Ethiopia, Economic Commission for Africa.

Sources: *African Economic Outlook 2010*; *Bangladesh Economic Review 2010*.

The continent-wide average growth rate in Africa was relatively higher in the first decade of the twenty-first century comprising 6.1 percent in 2007. Although there are variations among the countries, the growth rate of some African countries exceeded their population growth rate, leading to an increase in per capita income. This growth was achieved as a result of an increase in domestic investment,²¹³ Foreign Direct Investment (FDI), macroeconomic stability and better economic management. However, this relatively high growth rate did not have any positive impact on employment generation. A double-digit unemployment rate is a common scenario in large number of African countries. This unemployment scenario became worse in 2008 due to global financial and economic crises through their negative impact on growth, export earnings, government revenues and foreign capital inflows into Africa. GDP growth in Africa declined from 6.1 percent in 2007 to 4.9 percent in 2008. In 2009, it further declined to 1.6 percent, experiencing considerable variations among the countries. Growth was the highest in East Africa at 3.9 percent, followed by North Africa at 3.5 percent, West Africa at 2.4 percent and Central Africa at 0.9 percent, while Southern Africa posted a negative growth rate of 1.6 percent. Economic activity in Africa is expected to recover in 2010, with GDP projected to grow at an average rate of 4.3 percent.

Considering trade performance, it is observed that Africa's global trade share rose slightly from 2.8 percent in 2007 to 3.2 percent in 2008, associated with the high commodity prices which peaked before the financial crisis. The value of Africa's total export and import in 2008 was US\$ 465 billion and US\$ 558 billion respectively. The top 10 exporters in the continent are oil-rich countries. The merchandise trade in Africa remains undiversified both in terms of range of products and destination. Eighty percent of the African exports are constituted by agriculture, mining and fuel products, and main destinations of these exports are Europe and North America. Although there are discernible shift of Africa's export towards Asia, still the destination as well as the range of exportable products are very narrow. However, the composition of Africa's trade with Asia is considerably different with increasing share of manufactured goods and services. This type of trade relations between Africa and Asia has implications for the investment flows from Asia to Africa, which must go beyond extractive sectors to establishing joint ventures that add value to the raw commodities within Africa.

In recent years, there has been growing optimism among African countries and between Africa and major global economic players in terms of trade and economic cooperation. China has been strengthening ties with African countries

²¹³ Domestic investment financed through the high commodity prices and resource extraction.

since 2007. Chinese companies invested a total of US\$1 billion in Africa. Brazil, India, USA, European Community (EC) and Turkey have strengthened trade and economic relations with Africa. It resulted in a number of Free Trade Areas (FTAs), Economic Integration Agreements (EIAs) and Customs Union (CU) as follows: (i) Common Market for Eastern and Southern Africa (COMESA), FTA (1994); (ii) East African Community (EAC), FTA (2000); (iii) Economic and Monetary Community of Central Africa (CEMAC), CU (1999); (iv) Economic Community of West African States (ECOWAS), CU (1993); (v) Southern African Customs Union (SACU) (2004); (vi) Southern African Development Community (SADC), FTA (2000) (vii) EC-Albania, FTA & EIA (2006); (viii) EC-Algeria, FTA (2005); (ix) EC-Cameroon, FTA (2009); (x) EC-Côte d'Ivoire, FTA (2009); (xi) EC-Egypt, FTA (2004); (xii) EC-Morocco, FTA (2000); (xiii) EC-South Africa, FTA (2000); (xiv) EC-Tunisia, FTA (1998); (xv) Turkey-Albania, FTA (2008); (xvi) Turkey-Morocco, FTA (2006); (xvii) Turkey-Tunisia, FTA (2005); (xviii) USA-Morocco, FTA & EIA (2006); and (xix) West African Economic and Monetary Union (WAEMU), CU (2000).²¹⁴

2.2 Socio-Economic State of Bangladesh²¹⁵

Bangladesh is one of the least developed countries in the world with around 144 million people in an area of 148 thousand square kilometres. Bangladesh is the eighth most populous country in the world and has the highest population density – about 979 people per square kilometre. The population is predominantly rural, with about 80 percent living in rural areas. Most of them directly or indirectly depend on agriculture. Bangladesh economy has experienced accelerated GDP growth rate during the 2000-09 compared to the previous years. Despite global recession, Bangladesh has achieved a moderate GDP growth rate in fiscal year 2009 which was 5.74 percent, compared to 6.19 percent in fiscal year 2008. GDP over the last five years achieved more than 6 percent growth consecutively. The highest growth in industry sector along with the continuous trend of growth of service sector propelled the GDP growth rate. In fiscal year 2009, the sectoral contribution of agriculture to GDP was 20.16 percent while contribution of manufacturing and service sector was 29.95 percent and 49.90 percent respectively. Despite considerable progress made in GDP growth over the last two decades, forty percent of Bangladesh's huge population is living below the poverty line.

During the time of contraction in global trade volume, the external sector performance of Bangladesh was quite satisfactory in the fiscal year 2009. The volume of exports, in fiscal year 2009 was US\$ 15.6 million against imports of

²¹⁴ Available at: <http://www.wto.org/>, accessed on 28 October 2010. These are only the agreements that have entered into force.

²¹⁵ The data and statistics in this section are mostly drawn from *Bangladesh Economic Review 2010*, Ministry of Finance, Government of Bangladesh.

US\$ 22.0 million. Although in 2009 the export growth declined, it was 10.3 percent compared to 15.8 percent in the previous fiscal year. Due to sharp decline of food-grain imports and fall of oil price, import growth in fiscal year 2009 declined to 4.4 percent. Like Africa Bangladesh's export basket is highly concentrated on narrow range of products. More than two-third of export earnings are from garments sectors, while woven garments and knitwear contributed 38.02 percent and 41.31 percent of total export earnings in fiscal year 2009. Analysis of export destination shows that the USA and EU are the main export destination for Bangladesh comprising two-third of export earnings. USA is the single largest destination of Bangladesh's export comprising 26 percent of its export earnings. In such a backdrop, to avoid any international shock on Bangladesh's development, it is essential to diversify its export both in terms of exportable items and export destinations.

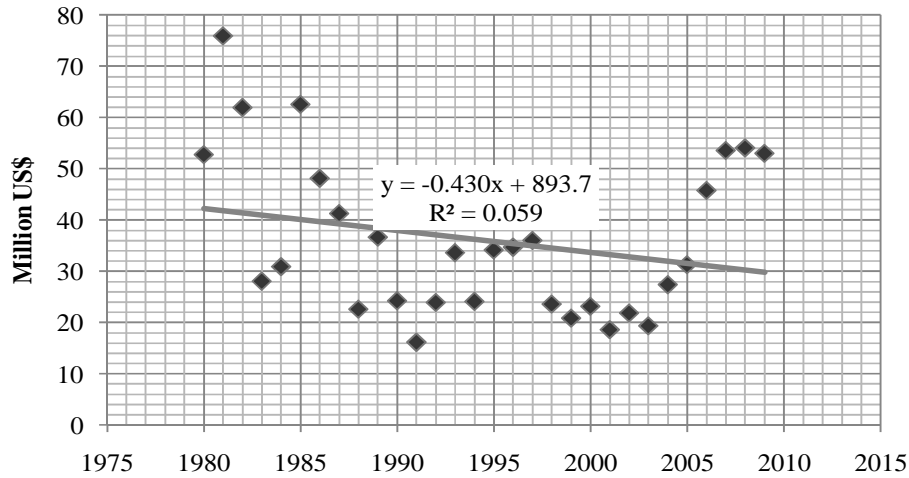
Bangladesh is a founding member of South Asian Association for Regional Cooperation (SAARC) and a contracting party of South Asian Free Trade Area (SAFTA). It is also a founding member of Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC). Bangladesh is currently under negotiation of the BIMSTEC FTA.

3. Bangladesh's Export Potential to Africa

3.1 *Bangladesh's Exports to Africa*

Bangladesh's export to African countries registered a negative growth over the years. From an average of about US\$ 65 million in the early 1980s, its exports to Sub-Saharan African countries declined to about US\$ 22 million in early 2000s. It, however, increased during the second half of 2000s; still it remains lower than that of the early 1980s (Figure 1).

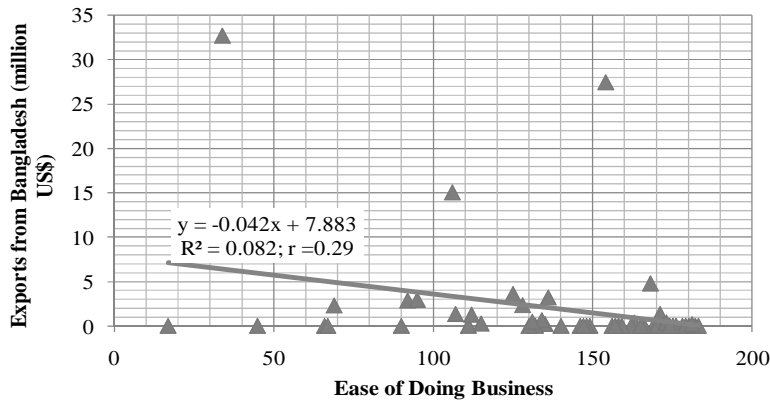
Figure 1: Bangladesh's exports to Sub-Saharan Africa, 1980-2009



Source: Authors' calculation.

Bangladesh's exports to African countries have been dependent on the quality of business environments in Africa. Taking into account the business environment represented by ease of doing business index (starting from 1, higher value of the index represent lower quality of business-friendly regulations), the evidence reveals that business-friendly regulations actually facilitated exports to African countries even though most of the countries have low quality regulations (Figure 2).

Figure 2: Business Environment vs. Bangladesh's Exports to African Countries, 2009



Source: Authors' calculation.

3.2 Methodology and Data

From a purely economic point of view, export potential to African countries is subjected to measurement by adopting economic model. Examining trade potential of a regional bloc can be carried out by either equilibrium or disequilibrium approach. In the equilibrium models, a home country's imports from and exports to all its partners can be exhaustive and represent a general equilibrium framework, and would be estimated to arrive at total trade values. In the disequilibrium framework proposed by Kalirajan²¹⁶, a home country's actual trade is assumed to differ from potential exports with respect to each trading partner. Following this framework, some further studies have been conducted recently to examine the trade performance by estimating trade potential in the context of either regional bloc or bilateral cases.²¹⁷

The usual assumption in the standard gravity model is that the trading environment in the home country does not impose any restrictions on its exports. Despite admitting that the home country possesses 'behind the border' constraints, these constraints are assumed to be insignificant and are randomly distributed across observations in standard models. However, such an assumption would be strong and may not reflect the real world circumstances. Empirical gravity models often ignore the economic distance between the trading partners i (origin country) and j (destination country) relative to a trade weighted average of the economic distance between a partner i and all points in the linear expenditure system. This can lead to biased estimates since economic distance includes geographical distance as well as other country-specific factors, such as historical and cultural ties. Differences of some other country-specific factors such as state of governance, functioning of the institutions, political stability, etc. are also typically left out in the standard models mainly due to the unavailability of data, which may result in correlation between the residual term and some of the regressors.²¹⁸

²¹⁶ K. Kalirajan, "Stochastic Varying Coefficients Gravity Model: An Application in Trade Analysis", *Journal of Applied Statistics*, Vol. 26, No. 2, 1999, pp. 185-193.

²¹⁷ For example, K. Kalirajan, "Regional Cooperation and Bilateral Trade Flows: An Empirical Measurement of Resistance", *International Trade Journal*, Vol. 21, No. 2, 2007, pp. 85-107; K. Kalirajan, "Gravity Model Specification and Estimation: Revisited", *Applied Economics Letters*, Vol. 15, No. 13, 2008, pp. 1037-1039; S. M. Hossain, "South Asian Free Trade Area: Examining Bangladesh's Trade Potential", *BISS Journal*, Vol. 31, No. 2, 2010, pp. 145-166; S. Armstrong, "Measuring Trade and Trade Potential: A Survey", *Asia Pacific Economic Papers* 368, Canberra: Australian National University, 2007; M. Kabir, *Trade Response to Preferential Liberalization: Evidence from Some Emerging Asian Countries*, Lambert Academic Publishing, Germany, 2010 (forthcoming).

²¹⁸ Kalirajan (2008), *op. cit.*

According to Drysdale and Garnaut²¹⁹, Baldwin and Taglioni²²⁰, and Kalirajan and Singh²²¹, export flows can be affected by two factors. *First*, natural constraints, such as geographical distance or transport cost. *Second*, ‘behind the border’ constraints, which stem from socio-economic, institutional and political factors, and infrastructure rigidities prevailing in exporting countries. In the stochastic frontier analysis of export flows, higher variation in export performance explained by ‘behind the border’ constraints indicate greater distance from the trade frontier, given the core determinants of exports. The export frontier shifts outwards due to an improvement in export technology. Export potential can be measured in the context of achieving it at a ‘frontier’, which estimates a level of trade that might be attained in the case of the most open and frictionless export possible given current export, transport, and institutional efficiencies or practices.²²²

In order to measure the export potential of Bangladesh to African countries, the stochastic frontier specification of gravity model can be given below:

$$\ln EXP_{ij} = \alpha + \beta_1 \ln GDP_i + \beta_2 \ln GDP_j + \beta_3 \ln DIST_{ij} + \beta_4 \ln RER_{ij} + \beta_5 SAARC_{ij} + \epsilon_{ij} - \nu_{ij}$$

where \ln stands for natural logarithm, EXP_{ij} indicates exports from Bangladesh (i) to destinations including African countries (j), GDP_i implies GDP of Bangladesh, and GDP_j is GDP of destination countries. Both GDP_i and GDP_j is expected to take positive sign as these are trade enhancing factors. $DIST_{ij}$ means bilateral distance, expressed in kilometers, which takes negative sign as it increases trade transportation costs. RER_{ij} is the real exchange rate between Bangladesh and its partners, which has been calculated as the product of the nominal exchange rate and relative price levels in each country. Following Carrère²²³ and Serlenga and Shin²²⁴, it is expressed as:

²¹⁹ P. Drysdale and R. Garnaut, “Trade Intensities and the Analysis of Bilateral Trade Flows in a Many-country World: A Survey”, *Hitotsubashi Journal of Economics*, Vol. 22, No. 2, 1982, pp. 62-84.

²²⁰ R. E. Baldwin and P. Taglioni, “Gravity for Dummies and Dummies for Gravity Equations”, *Working Paper 12516*, Massachusetts: National Bureau of Economic Research, 2006.

²²¹ K. Kalirajan and K. Singh, “A Comparative Analysis of China’s and India’s Recent Export Performances”, *Asian Economic Papers*, Vol. 7, No. 1, 2008, pp. 1-30.

²²² Kabir (2009), *op. cit.*

²²³ C. Carrère, “Revisiting the Effects of Regional Trade Agreements on Trade Flows with Proper Specification of the Gravity Model”, *European Economic Review*, Vol. 50, No. 2, 2006, pp. 223-247.

²²⁴ L. Serlenga and Y. Shin, “Gravity Models of Intra-EU Trade: Application of the CCEP-HT Estimation in Heterogeneous Panels with Unobserved Common Time-Specific Factors”, *Journal of Applied Econometrics* Vol. 22, No. 3, 2007, pp. 361-381.

$$RER_{ij} = ER_{ij} (P_j / P_i)$$

where P_i and P_j are price levels of home and partner countries respectively. ER_{ij} is the bilateral nominal exchange rate between the currencies of foreign country j and the home country i .²²⁵ Serlenga and Shin²²⁶ argue that an increase in the bilateral real exchange rate reflects depreciation of the importer's currency against that of the exporters. Thus, the coefficient of RER is expected to be positive for exports. A SAARC dummy has been used, which is supposed to take negative sign as Bangladesh has a free trade agreement with SAARC countries. v_{ij} is the idiosyncratic error term that represents random shocks to exports flow, and u_{ij} measures the performance of a country relative to best practice. In other words, the later represents the degree to which the actual exports fall short of the potential, due for example to unmeasured socio-economic and political infrastructure.

The data on aggregate exports are gathered from the International Monetary Fund's Direction of Trade Statistics (DOTS) for the year 2009. Data on GDP and per capita GDP are collected from the World Development Indicators (WDI). The data on distance comes from the Centre d'Etudes Prospectives et d'Informations Internationales (CEPII). Bilateral exchange rate data are not available in the standard secondary sources. Therefore, it is calculated from official exchange rates of individual countries, which are collected from the WDI. We use the GDP deflator as the price indicator, which is an overall measure of price level of domestically produced items.

3.3 Results and Interpretation

Table 2 exhibits the results from estimated gravity model where the coefficients take expected sign even though SAARC dummy does not turn out to be statistically significant. The export potential has been calculated from the predicted values of fitted gravity model. It indicates that out of 51 African countries of the sample, Bangladesh has untapped export potential with 26 countries, and potential has been utilised for 25 countries. The summary results of export potential has been given in Table 3, where positive sign indicates untapped potential and negative sign stands for utilised potential.

Table 2: Maximum Likelihood Estimates of Stochastic Frontier Gravity Model

	Coefficient	Standard Error	p-value
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²²⁵ The formula of calculating bilateral exchange rate is $ER_{ij} = LC_i/LC_j$ where LC is the local currency units per US\$.

²²⁶ Serlenga and Shin (2007), *op. cit.*

$\ln GDP_i$
$\ln GDP_j$	0.773	0.049	0.000
$\ln DIST_{ij}$	-0.384	0.228	0.093
$\ln RER_{ij}$	0.089	0.034	0.010
$SAARC_{ij}$	0.635	0.634	0.317
Constant	-3.202	2.495	0.200
Number of obs = 125			
Wald $\chi^2(4)$	359.74		0.000
Log likelihood	-195.694		

Source: Authors' calculation.

Potential gain from 26 countries has been estimated to be US\$ 57.66 million. However, gain from top seven countries – Algeria, Angola, Egypt, Ethiopia, Morocco, Nigeria and Tunisia – will be US\$ 48.27 million. The potential gain from the other countries will be meagre.

Table 3: Summary Results of Export Potential

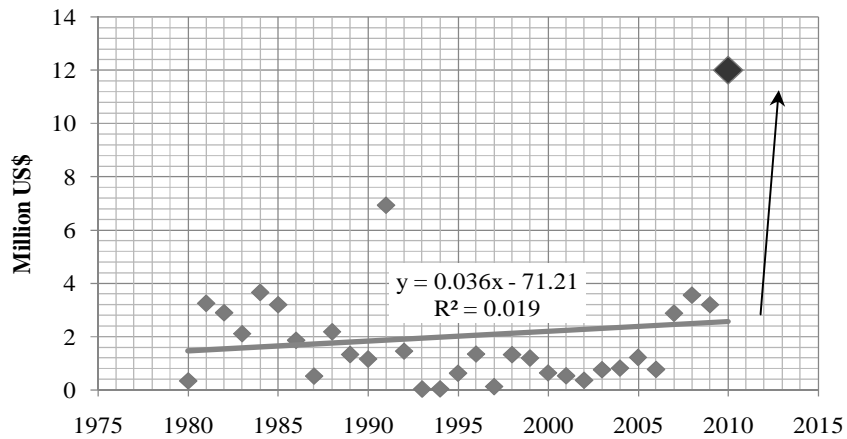
Country	Potential	Country	Potential
Algeria	+	Liberia	-
Angola	+	Madagascar	+
Benin	+	Malawi	-
Botswana	+	Mali	+
Burkina Faso	+	Mauritania	-
Burundi	-	Mauritius	+
Cameroon	+	Morocco	+
Cape Verde	-	Mozambique	+
Central African Rep.	-	Namibia	+
Chad	-	Niger	-
Comoros	-	Nigeria	+
Congo, Dem. Rep. of	+	Rwanda	-
Congo, Republic of	+	São Tomé & Príncipe	-
Côte d'Ivoire	-	Senegal	+
Djibouti	-	Seychelles	-
Egypt	+	Sierra Leone	-
Equatorial Guinea	+	South Africa	-
Eritrea	-	Sudan	-
Ethiopia	+	Swaziland	+
Gabon	+	Tanzania	+
Gambia, The	-	Togo	-
Ghana	+	Tunisia	+
Guinea	+	Uganda	+
Guinea-Bissau	-	Zambia	+
Kenya	+	Zimbabwe	-
Lesotho	-		

Source: Authors' calculation.

Algeria

Algeria is a member of the Arab League, United Nations, African Union, and Organization of Petroleum Exporting Countries (OPEC). It is also a founding member of the Arab Maghreb Union. The recent economic performance of Algeria is quite encouraging its per capita GDP was US\$ 4,029 in 2009, which was among the highest in Africa. It is, however, experiencing a moderate economic growth; average growth of GDP is 4.02 percent during 2000-09. Its trade openness with the rest of the world has also been moderate but higher than that of Bangladesh trade-GDP ratio was 58.89 percent in 2009. Bangladesh has significant export potential unutilised in Algeria, which is about US\$ 9 million as predicted by fitted gravity model.

Figure 3: Export Potential to Algeria

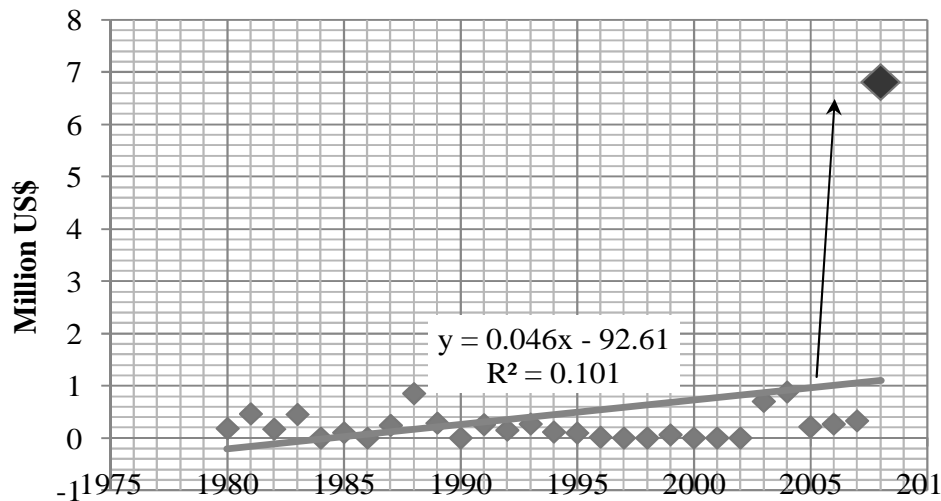


Source: Authors' calculation.

Angola

Angola is a country in south-central Africa. After independence in November 1975, it faced a devastating civil war, which lasted several decades and caused millions of deaths and refugees. However, the economy of Angola has witnessed a period of transformation in recent years moving from the disarray of a quarter century. It is now the fastest growing economy in Africa and one of the fastest growing economies in the world. Its economic growth is almost entirely driven

Figure 4: Export Potential to Angola



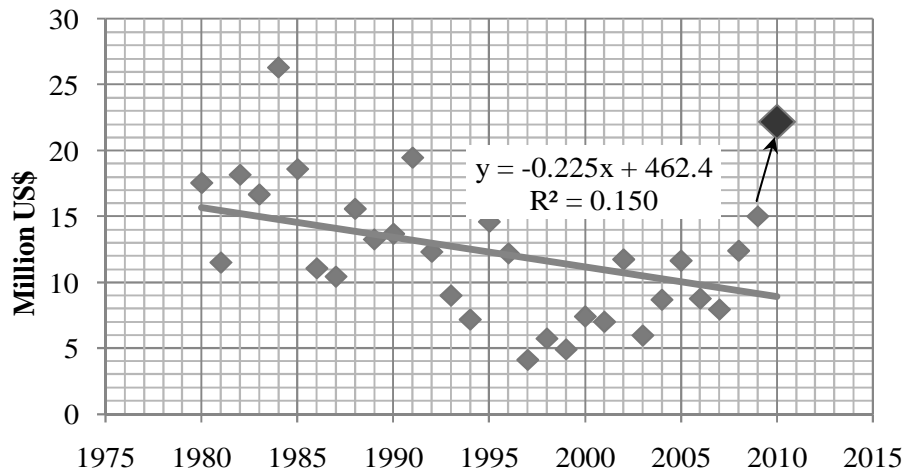
Source: Authors' calculation.

by rising oil production. As one of the top performing economy of the continent, its per capita GDP was US\$ 3,734 in 2009, and average growth of GDP was 12 percent during 2000-09. It registered a high trade-GDP ratio during the last decade and it was 81.08 percent in 2009. According to the result of gravity model, Bangladesh has been continuously underutilising its export potential to Angola (Figure 4).

Egypt

Egypt is one of the most developed and diversified economies in Africa. Its tourism, agriculture, industry and service sectors are at almost equal level of production. Egyptian economy is rapidly developing mainly due to its internal and political stability and recent trade and market liberalization programmes undertaken by the government. The economy depends mainly on agriculture, media, petroleum exports, and tourism. Its per capita GDP was US\$ 2,269 in 2009. The country registered moderate but a steady growth over the last decade; average growth of GDP was 5.42 percent during 2000-09. However, its trade-GDP ratio has been very low, a meagre of 35.09 percent in 2009, which indicates a low level of integration with the world economy. Bangladesh has a high untapped export potential to Egypt, which is US\$ 7.16 million.

Figure 5: Export Potential to Egypt

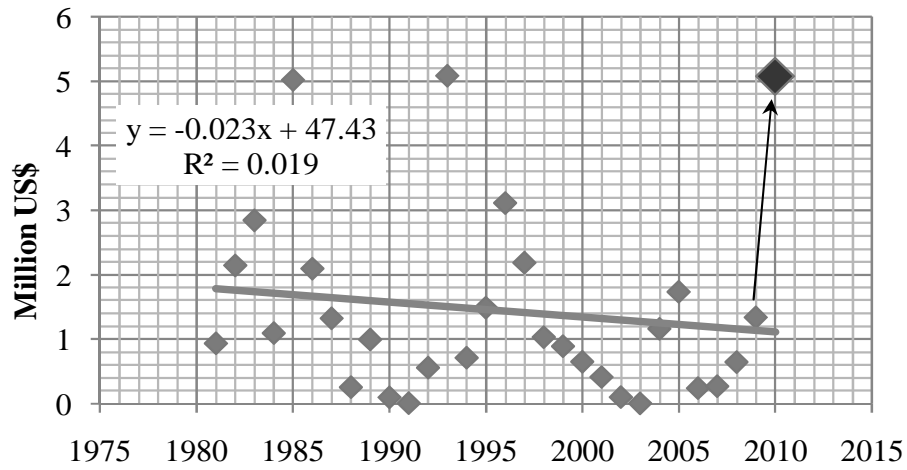


Source: Authors' calculation.

Ethiopia

Once known as the symbol of famine, Ethiopia is now a fast-growing economy of Africa. It was the fastest-growing non-oil-dependent African nation in 2007 and 2008. Agriculture accounts for almost 41 percent of the GDP and 80 percent of the country's exports. Many other economic activities are also dependent on agriculture, which include marketing, processing, and exports. Its per capita nominal GDP remains quite low, which was only US\$ 345 in 2009. However, average growth of GDP was 8.99 percent during 2000-09. Trade-GDP ratio was 30.84 percent in 2009, which indicates a very low level of integration with the world economy. It also indicates that the high economic growth registered by the economy has been due to the performance of its domestic economy. Bangladesh can increase its exports to Ethiopia by US\$ 3.74 million, thereby utilising benefits of high economic growth of this country.

Figure 6: Export Potential to Ethiopia

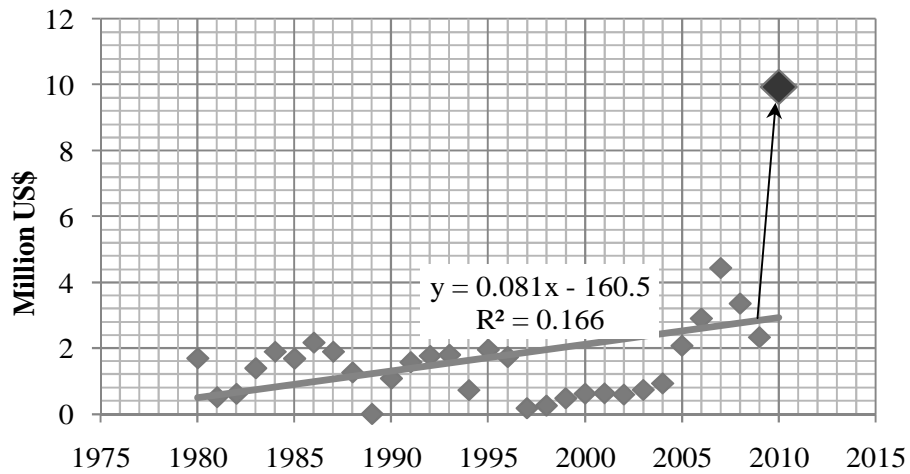


Source: Authors' calculation.

Morocco

The country is the world's biggest exporter and third producer of phosphorus. It is a relatively liberal economy in which service sector accounts for about half of the GDP. Its Industry, which consists of mining, construction and manufacturing, contributes around 25 percent to GDP. Its highly growing sectors are tourism, telecommunication, information technology, and textiles. Morocco is one of the competitors of Bangladesh's RMG sector in the world market. Its per capita GDP was US\$ 2,795 in 2009. The country experienced a moderate but steady economic growth of 5.29 percent during 2000-09. Its trade-GDP ratio was 51.35 percent in 2009, indicating a moderate level of integration with the world economy. Bangladesh can, however, increase its exports substantially to Morocco, which is US\$ 7.61 million as predicted by the gravity model.

Figure 7: Export Potential to Morocco

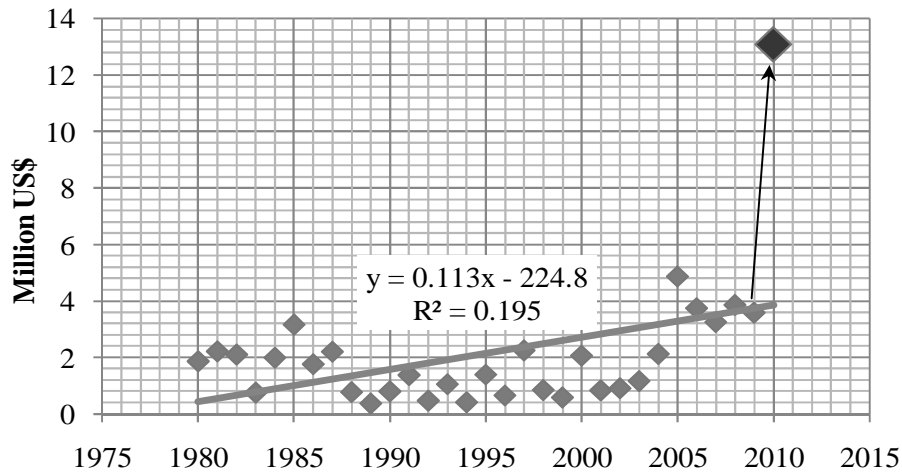


Source: Authors' calculation.

Nigeria

Over the years, Nigeria has turned out to be a mixed economy with emerging market. It has abundant supply of natural resources and is equipped with well-developed financial, legal, communications, and transport sectors to facilitate external trade. Nigerian Stock Exchange is the second largest in Africa. It is the 12th largest producer and has the 10th largest reserve of petroleum in the world.

Figure 8: Export Potential to Nigeria



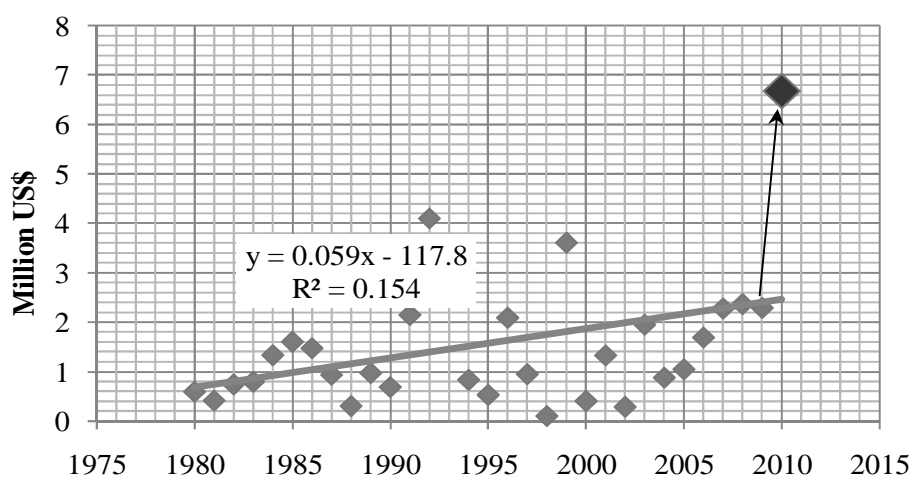
Source: Authors' calculation.

The Nigerian economy is performing well in terms of per capita GDP, which was US\$1,092 in 2009. It also registered satisfactory economic growth over the last decade, which was 6.43 percent during 2000-09. Its trade-GDP ratio was 54.14 percent in 2009, implying moderate integration with the global economy. Bangladesh has the highest unutilised export potential with Nigeria amongst the African countries, which is US\$ 9.49 million.

Tunisia

The economy of Tunisia is diverse, ranging from agriculture to mining, manufacturing, petroleum products and tourism. Agriculture contributes 11.6 percent to GDP, industry 25.7, and services 62.8 percent. Industry is mainly made up of clothing and footwear manufacturing, production of car parts, and electric machinery. The European Union (EU) remains Tunisia's first trading partner, accounting for 72.5 percent of Tunisian imports and three-quarters of Tunisian exports. It is the EU's one of the most established trading partners in the Mediterranean. Tunisia's per capita nominal GDP was US\$ 3,792 in 2009. It achieved average growth of GDP of 5.18 percent during 2000-09. Its trade-GDP ratio was 84.8 in 2009, which indicates a high integration of the country with the world economy. The export potential to Tunisia is largely unutilised, which is around 66 percent. Bangladesh can, therefore, increase its export to this country by US\$4.39 million.

Figure 9: Export Potential to Tunisia

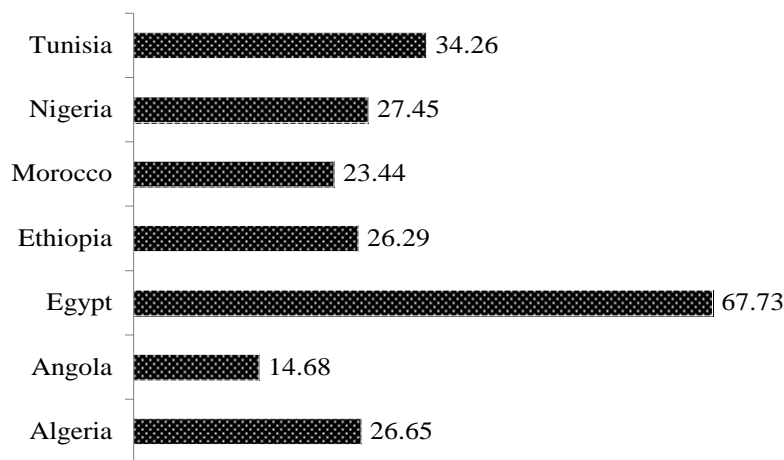


Source: Authors' calculation.

In general, Bangladesh's realization of export potential remains very low except for Egypt. For the top six promising market for Bangladesh's export, the realization of export potential ranges from a meagre 14.68 percent for Angola to

34.26 percent for Tunisia (Figure 10). This clearly indicates that there is a strong need for removing unobserved ‘behind the border’ constraints by relaxing rigidities at institutional, cultural, trade and policy levels.

Figure 10: Realization of Export Potential (%)



Source: Authors' calculation.

4. Investment Opportunities in Africa

Investment cooperation between Africa and the South is attractive to African countries because it increases and diversifies the sources of development finance available to the region. There is growing disappointment among the African countries with the existing aid mechanisms, characterized by the policy conditions that influence their development policy choice. Therefore, many African countries are increasingly seeking investment from developing countries because these are not associated with the conditions that happened in case of aid from traditional donors. Consequently, developing countries are becoming important sources of FDI to Africa. The share of developing countries in total FDI inflows to Africa increased from an average of 17.7 percent over the period 1995-96 to 20.8 percent for the period of 2000-2008.²²⁷ FDI in Africa by developing Asian economies is also growing and has the potential to reach much higher levels. However, FDI flow between Bangladesh and Africa is negligible²²⁸; there is no official record of FDI from Bangladesh to African

²²⁷ UNCTAD, “South-South Cooperation: Africa and the New Forms of Development Partnership”, *op.cit.*, p. 81.

²²⁸ There are some Bangladeshi investors who invested in different African countries. However, the invested capital has not transferred from Bangladesh to Africa; rather they transferred it from third countries.

countries.²²⁹ Considering a capital scarce country, Bangladesh has severe limitation to invest in Africa in a capital intensive sector. Keeping this limitation in mind, there is raising interest in Bangladesh to look Africa as an investment location particularly in agriculture and other labour-intensive sectors.

Both Bangladesh and African countries can take advantages of the complementary nature of their economies. The availability of fertile lands and water resources to irrigate it for agricultural production is a common phenomenon for most of the western African countries.²³⁰ The land-man ratio is highly favourable in Africa for Agricultural production. In Africa, by using a tractor a farmer can cultivate 6 times more lands than Bangladesh.²³¹ However, they are only producing rain-dependent crops. On the contrary, Bangladesh has scarcity both in lands and water for agricultural production and this scarcity influenced Bangladesh to invest in agricultural sectors in Africa. Bangladesh could take the lead in providing technical and financial support on rice and other food grain production where it has developed substantial skills. A bilateral investment agreement on agricultural sectors between two parties can allow Bangladesh to undertake contract farming in Africa. Under this agreement Bangladesh can invest in Africa and send experts and farmers to grow rice and other agricultural crops round the year. This contract farming can further create opportunities to invest in the agro-food processing industries in Africa. Bangladesh's private sectors might be interested to process the agricultural products, produced under contract farming, as well as local agricultural products²³² in Africa and export these to other countries. Another potential sector for agricultural investment in Africa is the cotton sector which is a backward linkage industry for readymade garments sector in Bangladesh. West African countries grow a lot of cotton and investors from Bangladesh can set up the cotton manufacturing industry in Africa using their available raw cotton.²³³

Besides agriculture, another potential investment sector is pharmaceutical sector. In Africa, there is a large demand for pharmaceutical products and most of them are imported from other countries. Bangladesh is now capable of

²²⁹ See <http://www.cepii.fr/anglaisgraph/bdd/fdi.htm> for details.

²³⁰ In Liberia, one acre land is given lease at one US cent for rubber production. Not only in West Africa but also in East Africa, huge fertile lands are just laid idle, specially, in Ethiopia, Uganda, Tanzania, Malawi and Mozambique. Indian entrepreneurs have already taken hundreds of thousands of acres land lease in all those countries and doing well with agriculture.

²³¹ The size of cultivable land is very small in Bangladesh and a farmer has to move the tractor frequently. This type of shortfall is not present in Africa.

²³² There are huge surplus productions in fruits in African countries and they don't have the capacity to preserve these.

²³³ "Bangladesh Eyes Trade, Farming in West Africa", *The Daily Star*, 16 September 2010.

producing high quality pharmaceutical products and has already transformed pharmaceutical sector from an import based to an export oriented sector. Now approximately 97 percent of the domestic pharmaceuticals demand is met by the local companies.²³⁴ Bangladesh is also exporting its pharmaceutical products to 72 countries including eight African countries.²³⁵ According to the Trade Related Intellectual Property Rights (TRIPS), Bangladesh and other least developed countries (LDCs) are exempted from patent protection until 2016. Among all LDCs Bangladesh has the strongest pharmaceutical manufacturing base.²³⁶ With about 40 years of experience in pharmaceutical production and marketing Bangladesh is now fully trained to invest in African LDCs. By investing and operating pharmaceutical plants in Africa, Bangladesh will be able to get access in the local market in Africa because Bangladesh is one of the cheapest sources of quality medicine in the world and continuously reducing the prices of its products.²³⁷ Like agriculture and pharmaceutical sectors, there might be some other potential sectors in Africa for investment. The viable option for Bangladesh is to invest through pilot projects in the above mentioned sectors simultaneously exploring opportunities to invest other thrust areas for mutual benefits.

5. Opportunities of Manpower Export to Africa

Manpower export and overseas remittance flows are considered as the lifeline for the economy of Bangladesh. As an important development strategy, manpower export enhances country's import payments, improves balance of payments situations and also trims down the country's dependence on foreign aid.²³⁸ Bangladesh has started manpower export in 1976 and since then manpower export increased considerably, numbering 67.5 millions until 2009.²³⁹ However, in 2009, manpower export has declined dramatically, 47 percent from the previous year.²⁴⁰ The cause of this decline mainly was the global recession. Global recession severely hit the countries which are the main destination for Bangladesh's manpower export. From Figure 11, it is observed that the labour

²³⁴ B. Qaiser, "Pharma Sector Forcing of the Pace", *The Independent*, 24 November 2010.

²³⁵ N. Hassan, "Future Prospects of Pharmaceutical Industry of Bangladesh", available at: <http://www.csebd.com/cse/download/FutureProspects.ppt>, accessed on 30 October 2010.

²³⁶ *Ibid.*

²³⁷ *Ibid.*

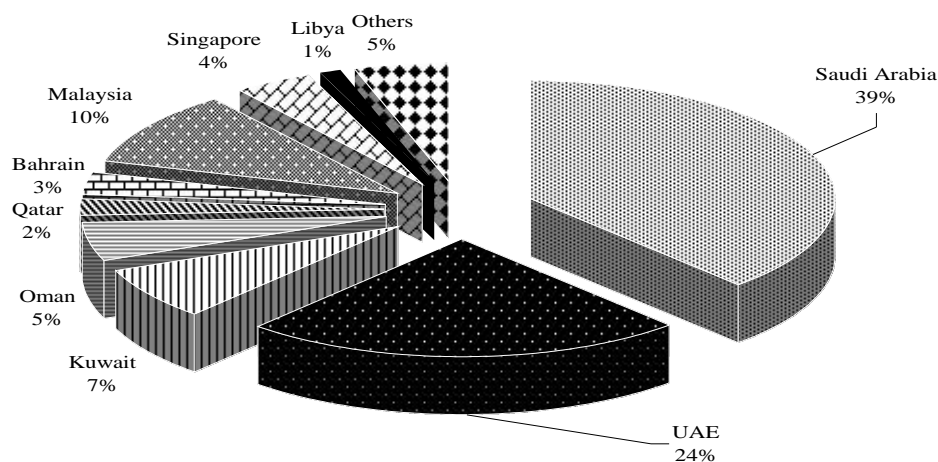
²³⁸ M. A. Hossain, "Manpower export from Bangladesh: Trends, Patterns and Development Impact", *Bangladesh Journal of Public Administration*, Vol. 16, No. 2, 2007, pp. 41-42.

²³⁹ A. T. S. Ahmed, S. Hossain and M. J. Uddin, "Migrant Labour, Remittances Inflow and Economic Development" in Golam. Mohammad (ed.), *National Security of Bangladesh 2009* (Forthcoming), BIISS and UPL, Dhaka.

²⁴⁰ Hossain, *op. cit.*

market for Bangladeshi workers is not extensive and narrowed down to some countries in the Middle East. These Middle Eastern countries as well as Malaysia, Korea and Singapore have downsized their development activities and scaled down their absorption of foreign workers.²⁴¹ As a result, looking for new potential labour market for Bangladesh has emerged as a crucial issue to offset the recent declines of manpower export. Keeping in mind the labour standard of Bangladesh and labour demand for destination countries, African countries might be the potential destination for Bangladesh's manpower. Bangladesh has an existing market of manpower export to Algeria, Angola, Nigeria, Botswana, South Africa and Libya but on a very limited scale.²⁴² It has been already argued that there is a scope for all categories of Bangladeshi workers to be employed in Africa.

Figure 11: Manpower Export by Bangladesh, 1976-2009 (%)



Source: Ahmed *et al.*, *op. cit.*

Bangladeshi manpower can be employed in African countries in two ways. Firstly, investment-driven manpower exports where skilled, semi-skilled and unskilled labour might be employed in the agricultural and pharmaceutical sectors in Africa where Bangladesh has investment potential. As mentioned previously that Bangladesh has the potential to invest in the agriculture, agro-processing and pharmaceutical sectors in Africa. Agriculture sector is highly labour intensive and Bangladesh has skilled agricultural workers who can be employed there under proposed investment project. Pharmaceutical industry is a

²⁴¹ Ahmed *et al.*, *op. cit.*

²⁴² "Govt. Looks to Expand Manpower Export Market to Africa", *The Financial Express*, 8 June 2009.

white-collar labour intensive employment sector and Bangladeshi workers have lot of experience to work and train others in this sector. This manpower export to Africa would also increase the viability of Bangladesh's investment project considering relatively low labour cost associated with Bangladeshi workers. If Bangladesh successfully establishes the proposed investment projects with manpower export, this will create another scope for further employment generation. Since, Bangladeshi worker are innovative in nature, after being familiar with the African societies, some of them might establish small business like wholesale or retail imported goods from Bangladesh. This type of activities might have positive linkage effects in terms of manpower export.

Secondly, manpower export can be possible to existing African industries and service sectors. Most of the African countries are rich in oil and minerals which are receiving large amount of FDI from developed countries. These extractive industries are now expanding and need skilled and semi-skilled manpower. Government level initiative between Bangladesh and Africa can crate large scope to export workers in African mining industries. Besides, African countries are in need of technical manpower like doctors, engineers and healthcare experts in driving their economy. Emphasizing the importance of technical, vocational education and training to the development of the nation's economy Education Minister of Ghana noted: "as a developing country, we need the technical manpower to drive the nation's manufacturing industry".²⁴³ This statement is more or less true for almost all the African countries. Some of the African countries have also expressed their interests to Bangladeshi counterpart to hire doctors, engineers, healthcare experts for their capacity building.²⁴⁴ However, according to the manpower exporters, the government level initiative to facilitate manpower export to African countries is not sufficient.²⁴⁵ Bangladesh should take diplomatic initiatives through adopting realistic policies and driving them hard to export manpower in African market.

6. Conclusion

This paper tries to examine the importance of strengthening Bangladesh-Africa economic cooperation. In doing so, it adopted an augmented stochastic frontier gravity model in order to examine Bangladesh's export potential to African countries. The results reveal that Bangladesh can utilise significant untapped export potential by removing its unobserved 'behind the border' constraints. The net potential export gain from top seven prospective export

²⁴³ allAfrica.com, "We Need Technical Manpower Skills in Driving the Economy" available at: <http://allafrica.com/stories/201001111026.html>, accessed on 25 July 2010.

²⁴⁴ "Bangladesh Eyes Trade, Farming in West Africa", *The Daily Star*, *op. cit.*

²⁴⁵ E. R Bhuiyan, "Sliding Manpower Exports Warrant Attention from Policy Makers", *The Financial Express*, 15 October 2009.

destination would be around fifty million US dollars. Most of these countries are performing well in terms of market orientation, per capita GDP and annual average economic growth during the last decade. Bangladesh can realise benefits by undertaking export facilitation measures with these countries both in government to government and business levels. The country can also undertake measures to invest in agricultural farms through leasing with a view to enhance food security situation, and establish agro-processing, food, and pharmaceuticals industries, which would be important source of employment for Bangladeshi workers. Bangladesh should also strengthen bilateral ties for securing raw materials for its industries such as cotton, minerals and petroleum from Africa. Bangladesh can also explore markets for its skilled and semi-skilled human resources in services and mineral sectors. To facilitate these initiatives there is a need for undertaking detailed studies in all possible areas of cooperation and explore the magnitude of potential benefits of cooperation in economic arena.