

## Regional energy cooperation

*Issue must be taken up at summit*

THESE are innumerable issues that the gathered heads of state and government will need to address at the 13th Saarc summit set to begin in Dhaka tomorrow, so many, in fact, that two days will scarcely be enough time to discuss them all.

One issue, detailed discussion of which is long overdue and which we feel is absolutely indispensable to the proceedings, is that of regional energy cooperation. The recent rise in the price of oil world-wide together with the fact that the energy needs of all South Asian countries are set to increase exponentially as we develop and industrialise further should make clear that this is a concern that must be at or near the top of the agenda at the summit.

It is important to take the issue away from one of bilateral concern (e.g. the export of gas from Bangladesh to India) and to locate it within the regional context, which is the appropriate perspective from which to view the matter.

Unlike other regional problems which appear intractable, and the resolution of which remain elusive, the good news with respect to energy is that there exists a blueprint for the approach that needs to be taken that is both workable and effective.

Indeed we are already seeing some level of cooperation at the bilateral level, notably between Bhutan and India and between Nepal and India, and two tripartite gas pipeline negotiations are underway (India-Myanmar-Bangladesh and India-Pakistan-Iran). There is no reason why such arrangements cannot be expanded or replicated to the advantage of all in the region.

Regional energy cooperation would allow the countries of South Asia to leverage economies of scale with respect to the generation of energy, exploit complementarities, and ultimately reduce dependence on energy from outside the region, benefiting the hard currency reserves of the countries and ensuring that they would not need to remain hostage to the notoriously volatile international oil market.

Development of an integrated South Asian energy market and cooperative development of the energy resources in the region can substantially increase the level of energy security in the region, and this will be of major benefit to all Saarc member states, both economically and politically.

## Vulnerable minorities in South Asia

*They need more rights, more opportunities*

A US report has said that religious minorities are vulnerable in Bangladesh due to their "relatively limited influence with the political elite." The report has also observed that the religious minorities are reluctant to seek legal protection and that the law enforcers do not always act with due haste to assist the minorities.

The minority issue exists in almost all the Saarc countries, though perhaps not in the same degree of virulence. So any report on this complex matter, even when it's coming from a country whose credentials for upholding the rights of people can be questioned particularly following the invasion of Iraq-- has to be treated seriously. A good point made must receive due attention, regardless of which quarters it is coming from.

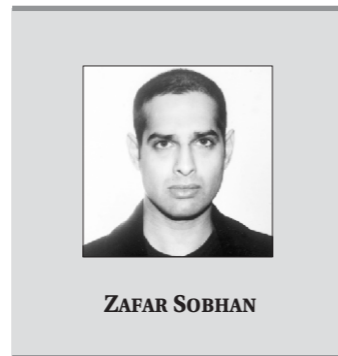
In the case of Bangladesh, a general mood of smugness has set in and the minority issues are often sidetracked with discourses on communal harmony, which may not always reflect the reality. But shouldn't any longer live in a make-believe world where the unwillingness to see everything in the right perspective is so strong that the truths about the lives of minorities are not always pushed to the fore.

We have ethnic, religious and sectarian problems, some of which are quite deep-rooted. All these issue must come under focus. We have great ethnic and religious diversity that could enrich us. But society has to reach a certain level of tolerance and accommodative spirit to turn this diversity into a strength or a dynamic element.

The minority issue often creates social tension and leads to violence in the Saarc countries. India, for example, is still struggling to ward off the memories of Gujarat. But then it has to be appreciated that Indian people responded to BJP's brutal policy of the communal card by voting the party out of power. Refined democratic pluralism triumphed over crass communalism.

So there is no need to be unduly peevisish to the observations made on our minorities. Rather, the need is to address the problems that they are facing due their religious identity.

# Internationalists and isolationists



ZAFAR SOBHAN

THIS is it. Twenty years after its inception, now is the time for Saarc to finally deliver, and in this connection there is an air of hope and optimism surrounding the 13th summit that is more or less unprecedented.

There are a number of reasons why we may today be standing at the cusp of the greatest opportunity for the region in a generation.

The first one is that the biggest obstacle to regional unity -- the antagonistic relationship between its two biggest and most influential member states, India and Pakistan -- has thawed considerably in recent years, setting the stage for further cooperation.

But the main reason seems to be perhaps a belated recognition that lack of regional unity has held South Asia back the last half century, and that if the region is to advance and solve its problems of underdevelopment and unfulfilled potential, that unity is the only game in town.

It is becoming apparent, even to the most obtuse, that the days when countries could look inward and remain insular and at the same time thrive and prosper are over. Today we live in the age of globalisation in which economic liberalism and the opening up of economies is the order of the day. The times are such that we could not return to a protected economy (such as we had in Bangladesh before the 1990s) even if we

wanted to. The forces of change, both in terms of the expectations of the general public and the political imperatives of the community of nations, make this an impossibility.

Hand in hand with opening up, almost the entire world -- be it Mercosur or Asean or the EU or Nafta -- seems to be reaping the benefits that can be attained through the formation of regional trading blocs. The fact that expanding one's market to encompass an entire region and at the same time leveraging one another's areas of

for only about two percent of the world's total wealth.

The simple truth is that the disunity of the member states has been a significant contributory factor to the South Asia's continuous cycle of under-development. Furthermore, it now needs to be openly acknowledged that many of the problems we face individually as nations, such as security and energy, can only really be adequately tackled at a regional level.

The most obvious sectors that would benefit immensely from a regional framework drawn up to facilitate

their own short-term political gain to instituting policies that would be in the interest of the general public.

The most obvious example of this is the Kashmir issue, which has long been held hostage to security hawks on either side of the Indo-Pak border, but if we examine other intra-regional relations, for instance relations between Bangladesh and India, we see that all the countries of the region, to a certain extent, can be implicated by this lack of statesmanship and unwillingness to compromise for the common good.

grated transportation and communication network.

The question is whether the political will to accomplish all this can be summoned and what are the stumbling blocks that stand in the way of what would appear to be elementary common sense public policy.

The main thing that we need to understand is that when it comes to the question of international relations there are essentially two species of politicians: internationalists and isolationists.

invasion of).

There are many ways to dress up the isolationist sentiment. The typical guise that the isolationist dons is that of the patriot, the nationalist, protecting the nation's sovereignty and culture from the onslaught of the outside world, from the impersonal forces of globalisation.

Do not be fooled. The only thing that these people fear is loss of control, of their own power. The only thing they are protecting are their own fiefdoms. Isolationists do not want the people to be either empowered or enriched or for them to be exposed to ideas and influences from outside. The only way for isolationists to retain their own privilege and authority is to keep the nation as closed to the outside world as possible.

Let us make no bones about it. There is no room for isolationists in today's polity. The battle today is the battle to overcome these reactionary forces standing in the way of compromise and cooperation.

In each country there are reactionaries, and in each country the reactionaries provide the impetus to reactionaries in other countries. Reactionaries in Pakistan strengthen the hand of reactionaries in India, and vice versa. This is true for every country in the region. The advantage internationalists have over isolationists is that isolationists from one country cannot, by definition, work together with isolationists from another country.

Internationalists, on the other hand, can and must work together. Internationalists across the region need to work together to shore up support for the idea of regional unity and cooperation. This is what the 13th Saarc summit is all about. The isolationists have had their day. They have held sway for the last half century. But now is the time to move beyond the self-defeating policies of the past and embrace a future of progress and prosperity. The opportunity of a generation stands before us, all we need to do is take it.

Zafar Sobhan is Assistant Editor of The Daily Star.

## STRAIGHT TALK

**Internationalists across the region need to work together to shore up support for the idea of regional unity and cooperation. This is what the 13th Saarc summit is all about. The isolationists have had their day. They have held sway for the last half century. But now is the time to move beyond the self-defeating policies of the past and embrace a future of progress and prosperity. The opportunity of a generation stands before us, all we need to do is take it.**

comparative advantage is a win-win proposition for all countries concerned is Economics 101.

South Asia has hitherto remained something of an exception to this rule. To this day, less than five percent of the region's total volume of trade is intra-regional, and less than five percent of total foreign direct investment is intra-regional. As a point of comparison, EU members do 60 percent of their trade with each other, and Asean members 28 percent.

There can be little doubt that the relatively anemic rate of development in South Asia over the past half century is in part due to the fact that we have been slow to capitalise on the benefits that could have accrued from greater regional cooperation. South Asia, with approximately 1.5 billion people, holds roughly a quarter of the world's population, but is home to around 70 percent of the world's poor, and accounts

cooperation are of course trade and investment. Even a modest boost to intra-regional trade and investment flows could be expected to have a beneficial impact on national income and employment. In addition, opening up the transportation network to enhance intra-regional connectivity and to fully integrate the entire South Asian region with the rest of the world would yield an abundance of direct and indirect benefits to both the countries granted access and the countries granting access.

Indeed, the benefits of greater regional cooperation are so manifold that the question must be asked as to why at this late stage the process is still in its infancy.

The answer lies in the short-sightedness of our leaders, who have preferred to pursue and perpetuate petty and small-minded differences and conflicts with their neighbours for

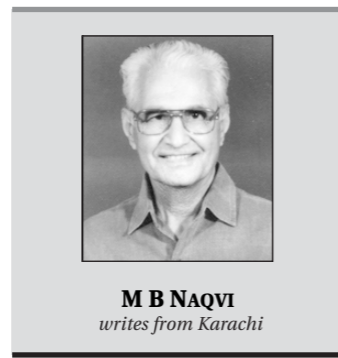
Some more than others.

The unhappy truth is that prejudice, xenophobia, and cheap nationalism have stood in our way. Too many politicians in each of our countries have made their careers on demonising one or the other of the countries in the region to score political points, and the fact that such demonisation has been inimical to each country's long-term goals has not held them back.

Today we stand at the brink of the 13th Saarc summit and everyone knows what needs to be done to pull South Asia onto the fast-track to development and prosperity.

Everyone knows that Safta needs to be made operational. Everyone knows that we need a regional energy cooperation policy to leverage economies of scale and complementarities. Everyone knows that we need some kind of pan-regional security arrangement. Everyone knows that we need an inte-

# Put the horse before the cart



M B NAQVI

writes from Karachi

RESIDENT Pervez Musharraf has made a significant proposal to India: 'Let's demilitarise Kashmir'. In principle one agrees with the idea. But alas the fact is that governments all over world are generally guided by their security experts. One hopes that the Pakistani head of state had taken into account the easily predictable Indian reaction. Preliminary Indian reaction was one of irritation and being tired of the fusillade of proposals from Pakistan.

Nevertheless, it is necessary to examine the implications of this pregnant proposal. The first implication is that there is some prior (and agreed) solution of the Kashmir problem; without that how the two hostile armies will leave the contested area? Without a definite agreement, specifying various steps of implementing that agreed solution, the idea of the armies retreating out of Kashmir is putting the cart before the horse.

Secondly, unless there is a well-worked out solution somewhere with which India's authorities concur, Musharraf's speaking with India's top authorities, runs the risk of angry rejection by the Indian Army. It will ask their political masters whether they have obtained credible guarantees that

Pak Army will not march in as India's gets out; or Pakistan might pull a fast one by letting its proxies fill the vacuum thus created because there are all too numerous trained Jihadis lurking in the shadows; that's how Indian generals are likely to read this idea.

Indian political parties' reaction has also to be taken into account. Don't Pakistani leaders know that the history of last 58 years is one of hostility and mistrust of India which means there would scarcely be an Indian who would trust the word of a Pakistani

nuclear standoff so long as Pakistan retains its nukes while Pakistani Bomb is overly India specific. The presence of the two sets of hostile nuclear deterrents is a powerful argument against demilitarisation in terms of what is the security speak.

The current situation is ludicrous: It is widely known that Pakistan cannot win a war with India, whether conventional or nuclear. That means Pakistan cannot wrest Kashmir from India by military force. For close on six decades India has poured treasure

Pakistan and India had left off in Feb 1999. This was at Agra but with no success. And a foolish step by Jihadists led to famous virtual war of 2002. There were lessons in it for both countries.

India was anxious to teach Pakistan a lesson for its Jihad promotion. It credibly meant to mount an invasion despite the presence of Pakistani nukes. The original illusion fed by Bomb lovers to Islamabad was that nuclear weapons will make Pakistan absolutely impregnable. Vajpayee made as if he will prove it wrong and

minimal deterrence, inherent in the weapons -- or too high costs -- helps maintain this no-peace-no-war situation.

As noted, there are all round impotencies to contend with: Pakistan cannot seize Kashmir by force; India cannot allow secession of Kashmir for political reasons. Mistrust between the two only promotes militarisation on both sides, which, in turn, strengthens the mistrust. But war too has become impossible for both. A solution of some sort has to be found, if for no other

ent. The second is joint control of Kashmir by India and Pakistan. The third is to permanently convert the Line of Control into an international frontier. Well, the first solution is repugnant to both countries' notions of a settlement; no one is willing to let Kashmiris actually decide their future status. The second is impractical so long as the two states remain suspicious of each other, suspicion being reinforced by nuclear weapons. The third is what the Indians would, in one's view, settle for. The question is whether Pakistan would accept it in the absence of any other solution?

American facilitators, to my mind, are trying to rephrase this third option and make it palatable to both sides. Various options that Musharraf spoke are variants of this American-supported idea. So long as India and Pakistan can be brought round to sign a settlement of Kashmir, most people will welcome it, though it is hard to see how the two can reconcile their grandiose security perceptions.

Thinking out of the box is a virtue. But it had better be *thinking*. As it happens, these two countries are embarked on a journey to normalisation of relations. Pray, what would be the normal relations between Pakistan and India? Had Islamabad been committed to peace, prosperity, freedom and cultural enrichment of its 150 million men, women and children, it would have no difficulty in defining the goal to be close friendship with India, to be anchored in a free union of all South Asia speaking to the outside world with one voice. And what would that voice say: for God's sake conduct international relations with the same aim that we have at home.

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## PLAIN WORDS

**There are three theoretical alternatives for a Kashmir solution: First, to permit Kashmir to become independent. The second is joint control of Kashmir by India and Pakistan. The third is to permanently convert the Line of Control into an international frontier. Well, the first solution is repugnant to both countries' notions of a settlement; no one is willing to let Kashmiris actually decide their future status. The second is impractical so long as the two states remain suspicious of each other, suspicion being reinforced by nuclear weapons. The third is what the Indians would, in one's view, settle for. The question is whether Pakistan would accept it in the absence of any other solution?**

general? Pakistan has no pro-Pakistan lobby in India that would recommend making a serious concession to it. Islamabad never tried to crate such a lobby. Which Indian leader will stand up in Lok Sabha and support this, or indeed any, Musharraf proposal?

The harsh political reality is *total* mistrust between India and Pakistan. This has been reinforced by myopic security designs on either side that made each a nuclear power. Whatever propagandist reasons are assigned for the possession of nukes by either side, its linkage with Kashmir cannot be denied. Even if one accepts the rather laboured Indian explanations of the genesis of their 1974 "PNE", the Indians cannot opt out of present

into Kashmir and has gone on to become a world military power largely because of that territory. It is far too committed politically to hang on to Kashmir, no matter what Kashmiris and others say or do. It has resisted Pakistan-sponsored Jihad in Kashmir for 15 years and is in no mood to throw in the towel.

Thus there are good security reasons why the two countries may, one day, come to lethal blows. History of last six years is illuminating. Soon after encountering Pakistani nukes, Indian PM AB Vajpayee tried to work out a détente over nuclear matters and rode a bus to Lahore. Gen. Musharraf responded with the Kargil war. Later, Musharraf tried to resume from where

adumbrated a new Pakistan-specific doctrine: let Pakistan nuke India first, as its doctrine stipulates, and then wait for India's massive nuclear response in kind; Pakistan will be sent back to stone age. Irrespective of what damage India suffered, its second strike capability will destroy all urban-industrial centers of Pakistan. That was a near notional certainty. Thus it was that Pakistan credibly promised to stop sending Jihadis into Kashmir. All honour to those who promised this credibly. That is how the Peace Process could start after a long cooling off period. But the latter process is going nowhere. Also, the Jihad, the only perceived lever in Pakistani hands, has not completely stopped. However, a

reason than to arrest, if not reverse, the militarisation tendencies in both countries. One is not concerned with what the Indians are likely to say or do; there are enough sensible Indians to tackle their problems. It is with Pakistan that one is concerned. It has to be saved from a process that, if left to go on working, will lead eventually to the Soviets-like implosion. World's largest military-machine and a huge nuke collection could not save the Soviet Union. Pakistanis have to beware. Therefore, a solution will have to be predicated on the recognition of foregoing realities.

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## OPINION

# Monga: Contemplating solutions

GMF ABDUR ROB

MONGA, a famine like situation, prevails for a certain period almost every year in the country's northern region. The government's efforts by giving away relief through vulnerable group feeding (VGF) programme is just a drop in the ocean to mitigate the sufferings of the poor masses. The rural youth finding no jobs in the region start migrating to big cities with hope of finding jobs. The result is concentration of people especially in Dhaka and Chittagong. Such uninterrupted migration develops ghettos in those cities causing burden on civic amenities and environment and also giving rise to anti-social activities in various forms. Unless the government is deeply aware of the multitude of problems associated with Monga and finds solution, it will be a perennial source of headache for them. The magnitude of problems that will ultimately creep up in gigantic manner will be difficult to sustain. The increasing unemployment in the north is based far too much on the barren principle of keeping some kind of work going somehow, with absence

of government initiative and policy planning.

The government's goodwill is very much imperative to solve the problem of Monga and find out jobs for the rural youth. Recently, the Jubo Karmasangsthan Society organised a discussion meeting to find out solution to Monga. There some speakers suggested cultivation of banana, sweet potatoes, and other cereals during this period and also make best use of 2.5 trillion cubic feet of stones found out in the region. Others laid emphasis on developing communications infrastructure and promote tourism to create employment opportunity. Yet other speakers suggested allocation of micro-credit by government to form cooperative societies and set up small industries to eradicate poverty. But such seasonal agriculture, promotion of tourism and setting up of small industries through micro-credit is a piecemeal solution and may be a temporary measure to combat Monga but is no answer for the permanent solution of Monga.

Under the circumstances, the government should look for a long term measure and frame policies to face Monga. The government policies must

**Government should be committed to its dominating role in the development of economy of the region. Unless the depressed areas are developed economically to sustain growth in the region, the Monga or famine like situation will prevail every year in the Bangla months of Aswin and Kartik and rural youth will continue to migrate to big cities for survival.**

be based on finding jobs in and around depressed areas or small cities where they grow up. The long term view of the government should concentrate on decentralisation of industries and help setting up of large and medium industries under government patronage. Such step to decentralise industries is needed for economic rejuvenation of the region. The policy of decentralisation of industries in the depressed areas requires more of a social and economic needs rather than the needs of entrepreneurial opportunity at the beginning. The decentralisation of the industries in the depressed areas require long term planning by government to develop depressed areas into "growth zone". In such "growth zone", increased public and private investment are to be made so as to give support to its development. No policy will do away with problems unless it establishes not just a number of new indus-

tries but the nucleus of industrial complex which will have a natural power of self-sustained development and expansion.

If the government means business and wants to develop depressed areas of the country then constitution of a "development council" is essential pre-requisite which will enforce industrialisation in the "growth zone." A new government centre i.e. central committee under planning minister to be set up to involve in the activities of planning and execution. The bureaucratic authority of different institutions tend to look with predictable disfavour at anything which threaten their own autonomy. Success will come only if all those concerned keep their mind firmly on the idea of self sustaining growth and abjure all resistance to change.

Increased public spending is to be made so as to give special support to the

"Growth zone" or "Growth points". Government spending is needed in terms of public service investments covering roads, hospitals, housing, education and so on in the depressed regions. The government shall aim at promotion of tourism industry in that region in order to give impetus to local development. Expert views and consultation with chamber of commerce and industries, travel and other associations will produce constructive ideas about the best ways of achieving desired result. Government shall continue to operate a strict policy of steering as much new industrial development as predictable, away from areas where the need for employment is less pressing. The resultant effect will be the population of the depressed areas of northern and southwestern region of the country, instead of the tendency to migrate to big cities, will

want to live and work in their own areas.

The overriding need is to diversify the region's economic life to broaden the economic base by development of wider range of enterprises. Those enterprises, for example, paper mill using bagasse, leather, mango juice and pulp, banana processing, fish processing, ceramic, textiles, chemical and pharmaceutical, re-rolling mills, and linkage industries for big sugar mills in those areas with a view to not only sustaining development of the region but also ensuring development of the national economy as a whole.

What many planners and economists would like to see is the development of industrial estates at a few selected "Growth zones" throughout the north and southwestern region. This would mean the acquisition and development of new sites and new facilities backed by govern-

ment assistance to the maximum regardless of the status of the area. The government programme of building good roads, bridges, hospital buildings, residential accommodations, gas and coal fired power stations for cheaper electricity and improving ports of the region must go on with the development programme. This requires virtual integration of related departments to remove obstacles in the way of implementation. Until this is done, the temptation to concentrate industries in and around Dhaka and Chittagong is to be overcome by government regulations. A policy of allowing new industry in a few selected "Growth points" demand not only a regional view of economic prospects but also regional planning and development in general.

An entrepreneur thinking of establishing new industry will invariably want wide choice of sites and infrastructural facilities. He will naturally want to go into an established area for factory where specialised service industries and public facilities already exist. Therefore, a policy of allowing new industry to establish in the country's northern and southwestern region requires developed infrastructural facilities. Besides a clear judgement can

be reached by the government on the efficacy of financial inducement.

The planning of whole range of programme could help reinforce regional development. What is certain is that in the face of hard realities, a powerful consensus of opinion is the need for the uplift and industrialisation of depressed regions. Government should be committed to its dominating role in the development of economy of the region. Like any major business it should be manned by experienced and dashing personnel if delay, inefficiency and wastage are to be avoided. The administrative body at each level should co-ordinate with the regional planning and administrative authority in realising industrial development of the less developed region. Unless the depressed areas are developed economically to sustain growth in the region, the Monga or famine like situation will prevail every year in the Bangla months of Aswin and Kartik and rural youth will continue to migrate to big cities for survival.