

Consensual and coercive stability

The entire law and order enforcement campaign of the current caretaker government, with the support of the Bangladesh armed forces, is nothing more than a legitimate exercise by the "troubled state" of Bangladesh to deliver that much needed coercive stability in the very best interest of its people.

CHOWDHURY IRAD AHMED SIDDIKY

A Chowdhury Irad Ahmed Siddiky is a freelance contributor to The Daily Sstate is many things: a history, a group of people, a set of laws. When a society does not prevent actions that yield a net loss to each of its members it has taken liberty to a point where it becomes counter-productive. Thus, it becomes a "libertine" society as opposed to a liberal one. The validity of laws in any society depends on the continuation of the legal order under which those laws were made.

Once that legal order is destroyed, the laws cease to have validity. If the destruction of the legal order is spontaneously caused by political disorder, criminal action, unqualified military rule with criminal motive, and anarchy, then the state has failed to fulfil the basic needs of a substantial element

of its population and can therefore be called a "troubled state."

A state in trouble often casts fundamental doubt on the legitimacy of the regime in power. The disintegration of law and order also exposes the latent incapacity and failure of the government to deal with those problems.

The presence of a well-functioning government does not mean that a sovereign state will have the capacity to establish an assured peaceful law and order situation over time. Still, the government is spared the indignity of the jurisprudential insult of being asked whether law exists, unless the sort of chaos prevails that leads outsiders to label the reality as an instance of a marginal state or a failed state, or a terrorist state, as we are compelled to believe by the course of recent political events in Bangladesh.

A major reason of worry about

"failed states," "marginal states," and "troubled states" is due to the suffering caused internally by a lack of security as well as the instability generated externally, either in the region or in the world as a whole.

A state, which is unstable internally, incites its more expansionary neighbours into action, as internal instability usually implies military weakness. However, it might also cause concern to its neighbour, being a source of refugees and a collapsing economy, which might have an effect on its neighbour's economy.

The economic aspect is closely related to the political. A system of economic distribution in a stable state relies on a reasonably stable legal system whose efficacy requires an effective government. The legal and economic system then determines our entitlements under this particular legal/economic code. This

is a totally different thing from entitlements as determined by equity.

People get their entitlements from a whole range of positions in the society. They get them through work in the economic system; they get them through ownership; they can get them through some legal position such as being prime minister, attorney general, chairman of the public service commission, or head of the armed forces; and, of course, people can jump out of the legal system and acquire resources by stealing, either surreptitiously or quiet openly by force.

Working and owning things in particular require a functioning legal framework. This, of course, gives great power to the people in charge of the decision making process. They can ensure that they get the lion's share of what is available in the society.

Thus, societies in which the elite are difficult to challenge reinforce them by generous allocation of resources to them. In the case of open and broadly democratic societies this is more restricted, in that the elite can be challenged. Their activities are more trans-

parent and they have less of a monopoly grip on the levers of the state.

Ironically, states with a weak and authoritarian political leadership in a dynastic political order supported by procedural democracy of a rubber-stamp parliament can both shift resources towards the elites and leave the rest of the population in poverty. Cases from Bangladesh to Nigeria correspond to this model.

In a poor country the prospect of diverting wealth to the elite is particularly appealing. Consequently, there is a struggle to become a member of the elite, bringing governmental instability to many poor countries. Also, in a poor country with inadequate or corrupt police, stealing becomes more attractive than producing.

It is much more profitable to form an armed band and rob other people than to go to all the trouble of making and selling things. The weakness of this argument when generalised to a whole state is obvious. Nothing gets produced, and the decline continues further.

There is a stage in the whole process where the economy simply collapses. Well before

that stage the economy can be severely impeded by the profitability of crime, as in the case of Bangladesh.

A state is supposed to provide its citizens with physical security against attack, either internally or by foreigners. The internal attacks can come from political groups or groups of organised criminals. Essentially, there are two forms of internal stability: consensual stability and coercive stability.

Consensual stability exists when stability is brought about by normal policing and threats to security come from normal criminal activities at some moderately low level. This was the situation in Bangladesh in more peaceful times.

When criminal activities are at a high level, just like the period immediately preceding the installation of the current administration in Bangladesh, consensual stability is not provided even though the political system might be comparatively stable.

In this scenario, what is provided is called coercive stability. Coercive stability exists when states provide physical security in the sense of comparative order internally, but at the cost

of severe repression that can legitimately be regarded as violence, and certainly impeding the liberty if not the security of the necessarily tranquil inhabitants.

The entire law and order enforcement campaign of the current caretaker government, with the support of the Bangladesh armed forces, is nothing more than a legitimate exercise by the "troubled state" of Bangladesh to deliver that much needed coercive stability in the very best interest of its people.

Troubled states exist only because they are recognised as existing by other governments. Sovereignty is given to them simply because they are recognised as sovereign. These states are called "quasi-states," of which Bangladesh is the most well-known one in Asia.

Internally, these states do not provide the basic services that they can be expected to provide. There is often little security, and killings on the basis of political disputes are common. The basic underlying infrastructure that an economy needs (which of course includes security) is not consistently provided by these states.

These states are amongst the poorest in the world despite being reasonably well endowed with natural resources like petroleum and natural gas. The very fact of recognition from outside, coupled with control of the means of violence internally, gave many elite of these "quasi-states" the power to enrich themselves in a way that any involvement in economic production would not.

They can channel foreign aid in their own direction, do favourable deals with multi-nationals for their own rather than their country's benefit, and tax their hapless compatriots on what little wealth they are able to accumulate in the dreadful political circumstances.

The past regimes of Bangladesh, characterised by political dynasties and elected dictatorships, have taken Bangladesh on the highway to becoming a failed state. Under such circumstances the current support of the army, with covert support and intervention of the international community, is a blessing in disguise for Bangladesh.

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An alarming horizon

AFTAB ALAM KHAN

ENERGY is the backbone of our national development and economic emancipation. Energy resources like coal and natural gas are nature's gifts bestowed upon a nation. The prosperity of a nation greatly depends on the proper exploitation and utilisation of such resources to meet the demand for energy. But our energy scenario is in a gloomy and alarming state.

Presently, almost 80% of electricity is produced by natural gas, and uses up about 51% of the daily gas production. The next major gas consuming sector is fertiliser, which consumes about 21% of the daily gas production. The daily gas production is currently about 1600 MMCFD (million cubic feet per day). Around fifty one per cent of daily gas production is used to generate about 3200+ megawatt of electricity daily. In addition, about 1000 megawatt is produced from hydro-, fuel-, and thermal based sources, resulting in a deficit of about 800 megawatt in daily demand.

Our present daily electricity demand is about 5000 megawatt, and the projected demand is about 15000 megawatt by 2020. Meeting such a large demand of 15000 megawatt

daily will require daily gas production to the tune of 4500 MMCFD.

In addition about 4000 MMCFD will be needed to produce fertiliser, and for other industrial uses. The total demand for gas will be around 8500 MMCFD by 2020. Considering only 6% annual growth rate from 2007 AD to 2020 AD, total gas consumption would be more than 12 TCF, while for 7% annual growth rate it would be more than 13 TCF. How much reserves of gas do we actually have?

Two estimates, as of December 2003, prepared by the National Committee of Gas Demand and Reserve 2002 (data source: Energy Resources of Bangladesh by Badrul Imam, page 67 & 68) suggest that in 2007 the recoverable gas reserve amounts to 9.5 TCF (conservative estimate) and 12.8 TCF (liberal estimate), respectively.

However, it is beyond any doubt that the country has a maximum of 11 TCF (proven + probable) gas reserve at present, including Bibiyana (2.4 TCF?), even if a liberal estimate is considered. Hence, how shall we meet the target of 15000 megawatt daily electricity demand by 2020 when our gas reserves will be emptied even much before 2020?

The other energy resource is coal, one of the most important resources for electricity generation. Coal has been used for electricity generation globally for centuries. A deposit of high-grade bituminous coal in Bangladesh was discovered at Jamalganj (Joypurhat) in 1962, and subsequently more discoveries were made at Boropukuria, Khalaspir, Dighipara, and Phulbari.

The extreme depths of the Jamalganj coal seams rule out the possibility of any coal mining, but the other four coal fields can be mined. These four coal fields together contain about 1000 million tons of total reserves. Underground mining can recover a maximum of 200 million tons during the mine life.

Even if all the mines attain full production the yearly output of 5 million tons as opined by some energy experts would be very hard to achieve. Even if daily production of 13700 tons (5 million tons yearly) is achieved, and all of it is used for electricity generation, it will generate about 2000 megawatt electricity daily.

At present, only 250 megawatt electricity is produced daily from the plants at Boropukuria, using 1200 million tons of our own coal and 800 million tons of very low grade (possibly lignite) imported coal.

To increase the efficiency of the Boropukuria power plants high grade coal will be imported from abroad at \$170 per ton against the present international price of \$70 per ton!! We have already explored 12 basins in the northwestern shelf, of which only 4 basins contain coal at exploitable depths. Whether or not we have any more undiscovered coal deposits only time will tell.

The bottom line is the choice of mining method. This is the crucial part of coal mine design and development, because of the 80% and 20% recovery limit from "open-pit" and "underground mining" methods respectively.

Open-pit mining, though allowing 80% recovery, has enormous social, environmental and financial impact, especially in a country like Bangladesh, which is solely dependent on agriculture. The loss of agricultural lands and population displacement are the two major unmanageable and irreparable social hazards. Open-pit mining in Australia, India or some European countries cannot be used as examples because it is done in absolutely barren and hostile lands.

Other environmental problems include the possible desertification of the entire northwest-

ern region of the country because the Tista fan, which is the principle catchment area for groundwater recharge of the entire region, will be severely affected and, eventually, other ecological imbalances will crop-up. For an open-pit mine at Phulbari, the base of the mine will be about 300m deep to maintain the slope stability.

This will expose about 200m of the Dupi, Tila, and Tista fan water-bearing sand-face in a 6 sq km mine area. Since the regional gradient is to the south, one can easily foresee how unmanageable the dewatering problem will be. There will be enormous lowering of groundwater table in the upper fan region. The problem of acid mine drainage contaminating down-slope regions is obvious and needs no explanation.

It was calculated that open-pit mining would incur a loss of \$19 billion alone from Phulbari (Dr. Mustafizur Rahman, Daily Star, March 29, 2006). Hence, open-pit mining is a luxury for us, and is simply out of the question due to the multiple social, financial and environmental hazards involved.

We have no options other than to go for underground mining for coal extraction and development. The government is

actively considering formulation of a coal policy to incorporate into the National Energy Policy. A number of good suggestions have been put forward, such as the declaration of a coal zone in northwestern Bangladesh and the establishment of Coalbanga.

The pertinent question is, how best can we face and meet the challenges of the energy crisis that is likely to emerge in the very near future. We have very few options, and those need to be considered with national interest in mind.

We need to launch a massive search programme for gas discovery, both on-shore and off-shore, largely with our own resources. We may think of importing gas into Teknaf, a distance of about 100 km from the Shwe Gas Field on the Arakan coast in Myanmar, on bilateral agreement.

We must not go for any further coal mining ventures by any foreign agencies. If necessary, only experienced foreign consultants may be appointed. The up-coming coal policy must guarantee our 100% ownership and no-export of coal.

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Signs of progress



ELLIS COSE

His is a peculiarly American paradox: Barack Obama is both transracial and largely defined by race. He stands with one foot in a longed-for postracial future and the other in America's thoroughly racialised past. That reality, along with his stirring message of hope, gives his candidacy much of its power. It also presents Obama with a challenge: to win the presidency, he must convince white Americans he speaks for them, while convincing Americans of color he is uniquely their own.

That Obama cannot take the "minority vote" for granted is a reflection of progress in America's struggle to get beyond race. It also is a reflection of the unprecedented diversity among Democratic presidential candidates. With a black man, a Latino -- and a white woman, of course -- in the race, clan solidarity is less of an issue for minority voters than at points in the past.

"Usually, when you have one (person of color) in a contest, there is a rush to support them ... but some of that has been lost," observes California Community Foundation President Antonia Hernández, former head of the Mexican American Legal Defense Fund. A generational shift is taking place, too. Breaking racial, gender and ethnic barriers is simply not as big of a deal to younger voters as it was to those forged in the movements of the 1960s. And Bill and Hillary Clinton have worked hard to strengthen ties with minority communities, which weaken the lure of ethnic solidarity.

Obama and Bill Richardson, a Latino and governor of New Mexico, were warmly received at the annual meeting of the National Association of Latino Elected and Appointed Officials in Orlando, Fla., earlier this month, but Clinton got more applause.

She connected easily with the heavily Latino audience, where as Obama appeared "defensive" when asked about his support for legislation authorising a reinforced double-layer fence along much of the US-Mexican border, recalls NALEO educational-fund board member Henry Fernandez.

In a national poll conducted for the Latino Policy Coalition, Clinton garnered 60 per cent of the votes from prospective Latino voters. Obama and Richardson received 12 and 9 per cent, respectively. Part of the problem, for both Obama and Richardson, is that they are relatively unknown among Latinos. Indeed, many Latinos don't even

realise Richardson is Latino.

That will change, no doubt, as the candidates make more-targeted appeals, and as ethnic loyalties begin to play out. "If Obama is the actual nominee, we cannot help but root for him," says Fernandez. "A person of color is a person of color, whether Hispanic or Asian. If Barack makes it, we make it."

Some Asian-Americans feel the same way, given Obama's Hawaiian roots and his half Indonesian sister. While excitement about Obama's candidacy stems in part from his ethnic background, it has more to do with his message of hope and responsibility, which "really resonates strongly with many Asian-Americans," particularly strivers from immigrant backgrounds, says Karen Narasaki, President of the Asian American Justice Center.

Race may only be one factor in a candidacy, but it can still be a big one. In the new NEWSWEEK Poll, 80 per cent of registered voters said they would vote for a qualified Hispanic -- but only 40 per cent thought the country was "ready to elect a Hispanic president." (A clear majority of Americans deemed the country ready to elect a female or an African-American.)

The numbers may well be rooted in concern and hostility stirred up by this year's polarising debate on immigration. They could also be due to the fact that a Latino politician with Barack Obama's charisma has not yet surfaced on the national level. Richardson's inability so far to generate excitement may have less to do with his ethnicity than with his style. "He just doesn't excite," says Nicolás Vaca, author of "The Presumed Alliance," a book that explores black-Latino politics.

But even without an exciting Latino candidate, Latino voters matter a great deal. In a bid for greater influence, many states with large Latino populations, including California, Illinois and Texas, have scheduled earlier primaries. This race "will be a contest for the hearts and minds of Latinos," John Bueno, NALEO's president, recently declared.

That may be something of an overstatement, but it's clear that Obama is not the only Democratic candidate who needs to appeal to diverse constituencies. It has become America's challenge to articulate a vision that both acknowledges and transcends the differences that have defined us for so long. Obama gets that. The beauty of this present moment is that a lot of other people get it too.

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Russia puts energy importers over a barrel

MICHAEL RICHARDSON

Russia exports more natural gas than any other country and has by far the biggest proven reserves in the world. Much of this so-called "clean" energy is close to Asia, where demand is rising fast for carbon fuels less polluting than coal and oil. Countries are trying to reduce air pollution that harms human health. They're also under pressure to reduce emissions blamed for warming the planet.

Russia is also the world's second largest oil exporter, standing number eight in terms of reserves. Yet until recently, little of this energy went to Asia and the Pacific. Instead, for more than 30 years, Russia -- and before it, the Soviet Union -- sent huge quantities to Europe. Today, Europe depends on Russia for more than a quarter of its gas supply and almost 30 per cent of its crude oil imports.

However, the government of Russian President Vladimir Putin seems poised to adjust this energy-export imbalance between Asia and Europe. As it does so, Russia -- with about two thirds of its territory in Asia -- will gain both economic and political influence, becoming a major player in the region as it is in Europe.

Enhancing Russia's role will be its rejuvenated military power, largely financed by taxes and royalties from the oil and gas

sector, which the World Bank says accounts for 20 per cent of the country's GDP, over 60 per cent of its export earnings and 30 per cent of all foreign direct investment.

A key question is where in Asia and the Pacific will most of the Russian energy go? Russian officials say that China is the biggest potential market, but that Japan, South Korea, India and the US are also targets.

Russia aims to use energy, as it already does in Europe, to maximise its economic and geopolitical advantage. For example, Gazprom, the Russian state-controlled gas monopoly, recently warned US energy giant ExxonMobil not to finalise a gas-supply deal with China from a project on Sakhalin Island off the eastern coast of Russia, saying it could upset Russian negotiations with China on pricing and other terms for a bigger long-term gas export deal.

In June, Gazprom said it would take over a giant Siberian gas field belonging to BP and local private-sector investors, for a knockdown price between US \$700 million and \$900 million. The field at Kovykta in Eastern Siberia is estimated to contain about 2 trillion cubic meters of gas, enough to start supplying China through a pipeline that could be built over the next three years.

This would be one of two Russian pipelines, the first

carrying 30 billion cubic meters of gas each year to western China and the second 38 billion cubic meters to eastern China. If this gas starts flowing in the next decade, it will be a major addition to Chinese supplies, but still less than half the gas Russia sold to Europe in 2005.

Last year, Russia exported almost 4 million barrels of crude oil per day and around 3 million barrels of oil products per day. Over 75 per cent went to Europe and much of the rest to the US.

Asia received less than 10 per cent of Russia's oil exports, a far smaller share than Europe. China -- East Asia's biggest importer of Russian oil -- bought around 300,000 barrels of oil per day from its neighbour, slightly less than 10 per cent of total Chinese crude imports. This oil was shipped to China by rail.

However, Russia is preparing to become a major oil exporter and gas supplier by pipeline to Asia. The government is building a 4,000 kilometer pipeline from Taishet, in Eastern Siberia, to connect with an export terminal at Kozmino Bay, southeast of Nakhodka, a port city overlooking the Sea of Japan.

The first stage, scheduled for completion by late next year at a cost of around US \$11 billion, will carry oil to Skovorodino, near the border with China. From there, China will finance construction of a spur pipeline, just over 1,000 kilometers, to

deliver 300,000 barrels of oil per day deep into its territory, effectively doubling crude-oil imports from Russia.

When completed sometime in the next decade, the Eastern Siberia-Pacific Ocean oil-export pipeline will have a capacity of 1.6 million barrels of oil per day -- enabling Russia to ship oil to other markets in energy-short Asia as well as to China. It could also be used to send oil to the US in tankers.

Japan, which does not want to see rival China take the lion's share of Russian energy east of the Ural Mountains, has offered to marshal US \$7 billion in loans to help build the pipeline. While the main pipeline will bypass the China and run entirely through Russian territory to the Pacific, Beijing doubtless hopes it can negotiate a bigger offtake than 300,000 barrels of oil per day.

Can Russia deliver on its promise to be a reliable long-term, large-scale gas and oil supplier to Asia and the US, as well as Europe? Gazprom is Russia's biggest company and the world's largest producer of natural gas, accounting for about 20 per cent of global output.

The government has charged it with responsibility for coordinating gas, oil and pipeline development in the huge swathe of East Siberian and Far East territory.

However, Gazprom's gas production has not been rising fast enough in recent years to

meet future domestic and foreign demand. Some of its major fields, particularly those in Western Siberia that supply Europe, are aging and in decline.

The government forces the firm to sell subsidised gas to domestic users, although these subsidies are due to be phased out by 2013. And Gazprom could use more export pipelines for its gas, especially to Asia. This is being rectified, with more pipelines built for both Europe and Asia.

Russia's long-established oilfields in Western Siberia, like its major gas fields, are past peak production levels. Output from these oilfields is falling and extraction costs are rising. The most promising areas for new oil production are in Eastern Siberia and on Sakhalin Island. Russian officials say that they can meet foreseeable Asian and US demand from these areas.

But in recent years, as Gazprom and its oil equivalent, Rosneft, have muscled their way back to the commanding heights of Russia's energy economy, multinational petroleum giants like BP and Shell with substantial assets in the country have been bruised.

Before using strong-arm tactics to take a controlling stake from BP and its Russian private-sector partners in the Kovykta gas field in East Siberia last month, Gazprom had used similar high-pressure methods in

December to gain a majority share from Shell and a group of Japanese companies in a huge oil and gas project on Sakhalin Island.

Will foreign firms continue to put their money, technology and know-how into development of Russian energy resources? Indications are that they will, provided operating rules are not further tilted against them and they are offered access to new reserves on terms they regard as profitable and predictable.

China's state-owned petroleum companies are also unhappy with Russian terms. Gazprom insists that China pay world-market prices for Russian gas. Meanwhile, China hedges its bets by importing more gas from Southeast Asia, Central Asia, Australia, the Middle East and other non-Russian sources.

If Russia and China agree on a major long-term energy-supply deal, it will consolidate their strategic partnership. If they fail and Russia sends most of its gas and oil instead to Japan, South Korea, the US and other energy-short countries, a power equation less favorable to China will emerge in the region.

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