

Transit: The lose-lose game

SAYEUFUL ISLAM

IT is in the interest of both Bangladesh and India to have a win-win and sustainable relationship. Global trends show economies benefit by integration of markets. The proposed transit / corridor through Bangladesh would be used for transporting goods from one part of India to the other part. A strange case of segregating economies instead of integrating -- the growth scenario promoted by global agencies such as the ADB and World Bank.

The transit accord of 1973 made sense when it was formulated. Bangladesh had just attained independence and the country was in ruins. Almost everything was imported. Today it is a different reality. Bangladesh is a manufacturing hub. This year Bangladesh will export goods worth \$20 billion. If we can compete globally and add value to the consumers all over the world, why should we not join hands with the people of the Indian North East (NE) and provide them with their necessities?

Today, we are the most logical export partner for the people of the NE. Goods that the small traders need could be reached there in a day from Sylhet, Comilla and Chittagong. They can form partnerships with Bangladeshi business much easier than with others hundreds of miles away.

Concurrently we can use the raw materials that the North East India has in abundance and use our extensive manufacturing capability for processing and re-export.

This is the only way integration and the development of the region and the economic wellbeing of the peoples would be speedy, sustainable and inclusive. Instead of connecting the two parts of India economically bypassing Bangladesh, the people of the region would be best served if connectivity between Bangladesh and the NE was enhanced.

Though the Indian Government has earmarked \$1 billion as aid for developing our transport infrastructure geared to transit, the people of Bangladesh want trade not aid. The big question is -- why should we take the economic and dependency burden of this aid package when the foundations on which it is being promoted go squarely against all interests of Bangladesh and of the economic wellbeing of the people of the region.

Transit is being promoted on myths -- the regional economic integration myth

As per the present draft of the transit proposal -

- a. Goods will be conceptualised, designed, manufactured, packaged and put into sealed containers.
- b. The goods will then travel through Bangladesh territory.
- c. They will then be unloaded in the NE. There they will be warehoused, advertised, marketed, and distributed.



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The activities (a) and (c) will be taking place in India. These activities will have no contribution to our economy. As the North East develops, the growth of the region will be designed on the basis of economic integration with mainland India and complete segregation with Bangladesh.

The population of the NE is approximately 55,000,000. If the potential consumption of products that are manufactured in Bangladesh are valued at only \$10/month per person than the market potential for Bangladesh is \$6.5 billion annually. This market will be lost because of transit.

The regional connectivity myth

On the North East India shares borders with China and Myanmar. There is no onward road connectivity from the NE with Myanmar and to China. Hence the concept that the transit route would provide regional connectivity to Thailand and beyond is a distant dream. To the west the road connectivity through India, faces a dead end in Pakistan and in the battlefields of Afghanistan and Iraq. Where is the regional connectivity?

Where do these myths lead Bangladesh to?

Strategic and Security Concerns

- The contentious border of North

Eastern India with China has seen armed conflict in 1962. Both sides still have claims on territory which the other controls.

If there was to be military engagement or the possibility of military engagement between India and China in the NE (or for that matter in any region where the two countries are vying for influence), would India use the transit route to speedily move troops and weapons across Bangladesh? What would be China's reactions in such a scenario?

It is not for us to weigh in on the possibilities of such engagement but the view of an influential Indian politician is relevant. During recent visit to Bangladesh, the former India Minister in charge of the NE Mr. Mani Shanker Iyer stated that when the NE grows economically because of connectivity and infrastructure improvement, India would "take on China."

- The NE is an area where many insurgents groups operate with separate agendas. If transit is perceived by any or all of these groups to be playing a part in the supply chain of the Indian forces it could potentially become a target for them. There would be the danger of a spillover into Bangladesh.
- As a developing country, with an active and contentious political climate, the

possibility of disruption of vehicular traffic due to civil or political unrest and hartals is very real.

If the domestic security situation does not allow the movement of trucks for providing essentials to the people of the NE what challenges will the two governments face?

- There is talk of forming a public limited company for operating the transit. Those who will buy shares of this company would like the corridor to be in full use. Against this group who will be those opposed to the use of this corridor. It could become brother fighting brother.

• The transit with the massive investment required would change the development plans of Bangladesh significantly.

Why should we plunge into this major digression of our national planning and spending strategy for development?

Economic Concerns

- Bangladesh will not only lose a potential market of \$ 6 billion annually but also the job creation possibilities that would come with this.
- There will be substantially increased traffic congestion on Bangladeshi roads making the whole transport

network inefficient.

- There will additionally be considerable investment required for the maintenance of the road network.
- There will be a negative effect on foreign investment in Bangladesh because of the lowered efficiency caused by increased traffic congestion.
- There will be a negative effect on the health of the people of Bangladesh due to pollution caused by truck emissions and by diseases brought into the country.
- There will be additional pressure on our foreign exchange reserves caused by the use of imported diesel by Indian trucks.

Approximately 40 million tonnes of cargoes are moved from the NE to other parts of India by road. If half of this, that is 20 million tonnes, is moved through Bangladesh in trucks with an average capacity of 10 tons then approximately two million trucks may be taking this corridor. As the cost of diesel is cheaper in Bangladesh than in India, it is expected that the trucks will come empty and leave full. If the average offtake by each truck is 200 litres, an additional 400 million litres of diesel will have to be imported using our scarce foreign exchange.

• The building of the transit facilities would bring about a massive increase in our national debt estimated at \$ 7 billion and make us very vulnerable to externalities.

The pride of self reliance that we have achieved with our blood sweat and tears and with which we are building Bangladesh will come under a new threat. Our freedom -- economic and fiscal decision making freedom, if history is to be a guide, could be eroded.

The decision on whether Bangladesh should allow transit facilities to India should be made on an evaluation of the cost and benefit to both the countries.

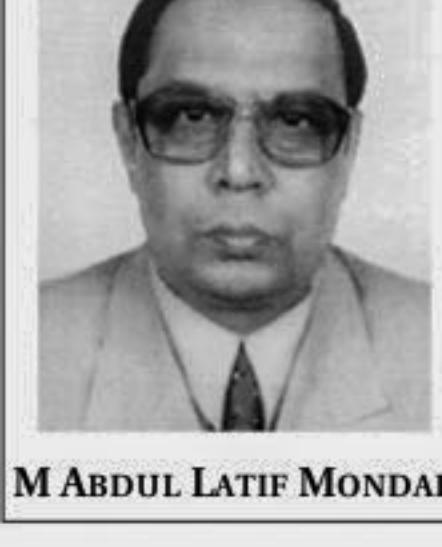
Then there are the security considerations. The basis of all negotiations must be the guarantee of our national security. This complex issue must start with the guarantee that this facility will never ever be used for transporting any military men or materiel. Bangladesh must also make 100% inspection of all goods coming in and going out mandatory.

If negotiations are carried out on the basis of transparency and fairness, on the basis of principles that clearly benefit all the people of the region, we may create a sound basis for cementing our relationship. If the gains are perceived to be one sided it is also likely to be unsustainable. And then it will become a lose-lose game.

The writer is the President of G9, a "nationalist think tank close to BNP." E-mail: g9president@gmail.com

BARE FACTS

Appointment of election commissioners



THE Election Commission (EC) has drafted a law titled "Chief Election Commissioner and Election Commissioner (Appointment Procedure) Act, 2011" and started seeking opinion of registered political parties, civil society members, senior journalists and others on it, aiming at its enactment as law of parliament.

The constitution of Bangladesh has neither prescribed qualifications for the appointment as chief election commissioner (CEC) and election commissioners nor fixed the number of election commissioners to be appointed. It has also not prescribed the detailed procedure that would be used in selecting the persons as CEC and election commissioners.

The constitution says that "there shall be an election commission for Bangladesh consisting of a chief election commissioner and such number of other election commissioners, if any, as the president may from time to time direct, and the appointment of the chief election commissioner and other election commissioners (if any) shall, subject to the provisions of any law made in that behalf, be made by the president" [Article 118(1)].

A closer look into this Article reveals that the constitution has made provision for enactment of a law for the purpose. But no such law has been enacted during the last

40 years of independence.

In the absence of a law to regulate the appointments of the CEC and election commissioners, their appointments have been at the pleasure of the government. The successive party governments have generally appointed such persons to these posts as sympathisers to their cause, particularly to influence the general elections to members of parliament.

Besides the party governments, the military usurpers of the state power have used the EC to serve their cause. In order to "obtain their sanction to govern" the generals usurping the state power in the late seventies and early eighties held national referendums and used the EC to bring the results of the referendums in their favour.

The draft law of the EC has 7 sections. Sections 1, 2 and 7 contain routine matters like short title, definitions, etc. of the proposed Act.

Section 3 is the composition of the EC. The draft law proposes that the EC shall consist of one CEC and two Election Commissioners. Of the two Election Commissioners, one shall be female.

We have seen how the immediate past BNP-led alliance government took the advantage of the unspecified number of election commissioners in the constitution to appoint three election commissioners on political considerations.

President Iajuddin Ahmed, who assumed the charge of the chief adviser of the care-

taker government in October 2006, appointed two more election commissioners in November 2006 on political consideration. With six election commissioners, the Aziz-led EC became the largest one ever in Bangladesh.

It may be relevant to mention here that the election commission of India consists of one chief election commissioner and two election commissioners. And until October 1989, there was just one chief election commissioner.

The composition of the EC suggested in

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Section 4 prescribes qualifications for these appointments. Administrative experience, honesty, righteousness, uncompromising neutrality and knowledge in legal matters have been suggested as necessary qualifications for CEC and election commissioners.

The suggested qualifications are reasonable and acceptable.

Section 5 suggests a five-member search committee headed by the CEC. The other members of the committee include a high court division judge nominated by the chief

justice, chairman of the anti-corruption commission, chairman of public service commission and the comptroller and auditor-general.

The functions and responsibilities of the search committee include searching out persons suitable for appointment as CEC and election commissioners and prepare a three-member panel for each of the vacant posts, and send such panels to the prime minister's office for examination and consideration of the parliament's business advisory committee (BAC) headed by the speaker.

A closer look into the suggested procedure shows that the search committee will be responsible for seeking out persons suitable for appointment against the vacant posts of election commissioners, which also includes the post of the CEC.

In South Africa, such functions are performed by a "panel of representatives from the other institutions supporting democracy." The chairman of the constitutional court heads the panel. The search committee suggested in the draft law may be headed by a judge of the appellate division nominated by the chief justice. In that case, the chairman of the human rights commission, Bangladesh may replace the high court division judge as a member of the committee.

The draft law also suggests that the president will appoint anyone from the panel finalised by the BAC as election commissioner or CEC, as the case may be. We know

that because of the constitutional obligation, the president has no choice but to approve appointment of the person recommended by the PM from the panel. So, the political bias in the appointments may not be averted.

The law should provide that the BAC will finalise the name of those appointed as CEC or election commissioner from the panel prepared by the search committee in its meeting attended by the PM and the leader of the opposition or their nominees. In that case, there will be no scope for recommending a different name from the PMO. The approval of the president will thus become a routine matter.

The tenure of appointments of the incumbent CEC and the two other election commissioners expires early next year. The EC deserves thanks for taking the initiative for the enactment of a law that regulates the appointments of the CEC and election commissioners. If the draft law is enacted by the parliament with suitable amendments, it will reduce politicisation to these posts to the minimum.

We hope that both the ruling AL and the opposition BNP will agree to the enactment of the law. The onus, however, primarily lies with the ruling AL. If the government and the opposition can reach a consensus for making appointments to the posts of the CEC and the election commissioners, it will help ease confrontational politics of the two major parties to a considerable extent.

The writer is Former Secretary. E-mail: latifm43@gmail.com