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REVIVING EXPORTS OF JUTE PRODUCTS FROM BANGLADESH

Mohammad A. Razzaque
Mahfuz Kabir
Mr. Md. Rabiul Islam Rabi

Abstract

Bangladesh Bangladesh has been the largest exporter of jute and jute products with around two-thirds share of the global market. However, the amount of export earnings and the share of jute in total export receipts have been meagre over the last two decades. The present paper finds that even though there are ongoing efforts of input and product diversification, and introduction of some value-added products, the sector has not been able to tap the potential of jute as an eco-friendly fibre in the international market. This paper reveals that dependence on jute fibre and traditional products, lack of innovation in product design and diversification, insufficient market search, inefficiency and old machinery of state-owned jute mills, and lack of private sector participation in large-scale investment are some of the important bottlenecks in boosting the export performance of this sector. The government has recently decided to run the state-owned jute mills under public-private partnership (PPP) to avoid cumulative loss, which is also expected to affect the jute export. Given this context the present paper suggests that in order to revive jute exports and rejuvenating the sector, there is a need for bringing high-end and diversified products, such as Sonali jute polybag, jute-tin, jute viscose and cellulose, and improved jute geotextile, among others. In addition, the Bangladesh Jute Mills Corporation (BJMC) should be reformed through improved management and market-oriented skills under the PPP model, innovations and market linkages should be promoting especially by private sector, new products should be made commercially viable, and Foreign Direct Investment (FDI) should be attracted for adopting new technology, standardization, advertisement and promotion, research & development (R&D), and promoting greater access of jute products to the global market. Finally, new and promising products for local firms can be promoted through creation of a special fund with provisions for low interest and soft term loans, which would encourage the private sector to take the lead in the prospective international market.

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1. INTRODUCTION

Jute is cultivated mainly in the Bengal Delta, most of which is occupied by Bangladesh. Jute fibres are extracted from jute plants through retting, stripping, washing and drying. For further manufacturing purposes, jute fibres can be bleached or dyed. Jute is the second-most used vegetable fibre after cotton across the world. It is fully natural biodegradable and compostable fibre. Jute products are considered to address emerging environmental and ecological concerns at a global level, especially in the developed countries as more countries adopt environment-friendly products. Traditionally, Bangladesh's jute is labelled as 'golden fibre' in textbooks and policy documents for at least three decades after the 1970s. Till the late 1980s, Jute exports from Bangladesh used to fetch the highest amount of foreign currency. Because of the quality of jute fibres produced in the country is considered to be the best in the world for which it dominates the international market.

Globally, India, Bangladesh and China are the top three producers of jute (Table 1). Bangladesh is the second-largest producer of jute fibre in the world after India. However, Bangladesh is the biggest global exporter of jute products (fibres and manufactured items) with a 63 per cent share in 2018. Despite being the largest jute producer, India's share in the global jute market was about 19.8 per cent in 2018 which has been gradually increasing in recent times. Another jute exporter is Nepal which had 4.2 per cent share in the global market in 2018. China's position in the international jute market has been less than 1 per cent.

The Jat Area, located in Bangladesh, is popular for highest quality of jute fibre¹. This area enables the country to supply the highest quality of jute fibre in the world. However, because of slow adaptation to technologies and innovations, Bangladesh could not realise the full potential of the global jute market. On the other hand, India has adopted improved techniques that helped it to become the largest producer of jute fibre in the world. India is also the world's largest consumer of jute products (World Jute, n.d.). India's national law to use jute for packaging is considered to be one of the major driving factors behind this extensive use of jute products.

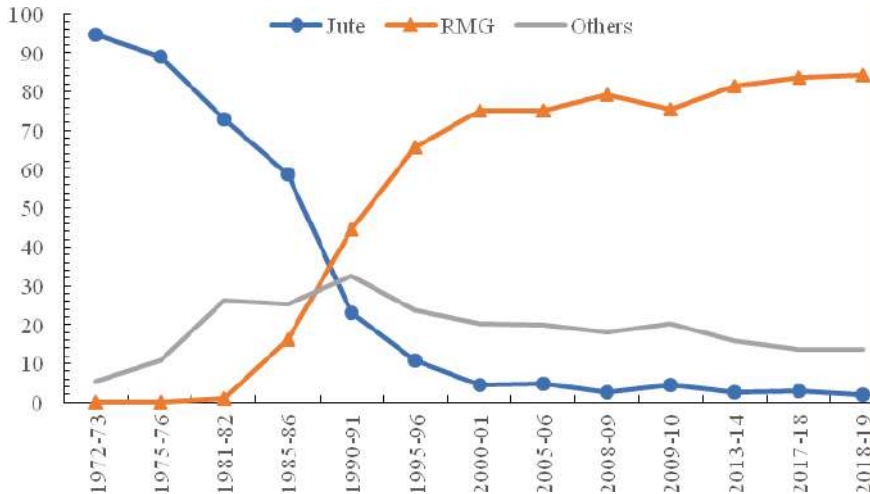
¹ Jat Area is a term of Jute cultivation that indicates the inner North-Eastern part of Bangladesh. This geographical area comprises part of the districts of Dhaka, Mymensingh, Tangail, and Cumilla, which receives fresh deposit of silts every year.

Table 1: Top jute producing countries in the world

Country	Annual Production (‘000’ Tonnes)
India	1,968
Bangladesh	1,349
China	29.6
Uzbekistan	20
Nepal	14.9
South Sudan	3.3
Zimbabwe	2.5
Egypt	2.5
Brazil	1.2
Vietnam	1

Source: World Atlas (WorldAtlas, 2019)

In the 1970s, jute (raw and manufactured) dominated the export basket of Bangladesh, which declined sharply in the late-1980s while readymade garments (RMGs) export increased gradually. Export earnings from jute products became minor since the early-2000s and continued to remain as one of the lowest export categories in the subsequent years (Figure 1). While other important products, such as RMGs, textiles, fish and plastics demonstrated notable growth in terms of export earnings, value of jute exports did not show promising trends over the last two decades, even though the country has been the top jute exporter with nearly a two-thirds share in the international market. It could not do well despite its considerable prospect as a strong alternative to plastic and artificial fibres amid the growing concern of massive environmental pollution and global climate change. A stagnant and low-lying export performance of jute products continued despite recent development in innovations, such as discovering genome sequence of jute, fine fabrics, cotton fibre for medical care, tea of jute leaves and biodegradable polythene from jute. Most of these innovations are yet to become commercially viable to open up new avenues of exports in the global market.

Figure 1: Share of jute and other products in the export basket of Bangladesh (%)

Source: Based on data from the Export Promotion Bureau (EPB) of Bangladesh.

Against this backdrop, the present paper aims at conducting an in-depth analysis of the trend of export of jute products from Bangladesh vis-à-vis other exporters. It also analyses the market by products, export destinations, market concentration and prospect for diversification and increasing export earnings. In doing so, the paper has been organised as follows. After this brief introduction, Section 2 analyses the recent trend of jute exports by products and destination by geographical coverage. Section 3 discusses the dynamics of these exports and prospect for market diversification. Section 4 highlights the potential of jute exports and presents some new high-end products that have considerable export potential. Section 5 provides a discussion on the possible avenues of intervention. Finally, Section 6 concludes the paper.

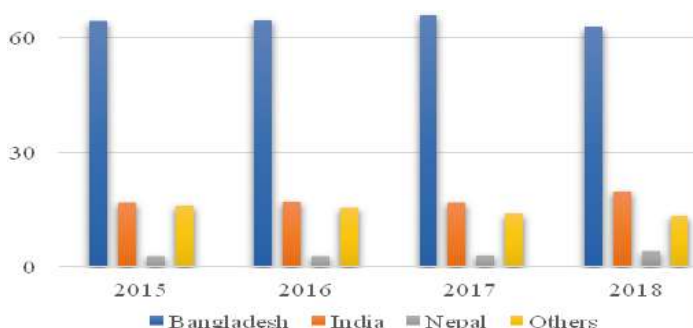
2. EXPORTS OF JUTE FROM BANGLADESH BY PRODUCTS AND DESTINATIONS

2.1 Trend of Exports by Products

According to the International Trade Centre's Trade Map database (2019)², the global export of jute products has witnessed a fluctuating trend over the last four years. In 2015, the global jute export was US\$1.18 billion, which

registered a positive growth of 12.3 per cent in 2016, and such a positive trend continued up to 2017. However, in 2018, with an unusual decline of 23 per cent (from 2017), the total jute export came down to just about US\$1.17 billion, which was even lower than that of 2015. Since Bangladesh supplies most of the jute products to the international market and while India being the largest export destination of Bangladesh, this sharp decline may be attributed to the imposition of anti-dumping duty by India on Bangladesh's jute products that led to a significant reduction in the country's jute product exports in the Indian market.

In terms of the Harmonized System (HS) of classification, the global exports of jute is heavily concentrated on a narrow range of products under four broad categories viz. jute and other textile bast fibres, raw or processed, but not spun; tow and waste of such fibres (HS code 5303); yarn of jute or of other textile bast fibres of heading 5303 (HS code 5307); woven fabrics of jute or of other textile bast fibres of the heading 5303 (HS code 5310); and sacks and bags, for the packing of goods, of jute or other textile bast fibres of heading 5303 (HS code 630510). Among these, products under HS code 5307 had the highest share in world exports in 2018 (44%); followed by the products under HS code 630510 with a share of 23.3 per cent; HS code 5310 with a share of 17.6 per cent; and HS code 5303 with the lowest share of 15.04 per cent. Of the total exports of jute products, Bangladesh had the highest share in world exports of the products under HS codes 5303, 5307, and 5310 with the share in global exports of 11.5, 40.6, and 6.7 per cent, respectively. In contrast, Bangladesh had a 4.1 per cent share in the global exports of products under HS code 630510, and it is the second largest after India. Thus, even though India had 10.7 per cent share in these products' exports, it had a very low share in the global exports of other jute products in 2018. As a result, although India was the highest producer of jute in the world, its total share was less than one-fifth of the world exports of jute products.

Figure 2: Share of global jute market by top exporters (%)

Source: Authors' presentation based on ITC data.

Bangladesh's export earnings from jute products have been fluctuating for nearly a decade. Its share in total exports of goods has been very low, which ranged from 2.65 to 2.79 per cent from 2013-14 to 2017-18. It is expected to decline further in 2018-19 to a record low — only 2.01 per cent. It implies that Bangladesh's jute products have been losing importance in the international market. On the other hand, its value of exports has been ranging from nearly US\$8 to US\$10 billion since 2010-11.

Table 2: Trend of jute exports (million US\$)

	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19
Jute	1,071.28	950.43	1,020.36	798.96	865.57	913.78	961.62	1,023.07	832.15
Total (Goods)	22,928.20	24,302.00	27,027.45	30,186.62	31,208.95	34,257.18	34,655.90	36,668.20	40,535.04
Jute (% of total)	4.67	3.91	3.78	2.65	2.77	2.67	2.77	2.79	2.05

Source: Based on data from Bangladesh Bank and EPB data.

Figure 3 summarizes trends of Bangladesh's export earnings for various jute products at the HS 8-digit level. An analysis of the trend of exports by products reveals that the largest export receipts from all jute products come from single yarn of jute or of other textile bast fibres of 53.03 (HS 53071000). The export receipt was US\$466 million (45.5 per cent of total jute exports) in 2017-18. However, its export earnings demonstrate fluctuating but a generally stable trend over time. The second largest export receipt of jute products come from multiple (folded) of cabled yarn of jute (HS 53072000). In 2017-18 its export value was US\$182 million, and it showed a steadily increasing trend — from merely 0.3 per cent in 2010-11

to 17.8 per cent share of the total jute exports in 2017-18. The third largest product is jute and other textiles bast fibres, raw or retted (HS 53031000) but it has been showing a declining trend. In 2017-18 the export earnings from this product was US\$141 million. During 2011-12 to 2017-18, the share of these products in the total jute exports declined to 13.9 per cent from 25 per cent.

Table 3: Jute exports by product under HS 8-digit codes (% of total jute exports)

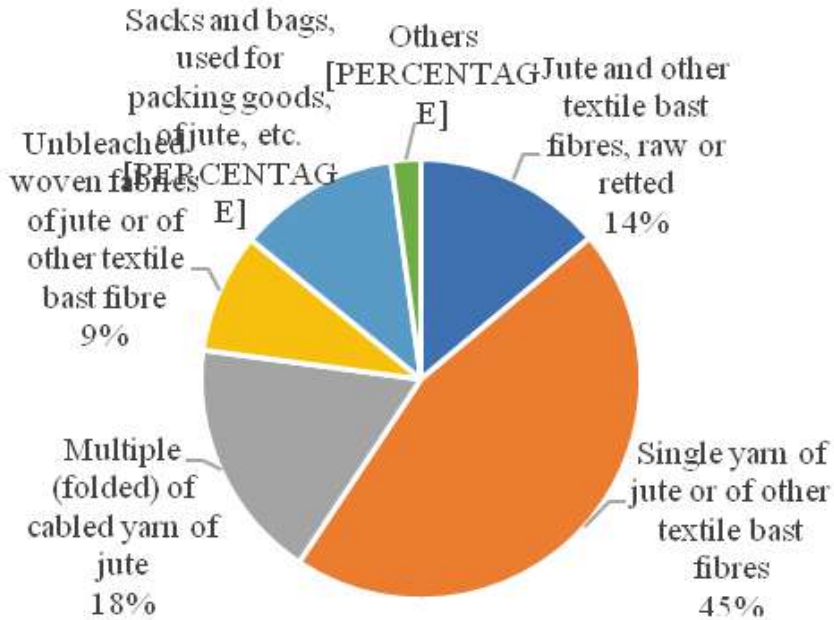
HS Code	Product Name	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19
53031000	Jute and other textile bast fibres, raw or retted		25.03	20.51	12.89	12.13	16.72	16.36	13.90	12.30
53039000	Jute and other textile bast fibres, processed but not spun, ³	3.50	1.52	1.10	0.69	0.57	1.85	1.10	1.62	1.56
53071000	Single yarn of jute or of other textile bast fibres of 53.03	67.32	44.98	42.01	53.48	45.91	45.04	45.14	45.47	47.27
53072000	Multiple (folded) of cabled yarn of jute	0.26	4.28	7.65	17.75	17.90	16.11	18.07	17.76	15.87
53101000	Unbleached woven fabrics of jute or of other textile bast fibre	3.79	2.81	3.80	5.99	7.03	6.56	5.74	8.82	12.46
53109000	Woven fabrics of jute or other textile bast fibres (excl. unbleached)	2.52	1.89	1.66	1.30	0.35	0.32	0.30	0.44	0.34
63051000	Sacks and bags, used for packing goods, of jute, etc.	22.61	19.49	23.27	7.90	16.11	13.41	13.26	11.87	10.21

Source: Authors' calculation based on EPB data.

Among other jute products, the fourth largest export earning product is sacks and bags, used for packing goods, of jute, etc. (HS 63051000) from which the earning was US\$123 million. It also continued to decline in the share of jute exports from 22.6 per cent in 2010-11 to 10.21 per cent in 2018-19. In contrast, unbleached woven fabrics of jute or of other textile bast fibre (HS 53101000) has been performing well with an increasing trend from 3.8 per cent in 2010-11 to 12.46 per cent in 2018-19. Nevertheless, the other two products (HS 53039000 and HS 53109000) have been earning meagre amounts from exports.

³ The detail product name is Jute and other textile bast fibres, processed but not spun; tow and waste of such fibres, incl. yarn waste and garnetted stock (excl. retted fibres of this kind, flax, true hemp and ramie)

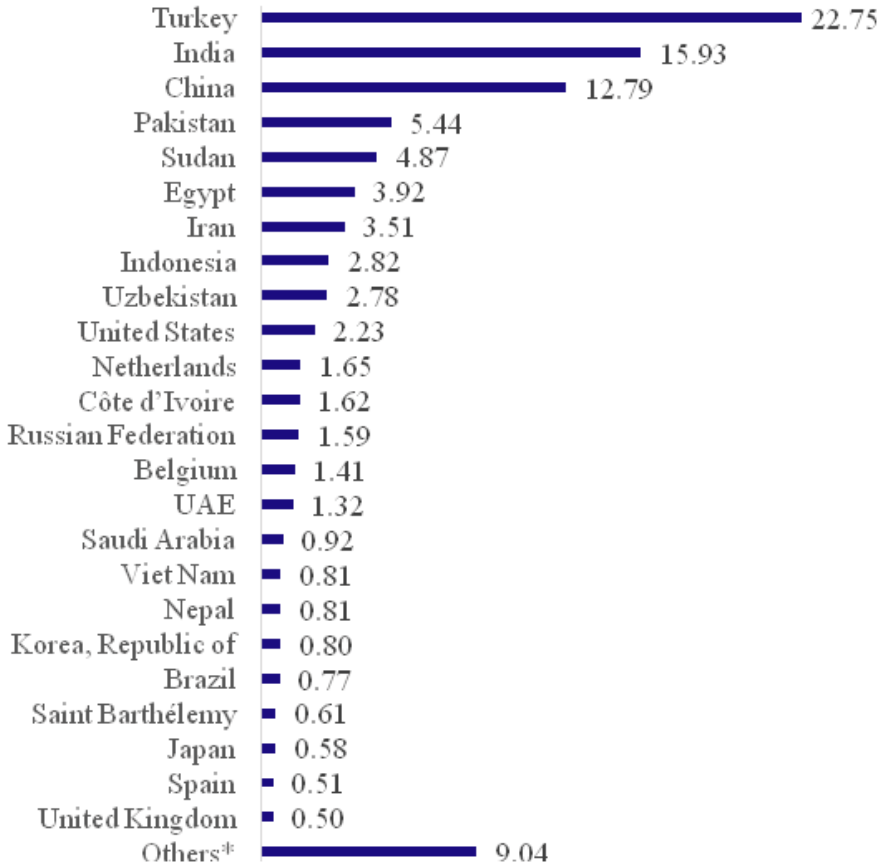
Figure 3: Share of jute products in exports of jute, 2017-18



Source: Authors' presentation based on EPB data.

2.2 Geographical Coverage

Bangladesh's jute is exported to 136 countries and territories of the world. At aggregate level, Turkey is the largest export destination capturing 22.75 per cent of Bangladesh's jute exports followed by India (15.93%), China (12.79%), Pakistan (5.44%), Sudan (4.87%). About 62 per cent of the export earnings from jute come from the top five countries.

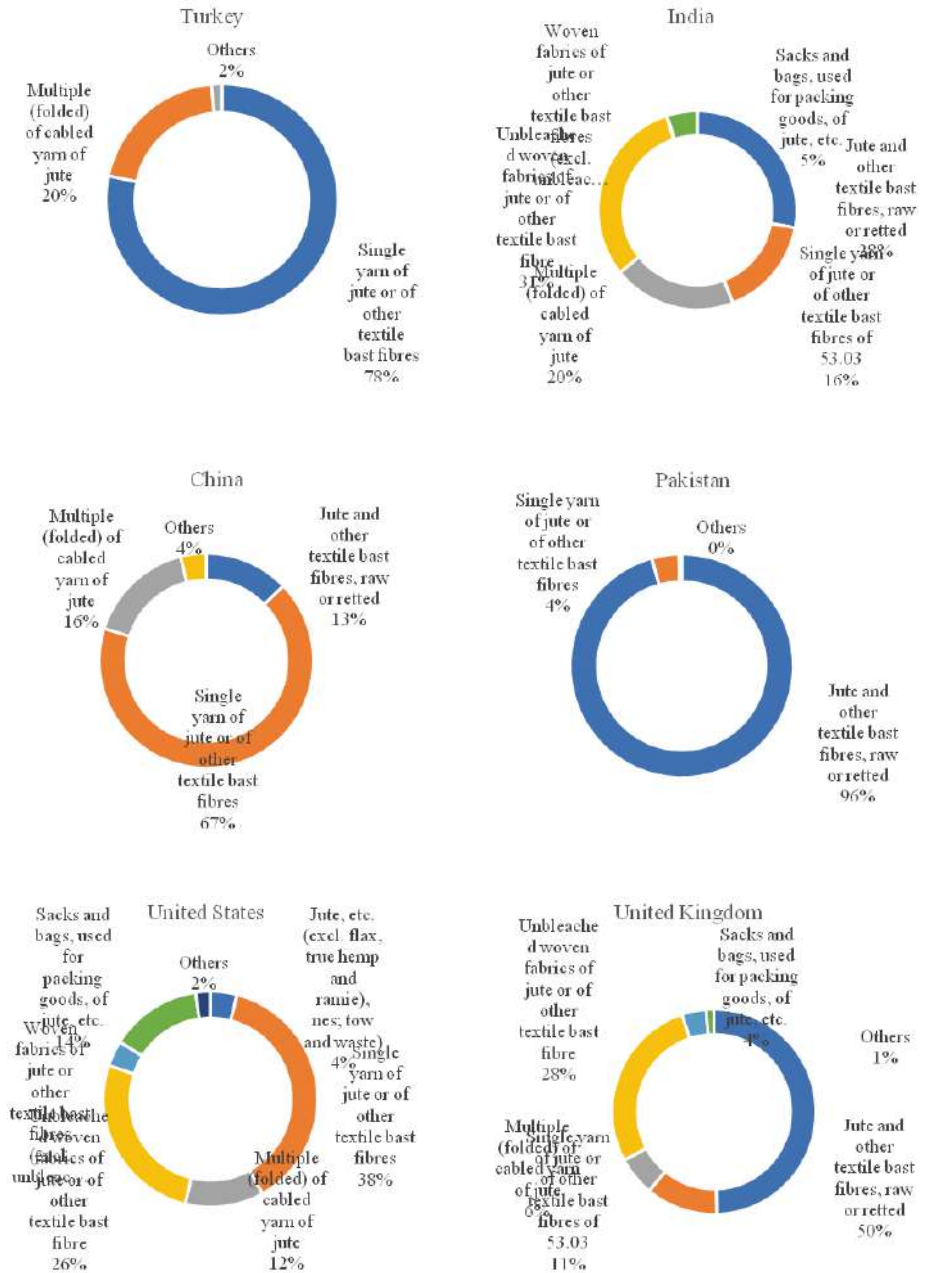
Figure 4: Bangladesh's jute export destinations, 2017-18

Note: Others include 112 countries or territories.

Source: Calculated from EPB database.

Among the major destinations, Turkey mainly imports single yarn of jute or of other textile bast fibres (HS code 53071000), followed by multiple (folded) of cabled yarn of jute (HS code 53072000) from Bangladesh. These two products constitute 63 per cent of the total export earnings from all destinations. In contrast, Bangladesh exports diversified jute products to India. The Chinese market is dominated by single yarn of jute, followed by multiple (folded) of cabled yarn of jute and raw jute fibres exports from Bangladesh, while 96 per cent export to Pakistan is jute. The USA is the only developed country among the top ten destinations. Although Bangladesh exports all types of jute products to the USA, the country has only managed to send 2.23 per cent of its jute exports to the USA.

Figure 5: Composition of products in selected destinations, 2017-18 (%)



Source: Based on calculation from EPB data.

Table 4: Export to top 10 destinations by product (8-Digit HS Code), 2013-14 (thousand US\$)

	HS 53031000	121,208	HS 53039000	5,180	HS 53071000	400,029	HS 53072000	132,778	HS 53101000	44,814	HS 53109000	9,695	HS 63051000	110,049
Pakistan	37,919	India	2,816	China	67,339	Turkey	51,815	Iran	10,858	Netherlands	2,267	India	26,526	
China	23,588	Russia	626	India	47,235	Indonesia	11,739	India	9,011	Germany	1,183	Indonesia	6,908	
India	19,649	Pakistan	512	Iran	34,797	Iran	10,233	Egypt	4,560	USA	1,037	Belgium	4,980	
Côte d'Ivoire	8,568	South Korea	302	Egypt	24,385	China	10,152	China	1,991	Australia	910	Netherlands	3,491	
Russia	5,304	Syria	287	Belgium	6,485	Belgium	6,766	Korea	1,719	UK	820	Kenya	2,524	
South Korea	2,803	China	263	Russia	6,049	Russia	6,507	Australia	1,666	Korea	810	Cameroon	1,641	
Germany	2,419	Australia	121	Indonesia	4,299	Egypt	5,668	Turkey	1,251	India	689	Libyan	1,438	
USA	2,419	Germany	96	Japan	3,734	Saudi Arabia	5,154	Syrian	1,002	Italy	410	Mexico	1,109	
Brazil	1,894	Netherlands	64	Spain	2,920	Syria	3,860	New Zealand	645	Egypt	409	Nigeria	1,031	
Viet Nam	1,890	UAE	35	Pakistan	2,662	Uzbekistan	2,537	Japan	639	New Zealand	311	France	986	
Others	14,755	Others	58	Others	200,125	Others	18,347	Others	11,472	Others	849	Others	59,414	

Table 5: Export to top 10 destinations by product (8-Digit HS Code), 2018-19* (thousand US\$)

	HS 53031000	113,264	HS 53039000	14,234	HS 53071000	381,214	HS 53072000	130,368	HS 53101000	99,757	HS 53109000	3,083	HS 63051000	90,237
Pakistan	41,301	India	4,670	Turkey	137,361	Turkey	32,602	India	60,233	USA	1,124	UAE	13,769	
India	23,563	China	2,376	China	71,998	India	24,429	USA	6,059	South Korea	927	Sudan	12,800	
China	15,338	Spain	2,372	India	28,544	China	20,518	UAE	4,194	Saint Barthelemy	243	Netherlands	8,547	
Nepal	7,436	Germany	1,159	Egypt	25,117	Indonesia	10,955	Netherlands	4,020	Portugal	221	India	7,578	
South Korea	3,913	Russia	1,001	Uzbekistan	18,133	Belgium	5,275	Iran	3,262	Japan	127	Indonesia	5,981	
Brazil	3,654	Belgium	698	Iran	12,615	Saudi Arabia	4,620	Egypt	2,837	Turkey	98	Kenya	4,036	
Côte d'Ivoire	3,299	Tunisia	689	Côte d'Ivoire	10,127	Russia	3,454	South Korea	2,697	Tunisia	70	USA	2,924	
UK	2,754	USA	595	Russia	8,103	Jordan	3,419	Australia	2,389	Belgium	63	Viet Nam	2,634	
Viet Nam	1,569	South Korea	207	UAE	7,673	Egypt	2,894	Japan	1,677	Gambia	55	Uganda	2,021	
Djibouti	1,274	Japan	150	USA	7,015	Morocco	2,010	Turkey	1,674	Germany	28	Cameroon	1,815	
Others	9,163	Others	316	Others	54,528	Others	20,192	Others	10,714	Others	125	Others	28,132	

* Estimation based on July 2018-March 2019 data.

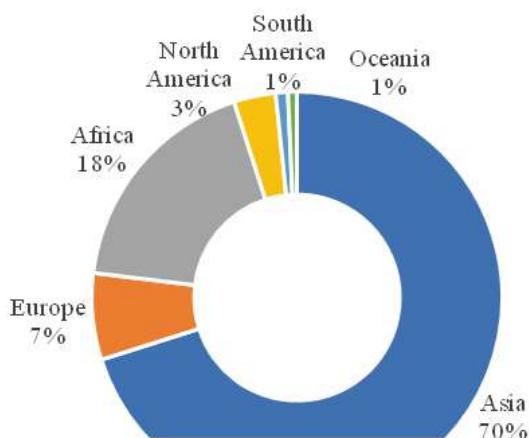
Source: Authors' calculation based on EPB data.

A changing pattern can be observed in terms of the most important export destinations of jute products over time (Table 4 and 5). In case of HS code 53031000, the largest destination remained Pakistan from 2013-14 to 2018-19. However, the second largest destination was China in 2013-14, which was overtaken by India in 2018-19. For products under HS code 53039000, India remained the largest destination while China became the second largest destination in 2018-19 in place of Russia. In case of HS code 53071000, although China was the topmost export destination in 2013-14, Turkey gained the status surpassing China in 2018-19. On the contrary, for products under HS code 53072000, Turkey and Indonesia were the top two destinations in 2013-14. However, India replaced Indonesia as the second dominant importer while Turkey retained its position as the top importer in 2018-19. For products under HS code 53101000, the top and second largest destinations were Iran and India respectively in 2013-14. In 2018-19, India became the overwhelmingly dominating importer of this product from Bangladesh with about 60 per cent of Bangladesh's exports of this product, followed by the USA (about 6 per cent share). The USA and South Korea have taken the largest and the second largest position of destination in 2018-19 from Netherlands and Germany respectively for products under HS code 53109000. However, in 2018-19, the UAE and Sudan have overtaken the largest and the second largest position as top importers of the product from India and Indonesia respectively for products under HS code 63051000.

From Bangladesh, 70 per cent of the jute products were exported to various Asian countries in 2017-18 (Figure 7). Among them, the largest export receipts came from Turkey (23%), which was followed by India (16%), China (13%), Pakistan (5.4%), Iran (3.5%), and Indonesia (2.8%). The second largest destination of Bangladesh's jute products was Africa where 18 per cent of these products were exported in the same fiscal year. The most important export destinations in this region was Sudan (4.87% of total jute exports), followed by Egypt (3.92%), Côte d'Ivoire (1.62%), and Tunisia (0.46%). The third largest destination was Europe with seven per cent share in the total jute exports. The notable countries in this region were

the Netherlands (1.65%), Belgium (1.41%), Spain (0.51%), and the United Kingdom (0.5%). The share of the country's exports of jute to North America was only 3 per cent (2.23% in the United States) while it was 1 per cent each in South America (0.77% in Brazil) and Oceania (0.4% in Australia and 0.14% in New Zealand). Thus, even though jute products are being exported to countries around the world covering all the continents, the majority of jute exports is directed towards developing countries in Asia and Africa. Industrially developed and high-income countries are not significant recipients of Bangladeshi jute products.

Figure 6: Share of jute exports by region, 2017-18 (%)



source: based on calculation from EFD database.

Detailed data on jute export are available at a broad product group level (HS 6-digit codes). However, data is not available at individual product level (HS 8-digit codes) in Export Promotion Bureau (EPB) of Bangladesh and International Trade Centre (ITC) trade map database. Therefore, export data and indices have been analysed at the HS 6-digit level. Available data on the ITC database indicates that there are seven product groups under which jute products are currently traded (Table 6). Bangladesh's share is about two-thirds in the aggregate jute exports in the world market and the country's position is second in two broad product categories (HS 531010 and HS630510).

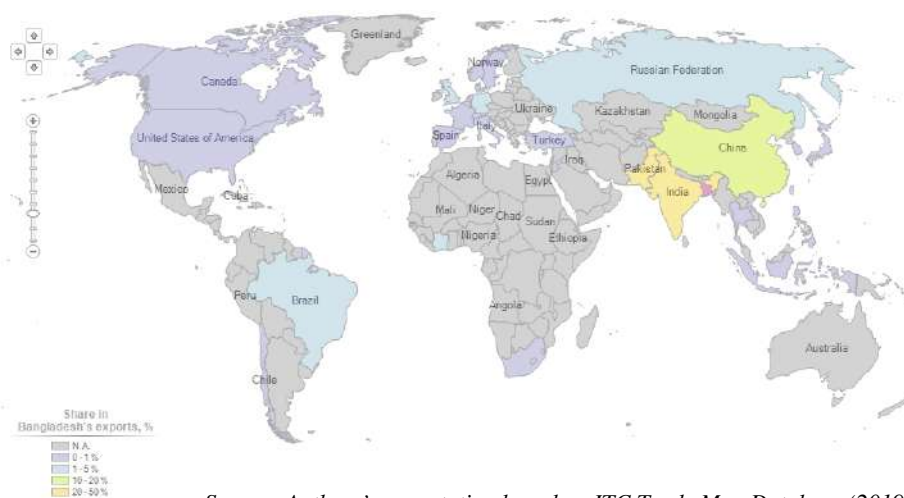
Table 6: Export of jute products from Bangladesh (under six-digit HS codes) in 2018

HS Code	Total exported value in 2018 (000 US\$)	Share in world exports for corresponding product (%)	Country's share in Bangladesh's export *	Ranking in World Exports
530310	117,638	80.5%	Pakistan (41.1%) India (27.9%) China (13%)	1
530390	13,046	37.5%	India (34.7%) China (21%) South Korea (18.6%)	1
530710	335,166	97.4%	Turkey (41.5%) China (23.5%) Iran (7.3%)	1
530720	172,107	84.9%	Turkey (25.1%) China (14.2%) Indonesia (12.1%)	1
531010	76,907	40.2%	India (45.4%) USA (9.4%) Iran (7.2%)	2
531090	3,625	27%	South Korea (31.5%) USA (26%) Netherlands (13.5%)	1
630510	52,176	19.2%	Netherlands (20.1%) India (15.5%) Indonesia (8.6%)	2

Source: Authors' presentation based on ITC Trade Map Database (2019)

* Top three export destinations have been considered.

Bangladesh's main export destinations of jute products under HS code 530310 were Pakistan, India, and China in 2018 where the country's shares of exports were about 41, 28, and 13 per cent respectively. Under this category, Bangladesh's exports comprised 80.5 per cent of world exports making the country as the topmost exporter. Other importing countries were Brazil, the United Kingdom, Côte d'Ivoire, the Russian Federation, and Germany (see the Map 1 for global distribution of Bangladesh's export destinations of this product category).

Map 1: Importing markets for products under HS Code 530310 exported by Bangladesh in 2018

Source: Authors' presentation based on ITC Trade Map Database (2019).

For products under HS code 530390, the country's exports accounted for 37.5% of world exports for in 2018. Bangladesh's major export markets were India, China, and South Korea where Bangladesh's shares of exports were about 35, 21, and 19 per cent respectively. The USA, Belgium, Spain, and the Russian Federation were the other export destinations.

In case of jute products under HS code 530710, Bangladesh captured 97.4 per cent of world exports in 2018. Turkey and China were the two major importers where Bangladesh's shares of exports were about 42 and 24 per cent respectively. Other notable export destinations were India, Côte d'Ivoire, Egypt, the Russian Federation, and the USA.

Bangladesh's main export destinations of jute products under HS code 530720 were Turkey, China, Indonesia, and India in 2018 where the shares of exports were about 25, 14, 12, and 11 per cent respectively. Belgium, the Russian Federation, Jordan, Morocco, and Belarus were few other notable export destinations where Bangladesh's exports ranged from 1.5 to 5 per cent of the total exports.

For jute products under HS code 531010, Bangladesh's exports comprised 40.2 per cent of the world exports in 2018. India was the main importer of these products with a share of 45.4 per cent. Other important export destinations were the USA, Iran, China, and the Netherlands.

Bangladesh's key export destinations of the products under HS Code 531090 were South Korea, the USA, and the Netherlands with 31.5, 26 and 13.5 per cent share of exports respectively in 2018. Australia, Tanzania, and Egypt were few other countries where Bangladesh's shares were 5.8, 5, and 3.9 per cent of the total exports respectively. However, since the value of exports under this product category is very low, proportionately high exports to developed countries like South Korea and the USA does not indicate a good market prospect of this product because the share of these countries in global jute market is very low.

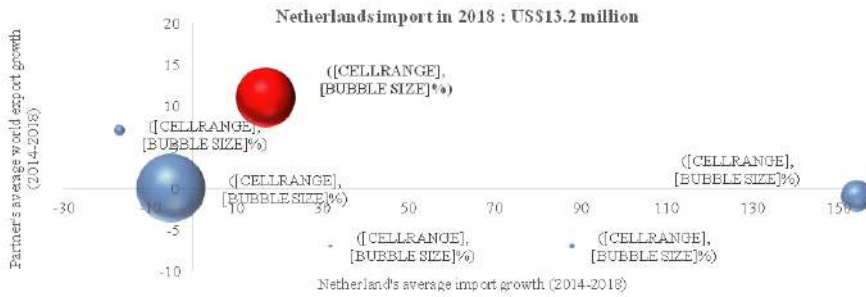
For products under HS Code 630510, the country's top three export destinations were the Netherlands, India, and Indonesia with about 20, 15, and 9 per cent of the share of exports respectively. A closer look at the data reveals that exports to India, Indonesia and the USA experienced decline while France, Germany, and the Netherlands registered increase in imports from the world.

3. EXPORTS OF JUTE PRODUCTS: RECENT TRENDS

As discussed earlier, Bangladesh has been one of the major exporters of jute products. However, the presence of established suppliers and emergence of new suppliers is likely to intensify the competition in the importing markets. This section presents an analysis of market prospects of selected jute items in the major export destinations. At HS 6-digit level, products under HS 531010, HS 531090 and HS 630510 have been selected to conduct a market prospect analysis. This analysis has been done considering three factors, (i) export growth (of relevant jute products) of competing countries in the destination markets, (ii) their export growth of same products in the global market, and (iii) competing countries' current (average of past five years) market share in the destination countries. The value of total imports by the importing country for a specific product has been shown on top of each figure. The results are summarized in Figures 8-12.

For products under HS 531010, Bangladesh's exports hold significant market share in Netherlands (36.9%), the USA (24.8%), and Germany (6.79%). India is the dominant supplier in these three markets capturing nearly 49 per cent, 85 per cent and 63 per cent respectively (Figure 7-9). Bangladesh can take further advantage of the tariff-free access to Netherlands market as the dominant supplier India is subject to average four per cent tariff. In addition, in the last five years (2014-2018), India's negative export growth to the Netherlands and the presence of few suppliers present opportunity of expanded market share. For the same products, Bangladesh's export growth to Germany was negative in recent times. Despite the negative growth in Germany's market during 2014-2018, options for enhancing competitiveness should be looked into as India's export growth declined in this market. Furthermore, for products under HS 531010, Indian goods are subject to average four per cent tariffs while Bangladesh enjoys tariff free access.

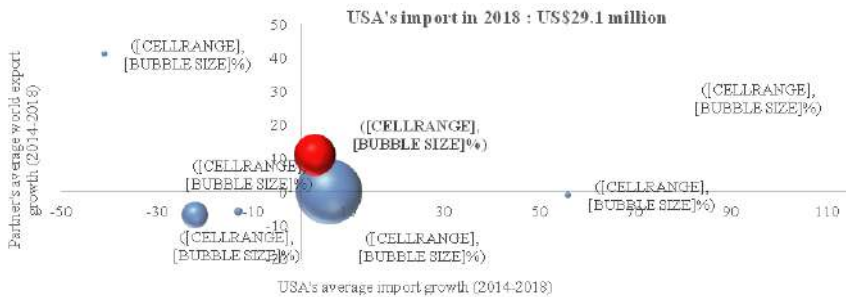
Figure 7: Market prospect for HS 531010 in the Netherlands



Source: Authors' analysis based on ITC data. The bubble size represents partner's export market share of the product in the importing country. The horizontal axis represents the average import growth of the product of the importing country in 2014-2018. The vertical axis represents partner's average export growth of the product to the world in 2014-2018. Countries are indicated as BGD- Bangladesh, BEL- Belgium, CHN- China, FRA- France, GER-Germany, IND- India.

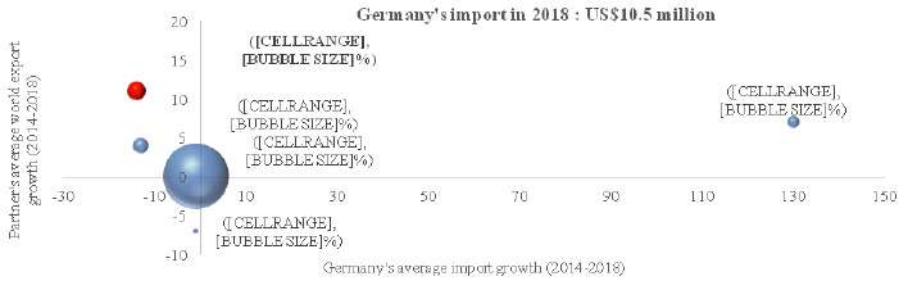
In the US market, Bangladesh's export for HS 531010 products has been growing at about three per cent vis-à-vis its overall world export growth at about 11 per cent over the past five years (2014-2018). In contrast, India's growth in this market was just double of that of Bangladesh over the same period, while India's export to world remained stagnant (Figure 9). As all the current suppliers enjoy tariff free access to the U.S. market, future expansion in this market could be challenging for Bangladesh. However, the country can consider increasing export supply in this market building on the current presence.

Figure 7: Market prospect for HS 531010 in the Netherlands



Source: Authors' analysis based on ITC data. The bubble size represents partner's export market share of the product in the importing country. The horizontal axis represents the average import growth of the product of the importing country in 2014-2018. The vertical axis represents partner's average export growth of the product to the world in 2014-2018. Countries are indicated as BGD- Bangladesh, CHN- China, GER- Germany, IND- India, PAK-Pakistan, SRL- Sri Lanka, TWN- Taiwan.

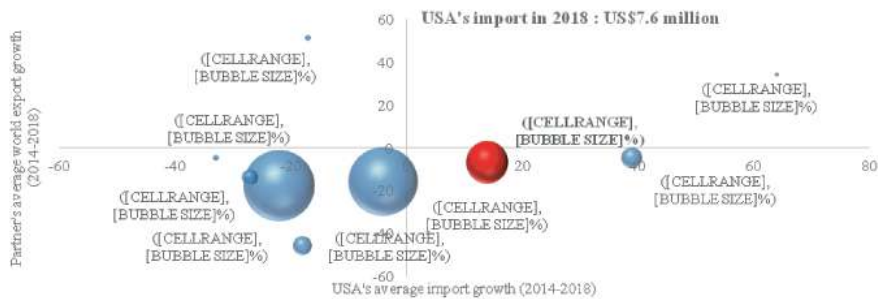
Figure 9: Market prospect for HS 531010 in Germany



Source: Authors' analysis based on ITC data. The bubble size represents partner's export market share of the product in the importing country. The horizontal axis represents the average import growth of the product of the importing country in 2014-2018. The vertical axis represents partner's average export growth of the product to the world in 2014-2018. Countries are indicated as BGD- Bangladesh, BEL- Belgium, CHN- China, IND- India, NLD- The Netherlands.

For products under HS 531090, Bangladesh captures 12.3 per cent of the U.S. market (Figure 10). The U.S. is the top importing country for products under this category. Although India and China remain the major suppliers securing 34.8 per cent and 32.6 per cent of the imports to this market, the average export growth rates of both these countries have been negative during 2014-2018. However, total import volume by the U.S is quite low (US\$7.6 million).

Figure 10: Market prospect for HS 531090 in the USA



Source: Authors' analysis based on ITC data. The bubble size represents partner's export market share of the product in the importing country. The horizontal axis represents the average import growth of the product of the importing country in 2014-2018. The vertical axis represents partner's average export growth of the product to the world in 2014-2018. Countries are indicated as BEL- Belgium, BGD- Bangladesh, CAN- Canada, CHN- China, IND – India, ITA- Italy, TUR- Turkey, TWN- Taiwan, UK- The United Kingdom.

In the case of products under HS 630510, the U.S market is considered. In 2018, the U.S. imports for this product stood at US\$10.8 million which represent 4.2% of world imports. Bangladesh is the second largest supplier in the U.S with 18.2 per cent market share. India is the dominant supplier capturing 66.2 per cent of this market (Figure 12). Exports of Bangladesh to this market registered negative growth (-7%) of exports to the US market over the last five years (2014-2018). Given the low import volume in the USA, these markets appear to be less promising.

Figure 11: Market prospect for HS 630510 in the USA



Source: Aunors analysis based on ITC data. The bubble size represents partner's export market share of the product in the importing country. The horizontal axis represents the average import growth of the product of the importing country in 2014-2018. The vertical axis represents partner's average export growth of the product to the world in 2014-2018. Countries are indicated as BGD- Bangladesh, CHN- China, FRA- France, GER- Germany, IND- India, IDN- Indonesia, ITA- Italy.

Overall, the analysis suggests that, for products under HS 531010, Bangladesh can consider further market expansion building on the current presence. For products under HS 531090 and HS 630510, the export prospect seems to be less encouraging.

4. POTENTIAL OF NEW PRODUCTS IN JUTE EXPORTS

The above discussion reveals that raw fibre, jute sacks, jute hessian cloths, jute twine or jute yarn, jute shopping bags, rope, and some handicrafts are the traditional jute products that are being exported for years. In other words, traditional jute products are overwhelmingly dominating the export basket. However, increasing exports with such traditional and low-end products in the international market could be challenging due to changing

nature of consumer preferences. The country needs to expand its range of products and introduce high-value products in the export basket with attractive design and target the emerging demand of heavy industries across the world. The following discussion presents several new products which can be introduced in the future.

4.1 Diversifying Jute Fabrics through Blending with Textiles

Jute products of Bangladesh are conventionally used in packaging of food-grade materials, industrial packaging, and also used as various types of shopping bags, promotional bags and geo-textiles. Since the demand for natural fibre blends has increased in recent years, the demand for jute and other natural fibres that can be blended with cotton has also increased. However, there is a need to move jute's profile to blend it with the textile and clothing (T&C) industry (Bangladesh Apparel News, 2018). In recent times, T&C is using jute in many higher-end textiles for furnishings as well as in composites, especially as a wood fibre. The major blended jute manufactured products would be yarn and twine, jute sacking, hessian, carpet backing cloth and other T&C products. Nevertheless, this kind of blending of jute and textiles has opened up a new horizon for the future of jute, even though at present such diversified jute products explains a small proportion of total consumption. According to industry sources, if denim fabrics is produced with half jute and half cotton, then a jeans pant would cost only one-third of the cost of full cotton denim fabrics. In order to realise the enormous potential of such benefits, there is a need for investment and incentive for developing expertise, innovation, designing, branding and marketing.

Currently, Bangladesh's jute products are prompted by gradually increasing global interest for diversified and lifestyle jute products, such as jute gunny bag or sack bags, jute yarn and twine, handicrafts, shopping bags, beach bags, sports and travel bags, wine bags and other jute textiles. Bangladesh has a significant potential in the European markets as the demand for natural fibre is increasing in this part of the world. Nonetheless, in order to trail the ever-changing interest of the consumers of the developing and emerging economies, Bangladeshi jute manufacturers and exporters need to develop value-added jute products.

4.2 Using Jute Sticks for Charcoal and Carbon Powder

Jute-sticks, one of the by-products of jute, hold significant export market opportunity. Traditionally, these are dried in villages for using as firewood for earthen stoves and wall of huts as well as boundary walls at rural houses or making fences. Although it does not produce considerable fuel, after burning the sticks, the ashes are used to wash utensils. Conversely, the ashes can be an important export product since there is a significant demand for jute-stick ash in the global market. The ash is used as raw material in many industries, such as cartridge of printers, charcoal and cosmetics. Activated carbon is produced from charcoal through manufacturing. High-quality jute-stick ash could be used to produce tooth-cleaning products, anti-toxin drugs, carbon paper, facewash, dry-cell batteries, dried ink of photocopier machines and other chemicals. Ash is widely used for water filters, in gas masks, and to remove odours.

The production of jute-stick charcoal dusting powder production began in Bangladesh in 2012 with the assistance of a Chinese citizen with the intent of exporting it to China. Later, many factories have been set up in Jamalpur, Narayanganj, Rajshahi, Pabna, Rajbari, Faridpur and Khulna to produce jute charcoal. Currently, around three million tonnes of jute-sticks are produced in the country per annum (The Financial Express, 2018). According to industry sources, if half of the jute-sticks can be utilised, then 250,000 tonnes of charcoal could be manufactured, which could alone earn about US\$200 million a year from international market. On the other hand, if half of the total product can be used to produce high-quality ashes, US\$3-3.5 billion could be exported to global industries as reported by industry sources. There is a good prospect for exporting jute-stick ashes as China has enormous demand for high-quality ashes for industries and charcoal as fuel⁴.

⁴ According to EPB data, in FY18, Bangladesh earned over US\$3 million by exporting jute charcoal to China.

Currently, Bangladesh is exporting charcoal only to the UK, Saudi Arabia and Taiwan, which should be increased. Since Bangladesh gets duty-free market access of jute-stick carbon to China, the quantity of charcoal export to China can be increased significantly (The Daily Asian Age, 2018). In addition, there is considerable demand for jute-stick charcoal and ash/dust powder in Brazil, Korea, Japan, Malaysia, Hong Kong, Turkey, UAE, Germany, the United States, Australia, Canada and Mexico. Bangladesh can realise the potential of this product which will critically depend on maintaining international standard. However, instead of low-end regular charcoal, Bangladesh should produce and export activated charcoal, which is a high-end product that would help earn more than three times foreign currency from this product.

4.3 Interior Supplies for Global Automobile Industry

Recently global car giants, such as BMW, Mercedes-Benz, Toyota, Renault, Mitsubishi, Volvo, Audi, Daimler Chrysler and Ford have started using natural fibre for furnishing car interior. Such usage has opened up a promising avenue for jute to be integrated with the global value chain of the automobile sector. It is an important reason for the recent growth of jute exports. Previously, the car industry used glass fibre to manufacture the interiors. Since glass fibre is not recyclable or biodegradable, automobile manufacturers started to look for a green alternative in 1994 where jute emerged as the most favourite natural input. The global car industry annually requires nearly 100,000 tonnes of jute, but Bangladesh exports only 12,000 tonnes for them (BluKonsult Global, 2019). Given the rising global market for green and climate-sensitive interiors of the car users, the country has the potential to export jute and jute goods worth US\$5 to US\$7 billion per annum if it can successfully capture the global market in the near future (LightCastle Partners, 2019).

4.4 Potential of Sonali Bag

The demand for jute bags has grown significantly over the past few years, particularly in the European market because of increasing environmental concern in the region. The demand for jute bags in non-producing countries has also spurred due to (i) ban on plastic packaging materials and bags; and (ii) biodegradability, durability, low cost, high strength, etc. of jute bags. The global market of jute bags is projected to reach a value of US\$2.6 billion by 2022 (Business Wire, 2017). Currently, India is the largest producer and exporter of jute bags in the world market followed by Bangladesh and China.⁵

⁵ See <https://www.businesswire.com/news/home/20171102006042/en/2.6-Billion-Jute-Bag-Market-Global-Industry>

Bangladeshi scientist Mubarak Ahmad Khan invented the jute polybag which is biodegradable, and environment and human health friendly product since it is produced by jute cellulose and food-grade colour. It is recyclable and reusable. Also, the bag has reselling value. It will be degraded within eight hours after getting in touch with water and will get decomposed in soil within 4-6 months. This jute polybag has been named as ‘Sonali Bag’ by Bangladesh. It has the potential to overtake India’s position in exports of jute bags because it would replace harmful polythene bags and it looks like traditional polythene. Therefore, this bag is likely to replace polythene bags without creating any psychological impact on the consumers.

The government has approved about US\$1.2 million to implement a project for producing Sonali Bags and conducting advanced research on inventing environment-friendly bags from Bangladesh Climate Change Trust Fund (BCCTF). Under the project, a laboratory with modern equipment will be set up and necessary chemicals will be procured to conduct advance research on Sonali Bags. The Bangladesh Jute Mills Corporation (BJMC) started manufacturing Sonali Bag (BJMC, 2019). It earlier implemented a pilot project of the Sonali Bag at Latif Bawany Jute Mills at Demra in Dhaka and later set up a factory at Kayetpara in Demra to produce 100,000 pieces of Sonali Bags per day. Bangladesh can earn huge foreign currency by exporting Sonali Bag after meeting the local demand. According to news media report (The Daily Sun, 2019), initially, the size of the Sonali Bag would be 13"× 12" costing Tk.10 per piece, but its cost will be reduced to usual polybags with its large-scale production.

The government will also encourage private entrepreneurs to produce jute bags targeting both domestic and international markets. However, widespread availability and marketing of Sonali Bag will help reduce the use of polythene bags, promote environment-friendly packaging, earn significant amount of foreign currency, and help achieve import substitution of biodegradable and polythene bags in the country.

The global bioplastics market is estimated to reach US\$66 billion in 2022 while Europe and North America are expected to dominate the overall market of biodegradable packaging (Business Wire, 2017). It is mainly due to a strict resolution passed by the European Union to reduce overall consumption of thin plastic bags in the region by nearly 80 per cent by 2019 (BJMC, 2019). Bangladesh can also get a good share of the market, which will critically depend on its strategic marketing and advertisement of Sonali Bag as well as bringing variation in design and size of the products.

4.5 Jute-Tin

An important addition in the diversified jute products would be environment-friendly 'Jute-Tin', which would serve both domestic and international market. Instead of using lead and zinc, the core raw material to produce corrugated iron sheet (tin), this long-lasting jute-made tin is a recent invention of a Bangladeshi scientist Mubarak Ahmad Khan (inventor of jute polybag), which is made of jute hessian, resin, coupling agent and some hardener (Textile Today, 2019).

Jute-tin can be a cost-effective option for tin production. Metallic tin becomes oxidised in a few years, while jute-tin is more durable and stronger than that of metallic tin and does not face problem of oxidation. Its production takes only 20 minutes and it requires relatively less energy, such as electricity or gas. It can withstand rust for 100 years and it is a saline-resistant product which would be useful for coastal areas across the world.

Jute-tin is sound- and heat-proof and will save nearly all import cost of raw materials for producing metal sheets. It is a biodegradable product that can be used to make furniture, fashionable home interior and exterior as well as sheds. It can also be used as alternatives to plastic, wood, and cement. Therefore, it has a considerable potential as a new export product.

4.6 Jute Leaf Tea

Bangladeshi scientists have recently claimed to have discovered a long-lost recipe of herbal drink made from jute leaf, which they hope would gain popularity across the globe. The organic drink touted as “jute green tea” has 30 per cent more calories than spinach, and it contains iron, vitamins, calcium, carotene, fibre, carbohydrates, protein and antioxidants. They are expecting that the drink would be in high demand due to its organic qualities and comfort to prepare since one needs to put the powdered ingredients in a glass of water, stir it until it turns green, and then add sugar to taste.

The Bangladesh Jute Research Institute (BJRI) shared the recreated recipe of the drink with the Jute Diversification Promotion Centre (JDPC). Intertrop, a Germany-based jute product manufacturing company, has initiated to manufacture jute tea (Jute Tee in German), and launch it in the European market in collaboration with the Government of Bangladesh based on an organic green tea based on the formula of BJRI. They received Bangladesh Standards & Testing Institution (BSTI) lab test report on the product. It started a pilot project in Lemubari, Manikganj through a farmers’ cooperative called Lemubari Organic Farmer Cooperative. Currently, the project is being implemented in 7.5 hectares of land with 41 cooperative farmers and producing jute organically, which would be certified as per European regulations (Prothom Alo, 2019). About 2.5 metric tons of jute tea has been exported to Germany in 2018-19.⁶ This product has a considerable prospect in the global market as a high-end product.

4.7 Jute Viscose and Cellulose

Regenerated cellulose fibre (viscose) is a popular man-made fibre, which is made from the chemical-induced transformation of natural polymers and used as a basic input of fabrics. Every year Bangladesh spends a considerable amount of money to import viscose fibres for textiles industry. Usually, viscose is derived from the ‘cellulose’ from wood pulp, but it is also possible to make viscose fibre from ‘jute cellulose’, which is more reasonable and advanced quality.

⁶ See <https://www.daily-sun.com/post/422234/Bangladesh-to-export-5-metric-tons-tea-produced-from-jute-leaves-this-year>.

Recently China has offered technology and finance to Bangladesh for constructing a plant to produce viscose fibre from jute. Afterwards, a document was signed by BJMC and China's Textile Industrial Corporation for Foreign Economic and Technical Corporation to take the jute viscose project. In addition, an expert team from Bangladesh has visited some carbon/charcoal-based viscose plants in China.

BJMC has opined that the proposed plant will need a minimum investment of US\$120 million, while Bangladesh annually imports viscose fibre worth about US\$87-97 million (Textile Today, 2017). According to Bangladesh Textile Mills Association (BTMA), 50-60 spinning mills used viscose with cotton to manufacture yarn. If viscose can be produced inside the country, then mill-owners will benefit. It would also serve as an important import-substitution product and bring a major breakthrough for the textile sector. By 2021, Bangladesh is expected to export jute and jute goods worth US\$5-7 billion, and jute viscose will contribute notably to increase jute exports.

BJMC and BJRI are working with researchers from Scandinavia on a new feasibility study into producing viscose from raw jute. Laboratory tests have confirmed that pulp can be produced from jute. Now Bangladesh needs to conduct a feasibility study to determine its commercial viability. BJMC is eager to strengthen cooperation between Norway's forest research sector and BJRI.

The jute viscose project will enable Bangladesh to produce nearly 40,000 tons of viscose every year. This is expected to reduce cotton import to less than 200,000 bales each year. According to one estimate, England can collect 30 per cent cellulose from wood whereas Bangladesh can collect 65 to 70 per cent cellulose from 3 to 4 months old jute plant. From jute cellulose, Bangladesh can make viscose, jute polybag, frame for eyeglasses and many other products. Powder can be made from jute cellulose, which would cost around US\$25 to US\$27 for producing per kg of powder from jute, while the cost will be US\$1,800 from wood (Textile Today, 2018). Therefore, jute cellulose is much cheaper than that of wood. Medicine peel can also be made from jute cellulose.⁷ Thus, both jute viscose and other products from jute cellulose can be important export products to earn foreign currency in the near future.

⁷ A medical peel is regarded as skin-resurfacing treatment to cleanse dead skin cells which uncovers a "new" layer of skin that with enhanced smoothness and brightness.

4.8 Jute Geotextile

Jute geotextiles (JGT) can be important product sub-category in jute exports because of their extensive use in civil engineering, foundation, soil, rock, earth, or any other geotechnical engineering material in human made project, structure or system. They can be used in nearly all areas of civil, geotechnical, environmental, coastal, and hydraulic engineering, protecting soil from erosion especially in river banks and coastal areas, gardening, smooth water flow in narrow canals, separation, vegetation, growing mesh on slopes or as vertical drains, and soil stabilisation, among others. JGTs have emerged as commercially and ecologically viable alternatives to synthetic geotextiles which are harmful for the environment. Recently, BJRI and BJMC have developed some treatment techniques for JGTs which can enhance their life up to or even more than twenty years. This would allow JGTs to be used in the short-term to medium-term soil reinforcement, such as rural roads, construction access roads, flood and road embankments, etc.

JGTs are designed as biodegradable and photodegradable products. They do not increase soil temperature and remain compatible with soil. JGTs are also harmless for fish/microbes/eggs and helpful for plants. JGTs mesh with the soil and act as a fertiliser after a certain period. However, their life can be extended even up to 20 years through different treatments and blending depending on their use in civil engineering, such as soil protection at riverbanks and coastal areas, roads, and embankments agro-mulching, reinforcement, land reclamation and in the construction of road pavement. JGTs are also being used in road construction, landslide control, shallow land recovery, and protection of railway slope. These are regarded as the most versatile and cost-effective ground modification materials, which would save costs by 35-50 per cent compared to applications of their alternatives.⁸ However, Bangladesh has a great potential to earn significantly higher amount of foreign currency by exporting JGTs produced with the same amount of jute fibre. The global technical textile market was valued at US\$235 billion in 2017, and is projected to reach US\$335 billion by 2025, growing at a CAGR of 4.5 per cent from 2018 to 2025 (Allied Market Research, n.d.). JGTs can contribute to earning significant amount of foreign currency through standardisation and substantial improvement of quality up to the satisfaction of the diversified need of the international market.

⁸ Khan, A.J. (n.d.). "Technical Assessment of Jute Geotextiles for Civil Engineering Applications", available at <https://www.technicaltextile.net/articles/technical-assessment-of-jute-geotextiles-for-civil-engineering-applications-3344>, accessed on 16 July 2019.

5. POLICY RECOMMENDATIONS

5.1 Reviving BJMC under Public-Private Partnership (PPP)

The government has decided to shut down the production of 25 jute mills under BJMC from 1 July 2020. The BJMC, the public corporation established to cater to the needs in the jute market of the early 1970s, was the largest state-owned manufacturing and exporting entity in the global jute industry (BJMC, 2019). However, it had been overburdened with administrative inefficiency, age-old machines, very low productivity, financial troubles and continuous losses despite recurrent bail-out packages. The state-owned jute mills used to produce traditional jute items that experience declining demand in the international market. From now onward, the jute mills under BJMC will run under PPP. However, 4,452 looms were operational under the BJMC mills out of 10,835 looms. These looms, mostly bought before 1971, are outdated. Lack of modernisation and technological upgrading has been causing substantial decline in productivity at the mills of BJMC. The efficiency of BJMC mills was less than 50 per cent of their capacity, which raised concern on its sustainability given its existing machinery. Therefore, technological upgrading is a must under PPP in order to address this capacity constraint, significantly reduce production costs and improve productivity in the traditional items in which Bangladesh has developed specialisation. Higher capital intensity with technological upgrading may, however, bring some structural shift in workforce but help the PPP model of BJMC to sustain in the competitive world market. The experienced and efficient workforce can be re-employed in the refurbished and modern environment of the BJMC under the PPP.

⁹ Please see the circular of Ministry of Textiles and Jute, available at <http://www.bjmc.gov.bd/site/notices/cbf0c059-88b9-468e-be60-6bb8b8305d29>, accessed on 8 July 2020.

Furthermore, the current administrative apparatus must be transformed into a business-oriented system that will have a close resemblance to a modern corporate environment in this organisation. For that to happen, jute specialists, executives from export-oriented sectors and managers from private industries should be hired for overhauling BJMC. This can help it to become the leader among the jute exporters in the world. An endowment fund should be allocated to provide benefits subject to bringing excellence in jute exports and overcoming loss. Finally, a comprehensive strategy must be formulated to revive the organisation with a concrete work-plan and timeline, keeping in mind the above recommendations. In doing so, the protocols of the PPP model should be designed in a prudent manner guided and supervised by a strong and independent taskforce so that Bangladesh can re-emerge as the leading jute exporter with significantly increased value of exports. The government should invest in upgrading machines and installing new technology, which would encourage the private sector to rapidly collaborate in the PPP model.

5.2 Introducing New Products in the Export Basket

In addition to the new products described in Section 4, a range of new products should be incorporated in the export basket of jute. These should be jute diversified products (JDPs) and beyond the traditional basket of jute since conventional raw jute and jute products do not have much potential to attract buyers of the developed country markets. which include high-end jewellery box; particle board as intermediate good of furniture; hand- and machine-made value-added floor coverings; toilet and sanitary products for home, office and hotels; a range of interior fabrics for home, office, business centre, and social places; wall covering, aesthetic handicrafts and curtain; bed accessories, seats, blanket; and decorative and gift items. Some of the probable products are listed below.

Table 7: New products for the export basket

Category	Products
Bags, jewellery/ jewellery box	<ul style="list-style-type: none"> • Handbags and shopping bags made of jute and jute blended fabric with or without lamination • Jewellery box with outer surface of jute material/fabric or with inner surface of jute material • Imitation jewellery made of jute or jute blended fibre used for ornamental purposes
Particle board	<ul style="list-style-type: none"> • Jute particle board made of fragments of jute sticks or other jute materials agglomerated
Floor covering	<ul style="list-style-type: none"> • Mats, matting of jute — jute floor covering, fabrics, woven with plain, stripe, dobby or jacquard designs. Jute mats can also be manufactured by braiding • Carpets of jute — made of jute yarns or fibres on surface which are projected from a substrate. It is formed by super imposing, one on the other, a number of layers of jute fibres. It would include bonded pile carpets non-woven carpets, carpets made by flocking, and knitted carpets • Carpets made of jute in blend with other fibres where jute is more prominent • Other floor coverings fabric of jute woven with plain, striped, dobby or jacquard designs
Toilet wear, sanitary products	<ul style="list-style-type: none"> • Sanitary towels and tampons, napkins and napkin liners for babies and similar sanitary articles, of wadding of jute/jute blended materials. It would also include sanitary articles of wadding made from bleached/softened jute fibre mixed with cotton • Wadding, other articles of wadding of jute/jute blended materials • Terry towel and similar woven terry fabrics of jute or jute blended with other fibres where jute is prominent ingredient • Tissue papers
Fabrics	<ul style="list-style-type: none"> • A fabric made by interlacing fibres or yarn (single or twisted) • Polyethylene laminated jute fabrics — jute fabric laminated with polyethylene for any particular end uses • Jute fabric laminated with polypropylene for any particular end uses • Woven fabrics of jute • Jute fabric impregnated or coated with plastics used for packing industrial raw materials, hygroscopic fertilisers, etc. • Jute fabrics and articles used in machinery or plant • Fabrics and articles fully made of jute, coated, covered or laminated with rubber, leather • Fashion garments of jute (jute blended or union of jute where jute is the predominant fibre) men /boys and women/girls made of blended or union fabrics of jute used as fashion apparel • Floor coverings with jute base — linoleum, PVC or other man-made floor coverings with jute fabric as backing material • Tapestries — a closely woven fabric in which the pattern is developed by coloured yarn as warp or as weft or both where jute is predominant • Light weight to fairly heavy jute/blended fabrics whether or not coated, covered or laminated used for shelter
Wall covering and curtain	<ul style="list-style-type: none"> • Jute wall covering — jute fabric bleached/dyed/designed to cover wall for decoration purposes • Jute fabric (union/blended where jute is the predominant fibre), bleached/dyed and/or printed used as curtain
Bed accessories, seats, blanket, covering	<ul style="list-style-type: none"> • Jute blankets including blankets of blended jute — blanket made by woolenised jute or jute • Mattress of any kind having support base made from jute fabric, felt or laminates or coated • Sofa cover made of jute fabric (union/blended where jute is the predominant fibre), bleached/dyed and/or printed used as sofa cover • Various types of seats made of jute fabric (including union or blended), jute felt, jute composite/laminates/particle board or coated jute material, etc.
Others	<ul style="list-style-type: none"> • Tea bags • Footwear with upper of jute materials and outer soles of jute yarn or jute blended yarn for footwear • Decorative fabrics of jute — non-conventional, value added jute fabrics made from jute/blended yarns used for decoration purpose. • Jute articles having aesthetic value used for other than industrial and general textiles use

Source: Authors' presentation based on International Jute Study Group (n.d.), Harmonised System (HS) Codes for Jute and Jute Products, project report, Dhaka.

As shown in the analysis in Section 3, Bangladesh is key supplier in various markets. Building on the current presence, the country should proactively explore the opportunity to introduce these products in the markets where Bangladesh is already one of the leading exporters. Introduction of new products recommended in such markets needs to be analysed extensively. JDPC and BJRI can join hands to undertake such market research to understand future needs and market dynamics of potential jute products.

5.3 Innovations and Market Linkages

Even though jute is so far the single-largest industrial sector in Bangladesh, narrow range of products, such as raw jute, traditional jute goods, e.g., hessian, sacks and bags, yarn, floor covering, and home decors are failing to tap the emerging export potentials in the context of growing concerns of environment and climate change around the world. It is mainly because of deficiency of diversification of jute and jute products as per the satisfaction of consumer needs, especially in the markets of developed and emerging economies.

The international market of jute is no longer perceived as a ‘captive market’ for Bangladesh even though it is the largest exporter in this sector. To significantly increase the export earnings from jute, investment in innovations and establishing better market linkages should be encouraged. The Government of Bangladesh has already taken an active interest in scientific invention and innovating new products, such as genome sequence of jute, jute viscose, jute tea and jute-tin.

To promote the product diversification, the BJMC, BJRI, private sector and other research institutes (such as Atomic Energy Commission), universities (agricultural universities, universities of science and technology, and other relevant departments of top local universities) and around 200 jute mills in private sector should be actively involved to foster innovation under the PPP. Enhanced policy support can include financial incentive and an endowment fund to foster innovation and engage skilled human capital from both public and private sectors.

JDPC has been promoting diversified jute products since 2002 that helped to produce more than 200 products targeting the international market. The products include bags, shoes, gardening products, household and everyday items (e.g., cushion and pillow, basket, floor cover, table stationeries,

ornaments, showpieces), sarees (a traditional woman attire), dresses for women and men, and table mat. It also organises skill development training for entrepreneurs, designers, artisans and workers, and training for new entrepreneurs. To further promote these diversification efforts and strengthen JDPC's capacity, the authorities can consider allocating more resources. Budgetary allocations can be directed in the projects on public-private partnership to promote research and development. However, timely implementation of such projects should be emphasized to increase export earnings from jute products.

5.4 Commercial Viability of New Products

Over the recent years, some new jute products have been invented. These innovations show promising potential to emerge as important export items of Bangladesh. However, these products are still under rounds of piloting to assess their commercial viability. For example, Sonali bag and jute viscose are widely perceived to have enormous potential in both domestic and international markets, even though their unit prices at pilot stages are still significantly higher than those of their nearest substitutes. In order to make them commercially viable, attracting both domestic and foreign investment can be considered as a policy option. For attracting domestic investment, the option of introducing special schemes with soft-term loans could be considered by the Bangladesh Bank. BJMC could benefit from modernized production units in its own land under PPP. To attract foreign investments, opportunities in Special Economic Zones (SEZs) could be explored for establishing factories. These support measures are likely to reduce the initial cost of production significantly and help market new commercially viable jute products.

5.5 Production and Marketing of Geotextiles

As it stands, most of the JGT products in Bangladesh are elementary in nature which are not specially treated or mixed with other processed eco-friendly raw materials for hybrid and high-end JGTs. Currently, more than ten types of JGTs are globally marketed through Alibaba, China's largest online commerce company. However, these are basic JGT products and unlikely to find viable market in the developed countries. Without

exporting superior products of JGTs, Bangladesh can hardly move forward to earn substantial amount of foreign currency and secure its position in the expanding global market of geotextiles and technical textiles. To overcome this constraint, Bangladesh needs to produce superior JGT products by improved chemical treatment and standardization according to the purpose of use or the diversified needs of the global market.¹⁰

Bangladesh signed a memorandum of understanding (MoU) with India for standardisation of locally produced JGTs.¹¹ However, India is Bangladesh's main competitor of jute products in the world market and the likely outcome of standardisation through such an MoU remains uncertain. Therefore, Bangladesh should proactively look for investment, and support in standardization and marketing from other interested countries, such as China. Future growth in superior JGT production and marketing is likely to require more of such cooperation.

5.6 Investment and Financing

As discussed earlier, the country needs to transform its of age-old and low-end products, such as jute fibre and sacks which have scanty prospects in earning foreign currency and capturing developed country markets. Rather, it is imperative to foster investment in high-end diversified products listed in Table 6.

Attracting Foreign Direct Investment (FDI) could be a viable means of quality improvement, new technology adoption, standardization, advertisement and promotion, research & development (R&D), and greater market access of jute products in the global market. Bangladesh can actively explore the option to attract FDIs to foster the production of new and high-end products (such as jute viscose), which are yet subject to the assessment of commercial viability. Developing high-end products for global markets can serve the international demand of such products in various sectors including construction, disaster management, and general consumers. FDIs could also be useful in enhancing technology diffusion, improving skills of manpower working in the jute sector, and positive spill over through competition with local jute firms. This can help rejuvenate the jute sector to realize its export potential further.

¹⁰ According to Key Informant Interview (KII) with Director General, Bangladesh Jute Research Institute.

¹¹ See <https://www.textiletoday.com.bd/jute-geo-textile-its-prospect-in-bangladesh/>

Another financing option to promote new and promising products for local firms for the international market could be the creation of a special fund with provisions for low interest and soft term loans. In this context, Bangladesh Bank is already offering support which can be further strengthened. For instance, in June 2019, the size of the existing refinancing scheme was increased by one billion Bangladeshi Taka (BDT) from two billion BDT.¹² The scheme now allows businesses to borrow money at eight per cent interest rate which is only one per cent lower than the previous rate. While this is a welcome move for diversification of jute products aimed at entering market of developed and emerging countries, this measure could be further strengthened by making room for credit with softer terms.

6. CONCLUSION

For decades, Bangladesh has remained as the top international exporter of jute products. Currently, Bangladesh holds just less than two-thirds of the global jute market, followed by India with about one-fifth of the total jute exports of the world. However, exports of jute products are currently about two per cent of the country's total exports of goods. While other important products are demonstrating growth in terms of total exports and their share in export earning, jute products are showing a rather diminishing trend for more than a decade. Despite numerous measures for export promotion and diversification of jute products, the traditional products, such as raw jute fibre, jute sacks and bags for packing of goods, cabled yarn, and woven fabrics, have remained the most dominant export products which have limited prospect in the global market.

Therefore, in order to revive jute as an important category in the export basket, Bangladesh needs to actively promote the development of high-end products, rather than traditional age-old jute items. Such products would include biodegradable Sonali polybag, jute-tin, jute viscose, treated and value-added geo-textiles, particle boards, fashionable wall and floor

¹² Bangladesh Bank also extended the tenure of the fund till June 2024.

covering, toilet wear, sanitary products, fashion fabrics, curtain, bed accessories, seats and blanket covering, fabrics blended with textiles, charcoal and carbon powder from jute stick, interior supplies for global automobile industry, and tea of jute leaves. These products along with other products discussed above can be considered for fast track investment and large-scale production aiming at the global market.

Jute products are one of the highest priority sectors in the Export Policy (2018-2021). Also, policymakers showed active interest in scientific invention and innovating new products for reviving the jute sector. Despite these efforts, publicly owned BJMC, the key institution for the domestic supply and exports of jute goods, remained far less than efficient to tap into the promising potential of jute exports. The BJMC can be reformed through revamping its management and installing modern machinery under the PPP model. Innovations and market linkages are must to add high-end items in the export basket, which requires funding in R&D and attracting FDI in the jute sector. In addition, private investments in this sector could be promoted through soft loans. Finally, it is imperative to undertake comprehensive market research along with reinvigorated policy support to meet the globally emerging demand for specific jute products and boost jute exports thereby.

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THE CITIZENSHIP AMENDMENT ACT, 2019: POLITICS OF CITIZENSHIP IN INDIA

Partha S. Ghosh

Abstract

Ever since the Bharatiya Janata Party (BJP) under Prime Minister Narendra Modi came to power in India in 2014 the 'Muslim question' in Indian politics has assumed an importance never seen after the Partition of British India in 1947. Riding on the 'legitimacy' of Hindu political predominance, Hindu nationalism is being pitted against the idea of India as a secular state as enshrined in the country's Constitution, although it is not being so said directly. At present it is being played out only at the political and electoral levels; if the Citizenship Amendment Act, 2019 receives the approval of the Supreme Court as constitutionally valid it may be the first concrete step towards making India a Hindu rashtra (nation), a dream project of the Hindu politico-ideological right from the early days of the twentieth century. In this paper a political analysis of this Act is presented against the background of the Hindu-Muslim question.

INTRODUCTION

Ever since the 1857 revolt against the British rule the Hindu-Muslim political question has been a permanent feature of Indian politics. After the establishment of the Indian National Congress in 1885 a new political force was added that represented the composite Hindu-Muslim political culture, though it took its real shape only after Mohandas Karamchand Gandhi, popularly known as Mahatma Gandhi, entered the Indian political scene in 1915. Thereafter it became a triangular fight between the forces of composite Indian nationalism, Hindu supremacist demand to make India a Hindu nation, and those of Muslim separatism that culminated in the demand for Pakistan in 1940 spearheaded by the Muslim League.

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The Partition of India in 1947 into two sovereign states, India and Pakistan, meant that the secularists got their secular India, Muslim League got their Islam-centric Pakistan, but the Hindu nationalists were left in the lurch. However, they were down, but not out, and continued to play their politics as usual. Over the years they have bolstered their constituency through their electoral outfit, first the Bharatiya Jana Sangh (established in 1951) and subsequently the BJP (established in 1980). The latter first came to power as the leader of a coalition of parties called the National Democratic Alliance (NDA) during 1998-2004 and again since 2014. In the 2019 election the party won an absolute majority in Parliament but technically the NDA rule continued. With this unprecedented victory the spectre of a Hindu *rashtra* looks virtual, if not real. It is against this background the recently passed Citizenship Amendment Act, 2019 is being analysed in this paper.

THE ACT

The Act is formally known as The Citizenship (Amendment) Act, 2019 (No. 47 of 2019) (hereinafter CAA). The most relevant and controversial clause of the Act, Clause 2, says inter alia:

“Provided that any person belonging to **Hindu, Sikh, Buddhist, Jain, Parsi or Christian** community from Afghanistan, Bangladesh or Pakistan, who entered into India on or before the **31st day of December, 2014** and who has been exempted by the Central Government by or under clause (c) of sub-section (2) of section 3 of the Passport (Entry into India) Act, 1920 or from the application of the provisions of the Foreigners Act, 1946 or any rule or order made thereunder, **shall not be treated as illegal migrant** for the purposes of this Act;” (emphasis added).

The reason why this Act is controversial is that, for the first time, it inserts a religious clause in the country's citizenship law.

THE EVOLUTION

Following the Partition of British India into India and Pakistan millions of people had to cross borders to resettle in one country or the other. This process continued for several years. No wonder that the Government of India took as many as eight years after independence to pass its first Citizenship Act, 1955 which is still in force with amendments. The Act

provided for acquisition of Indian citizenship by (i) birth, (ii) descent, (iii) registration, (iv) naturalisation, and (v) incorporation of territory. In the backdrop of the Assam agitation against illegal Bangladeshis, the Assam Accord was signed in 1985. It territorialized citizenship and recognized as citizens those who had arrived in Assam before January 1966, or, broadly those who came between January 1966 and 25 March 1971. In 1986, through an amendment, citizenship by birth was restricted to only cases where at least one parent of a child born after 1 July 1987 was citizen of India. During the Atal Behari Vajpayee government (1998-2004) the Citizenship (Amendment) Act, 2003 introduced stringent rules in respect of citizenship by birth, descent, registration and naturalisation. The idea was to ‘prevent illegal migrants from becoming eligible for Indian citizenship’. The expression ‘illegal migrant’ was defined as a person who entered India without valid passport or travel documents and one who overstayed. Importantly, this amendment provided that in case of citizenship by birth either of the parents must not be an ‘illegal migrant’.¹

Since the implementation of the Act was heavily document-driven it hurt the interests particularly of Hindu and Sikh refugees from Afghanistan and Hindu Sindhis from Pakistan. To overcome the problem some religious clauses were stealthily incorporated through some administrative changes in the ‘rules’ (not ‘acts’) so as to not to necessitate parliamentary approval. For example, with effect from 7 September 2015, without much publicity, amendments were made to Passport (*Entry into India*) Rules, 1950. The Rule 4(1) (ha) stated that for persons belonging to minorities from Bangladesh and Pakistan (Hindus, Christians, Sikhs, Buddhists, Jains and Parsis) compelled to seek shelter in India due to religious persecution passport rules would not apply. On 18 July 2016 minorities from Afghanistan also were added to these rules. Similarly, some necessary changes were also brought in the Foreigners Act, 1946 to provide that such foreigners need not be sent to detention centres where normally foreigners who were illegal migrants were sent to.² As such, the controversial religious clause in the CAA is not absolutely new. But the fact that it is now a duly passed Act (and not mere ‘rules’) makes it different. Constitutionally speaking, its religious content is a bone of legal and political contention.

¹ Anil Nauriya, ‘Trial by Paper,’ *The Hindu* (New Delhi), 26 January 2019. Nauriya is a counsel at the Supreme Court and the Delhi High Court. For a quick look at all the nitty-gritty pertaining to the myriad acts, rules and regulations about citizenship laws, see the ppt of V. Suresh, Advocate, Madras High Court and General Secretary, People’s Union for Civil Liberties (PUCL) available at: <https://mail.google.com/mail/u/0/?tab=rm&ogbl#inbox?projector=1>

² *Ibid.*

THE ISSUES

To grapple with the controversy surrounding CAA let us put it in terms of questions it raises:

1. Does CAA violate India's constitutional commitment to secularism?
2. Is it anti-Muslim?
3. Does it overtake the Assam Accord (1985)?
4. What is the connection between CAA and the National Register of Citizens (NRC)?
5. What is BJP's political interest in passing the Act?
6. Does it stand the empirical test?
7. Does it jeopardize regional security?

Threat to Secularism?

All laws in India must conform to the Indian Constitution, in letter and spirit. The Part 3 of the Constitution deals with 'Fundamental Rights', arguably the most important part. Some fundamental rights are available for any "PERSON" in India while some are available to only "CITIZENS". Generally, almost all laws are introduced by the Government, meaning the ruling party/coalition, and are passed by majority votes in the legislature. As such, the ruling party's political vision, perspective, or agenda matters the most. Being a Hindu nationalist party, BJP's agenda is to convert India into a Hindu nation, and it is waiting for the opportune time to announce it boldly. In this game Muslims of India figure prominently because without this binary the strategy would not work.

The Constituent Assembly firmly rejected this notion although it was deliberating the issue against the backdrop of massive Hindu-Muslim riots in which millions had lost their lives. The Constitution unequivocally recognized a secular credo for the nation. It, however, made a subtle distinction between PERSONS and CITIZENS. Thus, while Article 19 declared that 'all citizens shall have the right (a) to freedom of speech and expression, (b) to assemble peaceably and without arms, (c) to form associations or unions, (g) to practise any profession, or to carry on any occupation, trade or business,' Article 21 declared that 'no person shall be deprived of his life or personal liberty except according to procedure established by law' (emphasis added). It was this provision that had allowed Ajmal Kasab the right to stand trial for participating in Mumbai terrorist attack on 26 November 2008 and not being summarily executed.

The question now is: does the CAA violate Articles 19 and 21? What about the test of the equality clause of the Constitution? According to theories of migration and refugee movements, people flee to another country for various reasons and, therefore, to distinguish one from another in terms of religion is preposterous. The argument of the Modi government that Muslims from the Islamic states of Afghanistan, Bangladesh and Pakistan have many other Muslim countries to migrate to while Hindus, Christians, Sikhs, Buddhists, Jains and Parsis have only India to migrate to is flawed on several counts:

- a) Just because they are Muslims from Afghanistan, Bangladesh and Pakistan they are not necessarily welcome in other Muslim countries. Otherwise Iraqi or Syrian refugees would not have gone to Western Europe when they had many Muslim countries in their neighbourhood to flee to.
- b) India being ethnically most diverse and economically most vibrant attracts the oppressed or economically deprived people from the neighbourhood which includes all communities, not necessarily only Hindus. This is a reality all across the world. Otherwise even middle-class Hindus of India would not hanker to go and settle in the United States or the U.K.
- c) Not all Muslims are happy in Afghanistan, Bangladesh and Pakistan. For example, the Ahmadiyas, Shias or Baluchs in Pakistan are all Muslim but face the ire of the majority Sunni/Punjabi Muslims. The same is the case of Hazaras in Afghanistan. Should India deny them refuge if they so request?
- d) What about Rohingyas or Karens asking for refuge in India in the face of an oppressive Buddhist military junta in Myanmar?
- e) The same as above is the case of Sri Lankan Tamil Hindus who have fled ethnic persecution in Buddhist chauvinistic Sri Lanka.

As a matter of fact, majority oppression in the region against the minorities is not the monopoly of Islamic Afghanistan, Bangladesh and Pakistan. The problem is generic, the scourge of majoritarian politics.

Anti-Muslim?

Ever since the BJP came to power in 2014 anti-Muslim politics has become its staple diet. It is particularly so in Uttar Pradesh, the hub of Muslim politics in pre-Partition India, now the politically

most powerful state in the Indian Union. Its BJP chief minister is a prominent Hindutva rabble rouser. In this context the Prime Minister himself cannot escape the blame either. Though officially acquitted of allegations about his involvement in the anti-Muslim pogrom in Gujarat in 2002 when he was the state's chief minister, his politics has a clear anti-Muslim flavour particularly noticeable in his election rallies. He says things tongue-in-cheek which no observer can fail to notice. During the Jharkhand election held in November-December 2019 when he was criticizing the on-going agitation of Delhi's Muslim women against the CAA he made a communally charged statement that from their dresses one could make out who they were. His obvious reference was to the hijab wearing women, or men courting beard or wearing Muslim-type *salwar-kameez*.

During campaign for the Delhi Assembly election held on 8 February 2020 the BJP wanted to somehow prove that the Delhi Chief Minister and his Aam Admi Party (AAP) were supporting the 'anti-Hindu' and 'pro-Pakistan' Shaheen Bagh sit-in agitation led by Muslim women. It is uncalled-for that while campaigning in Delhi the U.P. Chief Minister predicted that, if re-elected, the incumbent Delhi Chief Minister would be 'feeding biryani [in BJP's anti-Muslim tirade biryani is used ad nauseam to stir pro-Hindu sentiments as if Hindus do not eat biryani] to anti-CAA protesters sitting on dharna at Shaheen Bagh.' He even talked about his Pakistan connection.³ Some commentators argued that BJP deliberately allowed the protestations to continue so that it gave it an unending opportunity to polarize Hindu votes in its favour.⁴

Now that the BJP has exhausted almost all weapons in its arsenals (Article 370: abolished; Triple Talaq: criminalized; Ram Temple: being built), it must invent something new to keep mollicoddling and distracting the Hindus. As soon as one conducts a simple cost benefit analysis of the CAA (and the ancillary NPA and NRC), it should be evident that no other explanation would make sense. Any law, that too one which involves every one of India's 1.3 billion people (excluding some communities in NE), must necessarily pass this test of fiscal probity. Indeed, such a test must include deliberations over theories of international migration and the question of refugees (on which volume after volume have been written, including many that address the Partition of the sub-continent and its aftermath).

³ The Hindu (New Delhi), 2 February 2020.

⁴ Mohammed Ayoob, 'It's time for the Shaheen Bagh protests to end,' The Hindu (New Delhi), 3 February 2020.

The anti-Muslim agenda of the BJP/RSS is virtually on the pattern of the U.S President's election tactics/technique - building support base in the Bible belt by supporting the anti-gay and anti-abortion opinions while using the same political capital to press for tax cuts and climate change denials. In India the same is being done through the division of labour between BJP leadership and RSS Chief. The Prime Minister talks of his limit of tolerance to all such nonsense as 'love jihad' or 'ghar wapsi' and reminds them of his so-called Lakshman Rekha (this far and no farther) but evidence suggests that when the crunch comes he finds discretion as the better part of valour. When a BJP fire-eating parliamentary candidate said in a rally during the 2019 election that the killer of Mahatma Gandhi was a real patriot the Prime Minister assured that he would not ever tolerate such things. But nothing effective happened. On the contrary, that candidate, having been elected, repeated her statement on the floor of the House attracting little condemnation from either BJP or the PM. The maximum the party did was to make her tell the House that she was misunderstood. The way BJP now views the anti-CAA agitations across the country as Muslim conspiracy leaves little doubt in one's mind that the motivation behind CAA was yet another move to placate the Hindu voters at the cost of India's Muslims.

Negation of Assam Accord

Assam has been traditionally a migrant receiving region because of its chronic labour shortage and resource affluence in terms of fertility of its soil. During the Bangladesh Liberation War millions of East Pakistanis took refuge in India, many of them in Assam. All of them did not return to Bangladesh. On the contrary, there was a constant inflow of Bangladeshis throughout the seventies largely on account of the deteriorating economic and communal situation in Bangladesh. The magnitude of the flow came to sharp focus when the Indian Election Commission released the electoral lists for the state in 1979 on the eve of the 1980 parliamentary election. The All Assam Students Union (AASU), which had already launched an agitation in 1978 against unauthorised Bangladeshi settlers, now intensified their stir. The agitation vitiated the communal atmosphere in the state which was further worsened by political uncertainties that the state experienced. The most vicious expression of communal hatred was the Nellie massacre of 1983 in which about two thousand Muslims were killed by Tiwa tribe members.⁵

⁵ T For a brief but balanced view of Assam's immigrant problem and its connection with the state's politics, see, Vani Kant Borooh, 'The Killing Fields of Assam: Myth and Reality of its Muslim Immigration', Economic and Political Weekly (Mumbai), 48(4), 26 January 2013: 43-52.

In August 1985 the Assam Accord was signed between the AASU and the Government of India, which addressed the problem in more general terms. Since the AASU demand that all 'foreigners' who had arrived in India after 1951 should be evicted was not considered practical it was decided that 25 March 1971 would be the cut-off date. All those who had arrived after that date would be repatriated. With regard to those who came between 1 January 1966 and 24 March 1971 it was provided that they would continue to stay in India but would become full citizens with voting rights only after ten years. As expected, neither IMDT nor the Assam Accord delivered results. Even after a decade there was little evidence of illegal foreigners being actually identified and repatriated.

In 2005 the Supreme Court scrapped the Accord as legally untenable following which the Government of India agreed to update the Assam NRC. But the process remained tardy making the Supreme Court monitor the process from 2013. On 31 August 2019 the exercise was completed. Out of Assam's 33 million (3.3 crore) population 1.9 million (19 lakh) applicants did not figure in the list, who thus became potentially stateless. Since many of them, about 14 lakh, were Bengali and Gorkha Hindus, who constituted a major voter base of BJP, the latter did not like the results and promised to redo the exercise in Assam as well as the entire nation. It figured in the party's election manifesto for the 2019 parliamentary election also. The Union Home Minister made that commitment in his speech in the Parliament on 19 November 2019. But Assamese had little reason to cheer. For them their cut-off date of 25 March 1971 was pushed forward to 31 December 2014 making a mockery of their decades-old agitation. They surmised whether they were not taken for a ride by the BJP for which Bengal was a much bigger cherry than Assam.

The NRC Connection

The BJP has been talking about this connection with a forked tongue. The Home Minister has categorically said on the floor of Parliament that his government will first have the CAA and then go for the NRC. When it became a politically hot subject the PM distanced himself by saying that it had not been discussed. But so far there is no categorical commitment that NRC would not be held. Moreover, without NRC the efficacy of CAA is

nil, or, in other words, the existing 'rules', as discussed above, are good enough. Given the fact that a nationwide NRC is like a Damocles Sword hanging over every Indian's head let us see its financial implications by extrapolating the Assam NRC expenditures. To register Assam's 3.3 crore people, the NRC cost INR 1,600 crores and involved a work force of 50,000 officials. The estimated population of India in 2019 was 137 crores. A nation-wide CAA/NRC would thus cost INR 66,424 crores (\$ 9.5 Billion) and involve about 21 lakh officials. Added to this is the huge cost in terms of money and time that millions of Indians will bear preparing documents, standing in line, returning with additional documents, appealing bureaucratic mistakes, etc. Further, add to it the money needed to build and maintain thousands of detention centres necessary to house the roughly 8 crore stateless persons likely to be so identified (extrapolating the Assam NRC's 19 lakh "non-Indians").

Empirically Weak

South Asians are a composite community. Either one would concede that they look alike, or, they all look so different. For example, it is easy to distinguish between a Kashmiri Hindu or Muslim and a Tamil Hindu or Muslim but it is impossible to distinguish between a West Bengali Hindu or Muslim and a Bangladeshi Hindu or Muslim. Added to this problem is the institution of corruption in the region that makes it not too difficult to acquire necessary citizenship papers. Kamal Sadiq calls them 'paper citizens'. The court cases of *Abu Hanif alias Millan Master v. Police Commissioner of Delhi and Others* and *Abu Hanif alias Millan Master v. Union of India and Others*, of 2000 and 2001, respectively, are cases in point. Abu Hanif was an Indian Muslim, yet he was accused of being an alien since he lived among the Bangladeshis. He faced an immediate deportation to Bangladesh. The court, however, gave the verdict in his favour.⁶ Let us take three recent experiences to see whether the idea of 'paper citizens' makes sense:

⁶ Kamal Sadiq, *Paper Citizens: How Illegal Immigrants Acquire Citizenship in Developing Countries* (New Delhi: Oxford University Press, 2009), pp. 101, 117.

- a) Hindu paper citizens in J&K. One of the arguments put forward by the Indian government, while revoking the Article 370 in Jammu and Kashmir (J&K), was that it would facilitate the Hindu refugees settled in the state who came after the Partition to become full citizens of India who otherwise suffered from the handicap of not being the citizens of the state. But most of them have already managed to become the J&K citizens in the intervening period. In 2018 when a scheme was announced to provide one-time financial assistance of INR 550,000 each to 5,764 such families there was not a single taker. They had become J&K citizens and, just to quench their greed of 550,000 Rupees, they did not want to jeopardize their cleverly earned J&K, meaning Indian, citizenship.⁷
- b) Indian (or, Plantation) Tamil paper-non-citizens (those who had papers but now not). This is in respect of Indian Tamil expatriates in four south Indian states - Tamil Nadu, Kerala, Karnataka, and Andhra Pradesh (including present Telangana). As a consequence of the Shastri-Sirimavo Pact of 1964 and the Indira Gandhi-Sirimavo Pact of 1974 thousands of Indian Tamils were virtually forced to be expatriated to India. Most of them still lead miserable lives even after more than 50 years. Most of them have no idea where their citizenship certificates are or even if they had they have been washed away by 2019 floods.⁸ Let us multiply the story hundred times to have a sense of the Assam and West Bengal situation vis-à-vis the East Pakistani/Bangladeshi migrants in these states.
- c) The case of **paper refugees** (papers submitted but rejected as incomplete). Following the NRC exercise in Assam we have now 1,900,000 identified non-Indians. We all know that about 75% of them are non-Muslims and 25% Muslims. If the CAA is rolled out, only 25% Muslims remain as non-Indians. Effectively they would be the so-called **paper refugees**, the Hindi word for them would be the obnoxious, *ghuspaithiyas*, the 'termites eating into all the resources of India'. Given thrice the population of West Bengal compared to Assam one may multiply the number of such *ghuspaithiyas* three times. Thus, India will soon have 2 million paper refugees. But 2 million 'de-Indianised Indians' in India's 1,370,000,000 population is just 0.14 per cent. In other words, to spot 1 'stateless' person, 700 Indian citizens will be made to show their long-lost papers in most cases.

⁷ Indian Express, 24 January 2020.

⁸ Detailed report in The Hindu, 25 January 2020.

Hindutva Agenda

Politically, CAA gives further ‘respectability’ to communal politics in India, strengthening a trend that has been in the making for several years. We know that communalism exists in all South Asian polities, but we also recognize that it is undesirable in modern democracies. It is for this reason that every political party worth its salt publicly distances itself from communalism. Even the avowedly Hindu-chauvinistic BJP has been forced to shout from the rooftop that it believes in sabka saath, sabka vikas, sabka viswas (together, let us all develop by earning everyone’s trust). The last phrase sabka viswas (everyone’s trust) was added recently to address Muslims’ concerns in particular. But when it comes to playing day-to-day politics, we have seen how hollow the slogan reads. My columns in Dhaka Tribune in the past several months have dwelt extensively on this hollowness.

In any case, the huge contradiction that exists in India today must not escape anybody’s attention. On the one hand, there is a clear policy thrust to see the Union of India as one single political unit at the cost of states’ rights; on the other, everything is moving in the direction of fragmenting India as a nation. One-nation-one-election, one-nation-one-tax, one-nation-one-ration card, and direct-benefit bank transfers from the central government to needy Indians over the heads of state governments (so as to establish direct communication between the Union government and the people), tell one story. But this story is turned on its head when state domicile becomes the major criterion to reserve 60 to 80 percent of government jobs for locals. Thus, the Indian state celebrates the abrogation of Article 370 that had granted Jammu and Kashmir special rights. In the same breath, and with great aplomb, that same Indian state also celebrates its commitment to protecting the special rights of the north-eastern states. How could such diametrically opposite processes be simultaneously celebrated? Only Muslim-baiters can appreciate this jugglery. After all, Jammu and Kashmir was India’s only Muslim-majority state (now split into two Union Territories).

South Asianism in Danger

In the context of this paper the most relevant country to study in the region is Bangladesh, although I have argued elsewhere that India is not interested in regional cooperation, least of all in the South Asian Association for Regional Cooperation (SAARC).⁹ At present India-Bangladesh relations are in best stead largely because the Bangladesh Prime Minister has been able to marginalize the Islamists and come in the way of her country being used as hideouts for India's north-eastern insurgents. But Bangladesh politics is volatile. It will be naïve to think that the pro-Islam forces have been wiped out. Their stray extremist activities are a small problem; the real danger is their political revival in Bangladesh the potential of which always exists. The more the Hindu nationalists in India humiliate the Indian Muslims by talking today about love jihad, tomorrow about ghar wapsi, and day after by closing down the meat shops in U.P. on fake charges of their selling beef the day may not be far off when there could be an anti-Hindu backlash in Bangladesh. Just the BJP granting citizenship to all Hindu migrants to Assam through the expedience of the CAA will not only not help but, on the contrary, it will be counterproductive both by destabilizing the region as well by jeopardizing India-Bangladesh bonhomie. The West Bengal assembly election of 2021 will aggravate the problem as BJP is all set to communalize its campaign to win the election.

CONCLUSION

Migration of Hatred

Nations play games; nationals suffer. This story South Asians know all too well from the days of Partition through the Bangladesh War up to the present. But they know not how to insulate themselves from the scourge. It makes all, whether they are Hindus, Muslims, Buddhists, Sikhs and anyone else, fall victims. Sometimes they do so knowingly, at other times unknowingly driven either by historical memories or by political intoxication dramatised by their leaders. The religion-driven right-wing parties know the trick too well. A Bengali Sylheti commentator, whose

⁹ Partha S. Ghosh, 'Region without Regionalism: Cooperation in South Asia,' *Economic and Political Weekly* (Mumbai), 51(32), 6 August 2016, pp. 114-21.

family had fallen victim twice, first in the hands of East Bengali Muslims, and later Assamese Hindus¹⁰ put it pithily in a recent newspaper piece. She wrote: ‘For the Assamese and indigenous peoples fighting against the CAA, the suspicion of the Bengali and memories of the language riots [in Assam] have not waned. For the liberal left, we are a community of savarna Hindus, to admit whose past violations upset too many equations. The Hindu right-wing acknowledges the wounds. But, as their imploding calculations in Assam show, they offer a delusion in the guise of reparation: Give me your trauma, and I will offer you more hate to quench your anger. Unfortunately, many Hindu Bengalis, including those in my family, accept this bargain.’¹¹ Probably that makes the 2021 West Bengal assembly elections so sensational; and dangerous too. And the CAA/NRC will be the catalyst.

¹⁰ And for the third time in the hands of the Khasis in Shillong (Meghalaya). See several articles on the subject in P. Gill and Samrat (eds.), *Insider Outsider: Belonging and Unbelonging in North-East India* by (New Delhi: Amaryllis, 2018).

¹¹ Amrita Dutta, ‘Why my grandfather refused to become a citizen of India,’ *Indian Express* (New Delhi), 26 January 2020, <https://indianexpress.com/article/express-sunday-eye/india-pakistan-partition-citizenship-bill-assam-caa-6233344/>

DEFENSE SECTOR RELATIONS: A BRIEF ANALYSIS

John Hansen

Abstract

This paper reviews and applies a selection of civil-military relations theories to contemporary relational issues within a large country's defense sector. It briefly highlights the role of the defense sector as a key stakeholder within the broader security sector, then analyzes three top level confrontations within the defense sector. It ultimately demonstrates that civil-military efficacy is shaped by human interaction in high stakes relationships, and that to understand the nuances involved requires the application of multiple theoretical approaches.

INTRODUCTION

It is well that much has been - and continues to be - theorized and written regarding the curious relationship between civil and military interests within the State. Tension in the relationship can set the conditions, shape, or singularly cause trauma that can impact the rules of government (regime) or even the existence of the State itself. Perhaps as expected of human nature, "the tension between [civil and military interests], consequently, can never be removed; it can only be ordered so as to make it more or less endurable." When un-endurable,¹ the relationship may devolve. The extreme outcome is regime change or coup d'état, the ever-present specter, especially to consolidating democracies.

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¹ Samuel P. Huntington, *The Soldier and the State, The Theory and Politics of Civil-Military Relations*, Cambridge:

One could conclude that emerging democracies are more prone to civil-military relational issues than more stable and presumably enduring ones. The path to democratization, of course, is marked by capacity development within and across the fragile institutions of democratic governance. There may be vulnerabilities particularly when the military is the most developed institution, outpacing the others in competence and confidence in its capacity to carry out its important tasks for the country.

Furthermore, the military may be justifiably proud of its efforts to secure a country's Statehood. It may adopt a sense of maternal responsibility to assure the development of other State institutions, while inadvertently biasing or stunting that development. When, for instance, the State emerges from violence to conditions of new-found peace, tense civil-military relations tainted by unresolved issues may sully long-term efforts to achieve among the people what Liddell-Hart described as an enduring *better state of the peace*². This is all to suggest that the military, having set some conditions to enable the emergence of democracy in the State, may rationalize becoming politicized for "the good of the State" to prevent any recidivism, real or perceived.

However, developed and consolidated democracies, where governments have enjoyed multiple peaceful transitions of power, are not immune to civil-military relational issues either. Much of the theory regarding the relationship emerges from such countries. Theorists like Kohn, Huntington, Feaver, Betts, and others write with no little concern regarding the relationship and its better forms. From varying perspectives, they suggest the relationship requires some measure of vigilance, and that it is not to be taken for granted.

CIVIL-MILITARY RELATIONS THEORIES

Political Scientist Richard Kohn cautions that vigilance is required especially in mature democracies with a long history of civilian control of the military, and where the military has an established tradition and significant capability oriented externally in defense of the State. Military institutional qualities of prestige, advanced bureaucratic skills, and mission-focus may become obstacles to civilian authority. Such obstacles are compounded if the relationship is soiled by perceptions of poor civilian leadership that could risk the performance of the military as an institution.³

² Concept drawn from B.H. Liddell-Hart, *On Strategy*, London, Faber & Faber, 1954.

² Summarized from Richard H. Kohn, "An Essay on Civil Control of the Military," *American Diplomacy*, 1997, 1.

Kohn further suggests that mature democracies are not immune to the “personal or political ambitions of senior military officers and leading politicians.”⁴ The ill-effects of such motivations are particularly likely when domestic circumstances give rise to “military prestige and weight in public opinion.”⁵

Finally, Kohn warns that mature democracies that may grow inattentive to the health of the relationship may, over time, grow in peril. If infected by “a slow, imperceptible deterioration that can occur through inattention, conflict, or the accretion of military power because of public adulation of the military or disgust with politics and politicians,” the relationship becomes imbalanced by “inflating military influence and diminishing civilian control.” He suggests that a vigilant press and routine return to the principles of “civilian control and the requirements for its successful operation” are some of the means to keep the relationship aligned with democratic principles of civilian authority.⁶

In his ground-breaking study, “The Soldier and the State,” Samuel Huntington observes, “[a]ny profession experiences a tension between its inherent professional aspirations and the extraneous politics in which it may become involved.”⁷ Similar to Kohn, he suggests that the pursuit of professional competence and the desire for political power may be distinct among civilian and military leaders, but in nature, “elements of both exist in most human beings and in every group.”⁸

Huntington characterizes the military as a profession almost unique among all vocations because of its expertise in “managing violence,” its responsibility to the existence of society, and its corporate-ness in a collective sense of unity. He, likewise, characterizes the military officer as a true professional. But the scope of the profession is limited to the sobering requirement of “managing violence.”⁹

⁴ Kohn, 4.

⁵ Kohn, 4.

⁶ Kohn, 9.

⁷ Huntington, 7.

⁸ Huntington, 12.

⁹ Huntington, 12.

Huntington advises that the quality of professionalism of the military officer corps is absolutely central to achieving a proper civil-military relational balance. His focus is on the professionalism of the officer corps and the equalizing/balancing effect of an apolitical military with an officer corps of high morale and sense of value/purpose eager to serve rather than to dominate. If professionalism is wanting, there is little hope in achieving the desired civil-military balance. A healthy civil-military relations environment, rather, is one characterized by equilibrium between levels of relational influence wielded by both civilian and military leaders. It is the equilibrium in the relationship between the two camps as they direct and apply military capability. An unbalanced relationship creates tension in the proper role and application of the military element of national power. A relationally dominant military can overly influence the application of military force just like an overly dominant civilian authority can. In either unbalanced situation, the application of national military power is sub-optimal because of the relationally corrupting effect of bias from one camp or the other.¹⁰

Likewise, proper balance exists within an environment characterized by “objective civilian control,” where a degree of separation from political designs and deference to military expertise project service to national interests rather than domestic political ones. Wholly observed, “objective civilian control and military professionalism” define the proper balanced relationship that yields a professional military, duty bound to acquiesce to objective civilian control, and a civil authority sympathetic to military expertise.¹¹

Peter Feaver’s “agency theory” for civil-military relations is a departure from Huntington’s “professionalism and objective controls theory”. Where Huntington suggested balance within the relationship, Feaver advocates a relationship modeled by “the strategic interaction between civilian principals and military agents.”¹² He is less enamored by military professionalism within the officer corps to self-relegate and subordinate to the authority of civilian leadership. Central to the relationship is the right of the civilian ‘principal’ to be wrong, or even just perceived by the military ‘agent’ to be wrong. In either instance, the agent is still responsible to the principal.

¹⁰ Summarized from Huntington, 94-97.

¹¹ Summary and quotation from Peter D. Feaver, *Armed Servants: Agency, Oversight, and Civil-Military Relations*, Cambridge: Harvard University Press, 2003, 2.

¹² Feaver, 60.

Feaver suggests that, since the end of the Cold War, civil-military relations have “reached their stormiest level in decades.” Across a series of U.S. military actions (Somalia, Bosnia, Haiti, Kosovo, War on Terrorism) civilian controls were challenged. The agency theory would suggest that the military, as agent, executed operations as desired and not necessarily as directed. Feaver’s theory identifies this phenomenon as “shirking” or “not doing [something] to the principal’s satisfaction.”¹³

Finally, Richard Betts analyzed the use of force during the Cold War in terms of the levels of influence on Presidential decision-making from civilian and military advisors. Betts found that the advice from civilian and military camps on deciding to conduct military intervention was equally aggressive in a majority of cases. The advice from the military to escalate an intervention once underway was more aggressive than civilian advice in most cases, particularly when the intervention was defined by a conventional use of arms. When intervention was small, unconventional, or low visibility, military advice to escalate was less aggressive.¹⁴

Betts concludes that a “President must resolve either to use conventional forces without restraint or to suffer military displeasure. If he can afford neither, he cannot afford intervention.”¹⁵ Ultimately, the President must consider military biases and parochialism when receiving advice. He must be aware of the proper role of the military camp in shaping a decision to use force, and in shaping the methodology of applying that force. The latter seems to be where the military will demand much more influence.¹⁶

THE DEFENSE SECTOR

Most countries, especially democracies, have adopted structure to enhance civil-military relational processes. Prominent within theory, an authoritative civilian-led agency or ministry should lead the broader defense sector within the country. The ministry reflects the desires of the people through their elected leaders. Within the sector, the military along with its leaders, formations, and capabilities, is the junior partner.

¹³ Feaver, 60.

¹⁴ Summarized from Richard K. Betts, *Soldiers, Statesmen, and Cold War Crises*, New York: Columbia University Press, 1991, 240.

¹⁵ Betts, *Soldiers, Statesmen, and Cold War Crises*, New York: Columbia University Press, 1991, 210.

¹⁶ Summarized from Betts, 209-236.

The defense sector is itself a key stakeholder within a country's broader security sector - the multi-agency, whole of government collaborative interactive team that rallies to deliver security beyond issues of national defense. Disaster response and management, countering international crime and violent extremism, and issues of environmental, food, and human security are but a few of the concerns for security sector readiness.

Civil-military relations, therefore, are manifest internally within the defense sector and across the institutions that define a country's security sector. Relations among defense, interior/home, foreign affairs/state, and myriad entities that may define the security sector reveal qualities of civil-military relations that impact security sector efficacy. But it is the relationship within the defense sector that shapes its role and defines its legitimacy within the broader security team. We shall turn now to an application of relational theory to analyze challenges internal to the U.S. defense sector.

Relational Cases

A series of confrontations at the highest levels within the U.S. defense sector during the first two decades of the new millennium have served to echo Huntington's and Kohn's calls for vigilance regarding civil-military relations therein.

Top-level tension within the U.S. Defense Sector is not unique to the contemporary environment. Such confrontations have strained the relationship throughout the country's history. Abraham Lincoln famously declared to his newly appointed, and openly insubordinate Commander of the Army of the Potomac in early 1863, "What I now ask of you is military success, and I will risk the dictatorship [openly advocated by the new Commanding General]." ¹⁷ 'Revolts' of senior officers plagued post-WWII civilian leadership during national policy formulation. ¹⁸ General Douglas MacArthur, medal of honor winner and National hero, openly criticized Harry Truman in 1951 during the height of the Korean War.

If measured by the lack of profound damage or trauma for the country, one may conclude that these confrontations were resolved. Nonetheless, confrontations continue. Of late, relational tension is manifest in fundamental challenges to the chain of command, a concept as essential to the functioning of National Defense as military capabilities themselves.

¹⁷ Roy P. Basler, ed., *The Collected Works of Abraham Lincoln* (New Brunswick, NJ: Rutgers University Press, 1953-55), Vol. VI, pp. 78-79.

¹⁸ See John T. Correll, "The Revolt of the Admirals," *Air Force Magazine*, May 29, 2018, <https://www.airforcemag.com/article/the-revolt-of-the-admirals/>.

Three cases are worthy of review. Two reflect confrontation at very high levels within the defense sector. They involve recently retired senior officers. In some instances, the retirements resulted from an inability or unwillingness to implement the policies or follow the orders of civilian authorities. Opinions were rendered in these cases, and confrontation ensued after uniforms were traded for civilian attire. The third case involves a more recent confrontation exclusively among the civilian authorities at the very top of the sector.

Contemptuous Words

In 2006, a group of recently retired senior military officers publicly challenged the Secretary of Defense – the President’s second in command over all military forces – during a particularly tense time of Operation Iraqi Freedom. An op-ed letter from one of the retired leaders published in a globally-read newspaper called for the resignation of the Secretary citing his being “incompetent strategically, operationally and tactically”¹⁹. Other former flag and general officers declared him an “absolute failure.”²⁰

More recently, in 2018, the Washington Post published a letter to the editor penned by a retired Four-star Admiral that read, “Dear Mr President, I would consider it an honor if you would revoke my security clearance . . . so I can add my name to the list of men and women who have spoken up against your presidency.”²¹ This was also a declaration published in a nationally-read (and globally accessed) newspaper.

For our purposes here, it is important to acknowledge that the law is not silent regarding such public behavior. In the U.S.:

Any commissioned officer who uses contemptuous words against the President, the Vice President, Congress, the Secretary of Defense, the Secretary of a military department, the Secretary of Homeland Security, or the Governor or legislature of any State, Commonwealth, or possession in which he is on duty or present shall be punished as a court-martial may direct. (Title X, Section 688, Article 88, “Contempt Toward Officials”)

¹⁹ Katrina vanden Heuval, “The Generals Revolt”, *The Nation*, April 14, 2006 <https://www.thenation.com/article/generals-revolt-2/> accessed 8 Nov 19

²⁰ David S. Cloud et al, “Rumsfeld Faces Growing Revolt by Retired Generals”, *New York Times*, April 13, 2006, <https://www.nytimes.com/2006/04/13/washington/rumsfeld-faces-growing-revolt-by-retired-generals.html>, accessed 8 Nov 19.

²¹ ADM (RET) William H. McRaven, *Washington Post* Editorial, August 16, 2018

Furthermore, the jurisdiction of the law includes, “[r]etired members of a regular component of the armed forces who are entitled to [retirement] pay” (Section 802, Article 2 of the UCMJ). Cases brought would require significant administrative action to return the retired officer to active duty for trial. There have been some cases brought, but none has been officers, and none was in violation of Article 88. On occasion the Supreme Court of the U.S. has been petitioned to rule on the constitutionality of Article 2. In each occurrence, the court ruled in favor of upholding the statute.

One might speculate that the potential political fallout from an attempt to bring a retired officer to account for publicly voicing ‘contemptuous word’ may be cause to avoid the effort particularly if the words incite no measurable response from within the defense sector. The reluctance is likely compounded when the military and its uniformed leadership are highly regarded by the population. When, however, the effect of contemptuous words has a more profound impact within the defense sector, the law may have utility, and is probably why it has been upheld after repeated challenges over time.

Kohn would suggest that a 90%+ public approval rating of the military²² may embolden the utterance of “contemptuous words” against civil authorities. He states “the accretion of military power because of public adulation of the military or disgust with politics and politicians” is a “menace to civilian control, more vague and difficult to describe.”²³ As suggested above, public admiration of the military probably also gives pause to civilian authorities contemplating a pursuit of legal action, leaving unresolved the conflict of “personal or political ambitions of senior military officers and leading politicians.”²⁴

These particular ‘contemptuous words’ received both praise and condemnation from within the defense sector and outside it as well. Advocates have suggested that there is protected space for former military officers to so opine. Perhaps unaware of Articles 2 and 88 cited above, they argued that these former officers, now cloaked in the new status of the civilian, were no longer constrained by requirements of good order and discipline that govern the ranks.

²² Gallup, “Confidence in the U.S. Military as an institution, 1987-2019”, polling data Military and National Defense <https://news.gallup.com/poll/1666/military-national-defense.aspx>, accessed 20 Dec 2019.

²³ Kohn, 7.

²⁴ Kohn, 8.

How might our theorists respond to these advocates? Kohn might remind us of the tendency for a military to adversely judge the capabilities of civilian leadership; Huntington might suggest that military professionalism extends to the behavior of senior retired officers; Feavor would see the behavior as an extension of the unwillingness of the ‘agent’ to acknowledge the ‘principal’; and Betts would not be surprised by the words as they likely reflect ‘less-than-aggressive’ military support to a constrained, limited and languishing foreign intervention.

Conversely, those concerned for an appearance of insubordination in public view channel Kohn and Huntington by claiming that former officers also “have an obligation to uphold our apolitical traditions,”²⁵ and those who choose not to, “make the task of their successors — who continue to serve in uniform and are accountable for our security — more complicated.”²⁶ They remind us as well that former military leaders should not be constrained from giving advice, but that such advice “should be private.”²⁷ Feavor’s theory would identify such behavior as expected of a dedicated ‘agent’ engaging his ‘principal’. Additionally, the news articles cited here highlight the important role of the “vigilant press” advocated by Kohn.

Further concern for a breach in relational decorum was articulated in the media suggesting the ‘unsettling effects’ of a politicized military (Kohn), a breach in military professionalism (Huntington), and an audacious agent (Feavor).

[In] a nation founded on civilian control of the military, in which generals fight wars but rarely take on their politically elected bosses, the spectacle of six retired generals, some intimately associated with an ongoing war, attacking a sitting secretary of defense was extraordinary, and, for some, extraordinarily unsettling.²⁸

Highlighting the inversion of Feavor’s principal-agent theory, a spokesman for the Office of the Secretary of Defense not surprisingly lamented, “[t]here can only be one president and only one secretary of defense at a time, and military officers get a vote, but only the way the rest of us do, and that’s through a secret ballot. It’s not through the front page of *The New York Times*.²⁹

²⁵ Susan Hennessey, “An Admiral Speaks Out”, *The Atlantic*, Aug 2018, <https://www.theatlantic.com/ideas/archive/2018/08/an-admiral-speaks-out/567868/> accessed 8 Nov 19.

²⁶ Hennessey, “An Admiral Speaks Out”, *The Atlantic*, Aug 2018.

²⁷ David S. Cloud et al, “Rumsfeld Faces Growing Revolt by Retired Generals”, *New York Times*, April 13, 2006.

²⁸ David Margolick, “The Night of the Generals,” *Vanity Fair*, March 5, 2007, <https://www.vanityfair.com/news/2007/04/iraqgenerals200704> accessed 8 Nov 2019.

²⁹ David Margolick, “The Night of the Generals,” *Vanity Fair*, March 5, 2007.

In reaction to the Admiral's 2018 Washington Post opinion piece, a retired Chairman of the Joint Chiefs of Staff echoed Huntington's lament that professional and political ambitions reside within military and civilian leaders alike that require restraint if good relations are desired. The Chairman offered, "I think the American people expect our military to be nonpartisan—not apolitical. We do have political beliefs, but we try to remain nonpartisan so that the American people never wonder whether we're serving one particular individual or one particular party or another."³⁰

Resignation of the U.S. Navy Secretary

After a particularly difficult tenure, the Secretary of the Navy resigned in November 2019. The official infraction was a perceived lack of candor in communicating with the President pursuant to his policy guidance regarding a specific personnel action. The Secretary of Defense secured the letter of resignation from the Navy Secretary on November 24th and designated an acting Secretary.

The resignation, although unfortunate, reflects sound relational requirements fundamental to the defense sector. The Secretary administered the Navy during a particularly difficult time. Two Destroyers were involved in separate deadly collisions at sea, many high-ranking officers were censured for involvement in a ship servicing contract scandal, and delays in delivery of the Navy's newest aircraft carrier were highly visible distractions to Navy administration. But it was the relational breach with the Commander-in-Chief that resulted in the replacement of the top civilian in the Navy.

Fundamental to the breach was the perceived "lack of candor over conversations with the White House"³¹ regarding a personnel action against a decorated special operations non-commissioned officer. The disposition of the personnel action was highly publicized. The Secretary's publicly announced position was oddly inconsistent with his recommended course of action agreed by the President. The resulting divergence was untenable as it was at odds with the President's desire and undermined his desired approach.

³⁰ Hennessey, "An Admiral Speaks Out", *The Atlantic*, Aug 2018.

³¹ Pentagon Official Statement, 24 November, 2019, cited in "SECNAV Richard V. Spencer Removed Over Gallagher Deal With White House; Modly Now Acting SECNAV," *USNI News*, Nov 24, 2019, <https://news.usni.org/2019/11/24/secnav-spencer-to-resign-over-gallagher-deal-with-white-house-modly-now-acting-secnav>, accessed 4 December, 2019

Service Component Secretaries are not in the Chain of Command within the defense sector, but they wield tremendous administrative power in guiding the training, manning, and equipping of their respective Service Components. The gravity of the position is underscored by the requirement for executive (President) nomination and legislative (Senate) confirmation. Once confirmed, Service Secretaries affirm duties to support and defend the Constitution and to execute the policies and directives of the Commander-in-Chief.

This case is interesting in that it involves a relational issue among the civilian authorities at the top of the sector. The impetus of the removal of the Secretary of the Navy was primarily due to what Feavor would identify as shirking. The Secretary gave the appearance of dutifully following the directive of the Commander in Chief while allowing the continuation of the situation within the Navy that drove action by the President.³² “Shirking” is an appropriate description of what appears to be a simple case of an executive not following the directive of the Chief Executive. Feavor’s theory, therefore, could apply, albeit not a perfect fit. He would probably not be surprised by the SECNAV’s omission nor its outcome as demanded by a proper relationship.

Reactions to the resignation among some former officers reflected similar contempt of the President as described above. A senior Army General, struggling to understand the details and reasons for the “firing”, concluded that the action reflected “another night within Trump World.”³³ It seems, however, that the active duty ranks have withheld any public contempt; perhaps a measure of a sound relationship as suggested by our theorists.

The newly appointed acting (unconfirmed) Secretary of the Navy is currently providing the leadership and continuity needed of the Navy. It is interesting to note that he was intent to widely announce in his first official memorandum to the Navy the following statement making clear his acknowledgement of relations within the sector. “Although no one, other than the President and his Secretary of Defense, can positively determine

³² Summarized, Sam LaGrone and Megan Eckstein, “SECNAV Richard V. Spencer Removed Over Gallagher Deal With White House; Modly Now Acting SECNAV,” US Navy Institute News, Nov 24, 2019, <https://news.usni.org/2019/11/24/secnav-spencer-to-resign-over-gallagher-deal-with-white-house-modly-now-acting-secnav>, accessed 4 December, 2019

³³ Interview with retired Army General, CNN.com, Nov 23, 2019, <https://www.cnn.com/videos/politics/2019/11/24/hertling-intv-navy-secretary-spencer-nr-vpx.cnn>, accessed 21 Dec 2019.

how long this tenure may be, I fully intend to execute their strategic vision.”³⁴ Our theorists might see this approach also as a good idea, fully nested within good defense sector relations.

CONCLUSIONS

The civil-military relational issues described herein underscore fundamental qualities. First, human nature assures that civil-military relational issues will always exist. Second, relational issues that are enduring are likely to endure, and therefore require continual attention.

Perhaps reflecting a pattern of response to similar high-level relational issues throughout the history of the State, the issues discussed here reflect the churn of a relationship in action; a form of dynamic interaction that we would expect from human endeavors. To a certain extent, the relational issues remain unresolved, and probably will remain as such. Nonetheless, they have served to remind all parties within the relationship as well as a curious if not somewhat concerned civil society, that civil-military relations are not free of contention and therefore worthy of diligent routine assessment.

These cases reflect the cautions cited by our theorists. Huntington would suggest public contempt from senior officers directed against civilian authorities reflect a breakdown in professionalism; Kohn would remind us of the potential for distrust to emerge from the perception of incompetence of civilian leadership; Feaver would highlight the agent’s unwillingness to ‘allow the principal to be wrong’ as dangerous to the relationship, and Betts would not be surprised by the military’s lack of commitment to a limited and unconventional conflict and the visceral reaction to the civilian leadership who made the commitment.

No country is immune to relational challenges within its defense sector. While a country is developing capacity across its many and diverse institutions, its defense institution may be the most developed and therefore most influential. Its influence, however, does not necessarily wane as a country emerges in strength and capability. Theorists argue that civil-military relational issues do not necessarily resolve within developed institutions. Furthermore, the greater the military capability within the most well-meaning of institutions, the higher the stakes for keeping a proper relationship.

³⁴ Thomas B. Modly, “SECNAV Vector”, Memorandum for Distribution, Washington, D.C., December 6, 2019.

Analyses of civil-military relations require pluralistic approaches. To fully understand the nuances of civil-military relations one must look through the lenses of a variety of theories.

Although there is some divergence among theorists regarding the challenges and issues that dog civil-military relationships, there seems to be universal agreement that the relationship requires continual nurturing and vigilance – particularly within large, global powers.

NOTE FOR CONTRIBUTORS

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