

Interview

Peripheral Economy, Global Capital and Movements in Bangladesh

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Anu Muhammad is an eminent Marxist and a renowned academician from Bangladesh. He is currently serving as Professor in the Department of Economics in Jahangirnagar University, Savar, Dhaka. He is also the general secretary of National Committee to Protect Oil, Gas, Mineral Resources Power and Ports and has been involved in various people's movements in Bangladesh. He, along with the committee, played an instrumental role in the success of the Phulbari Movement against Open Pit Mining in Phulbari, Bangladesh. He writes extensively on globalisation, social transformation, gender, NGO and energy issues and has authored more than 20 books. In this interview Prof Muhammad speaks to Manoranjan Pegu on the politico-economic trajectory of Bangladesh, in the context of capitalist globalisation and ensuing geo-political changes in South Asia, and assesses the significance of recent popular unrest in the country.

Manoranjan Pegu (MP): How do you characterise the overall nature of the Bangladeshi economy, and its location in global capitalism?

Anu Muhammad (AM): Within the global capitalist system, Bangladesh can be considered a peripheral capitalist economy. We are experiencing a phenomenon where the situation in peripheral countries such as Bangladesh is unfolding in a way very different from the standard definition. Here the state has been very effective in creating a repressive mechanism, but it has not been able to work towards formulating its own policies. Practically, it operates under a 'bigger state', which is the larger framework of the global capitalist power structure. The policies the government tries to implement are mostly formulated outside the national parliament and even outside people's knowledge. The policies are formulated under different projects supported by the World Bank, IMF, DFID, USAID or some or the other UN organisation. We find presence of consultants from these agencies in every policy process and projects, which needless to say are favourable to corporate interests.

It is a phenomenon where the system of imperialism works by 'manufacturing consent' within the ruling class, accommodates them within the larger global capitalist system to partner them in grabbing resources, and control the total economy and its potential. There are, of course, different political parties that comprise the ruling class. We have seen them in power in different phases of our history, we have experienced military rule too. At the level of policies, however, there has been a clear continuity, the nature of the government notwithstanding. Although the parties do not like each other or quarrels often among themselves, they implement the same policies as the policies represent the same classes and the same global corporate interests. The local ruling classes find

their existence, power, security and affluence by being connected with the global empire. So, this is some sort of a negotiated arrangement the local and the global ruling classes have. With the so-called foreign aid, they have built a major support base - consultants, big private sector owners and beneficiaries from different projects. In the process, these bureaucrats, consultants, media and the ruling classes have become a vital pillar of global capital and they try to rationalise these grabbing of common resources as 'development'.

MP: Can you briefly trace the trajectory of economic development in Bangladesh? What has been the role of foreign capital in this regard? What is the state and nature of Bangladeshi capital?

AM: In 1971, after getting independence, the initial promise was different. It was expected that Bangladesh would take a different route to development. But that promise and expectation could exist only for a very short period. As the US government's position towards Bangladesh liberation war was hostile, the rulers did not favour the US immediately after independence. That World Bank (WB) and the IMF were also in a shaky position. Since 1973-74, the government's position kept changing, what with the post-Liberation rulers beginning by favouring the rising rich locally and the US government globally. In 1973, the World Bank and IMF re-entered the region and the relations with the US government also began to change. After 1975, this process became stronger under military rule. It became entrenched during the 1980s under another military regime. This decade was very important in setting the present economic direction of Bangladesh.

During this period, the neo-liberal programmes became more synchronised and were rendered visible on a global scale. Bangladesh had military rule then; right-wing regimes under Margaret Thatcher in the UK and Ronald Reagan in the US were in power. All neo-liberals had succeeded in asserting their power globally through military aggression and/or financial institutions. During the same period, the Structural Adjustment Programme (SAP) was formulated by the WB-IMF and imposed on peripheral economies, Bangladesh was also a victim. Any type of autocratic rule is very useful in implementing these disastrous programmes, military rule, therefore, was very convenient for the global power. Most of the policy reforms for wholesale privatisation, trade liberalisation, withdrawing of the state's responsibility and other related things took shape during this period. During the 1980s WB and the Asian Development Bank (ADB) entered into the energy sector and concluded that energy sector should invite foreign private companies. This was the beginning of a new phase. Accordingly, signing of production sharing contracts (PSCs) with multinational oil companies began in the early '90s.

Although major political parties of the country opposed the autocratic government and its policies since 1982-83, and that government was overthrown through a mass uprising in 1990, these parties as soon as they got elected, one after another (1991 and 1996, again 2001 and 2009), became busy in implementing the same policies formulated under the military regime. So, elected and non-elected, military and non-military, made no difference in the realm of government policy because ultimately all those governments represented the same class and imperialist interest.

Since 1982, governments have become more and more hostile towards public enterprises. Adamjee Jute Mills, the biggest jute mill in South Asia, and other public sector jute mills were shut down as a result of the jute sector development credit from the World Bank. The public enterprises were running losses and were going through negative growth because of motivated policies of successive governments. On the other hand, export-oriented industries have been experiencing the highest growth, of about 8% per year, thanks to the support and favourable policies of successive governments. Because of these opposite movements net employment and net industrialisation have not moved upward.

With the help of neo-liberal policy support, accumulation of capital, through grabbing of public property, institutions and money, has acquired a fresh momentum. The richest people in Bangladesh are those who have been the main defaulters in public banks. These people also occupied government lands, agricultural lands, wastelands, forest land, wet land. Meanwhile, the grabbing of financial resources too has gone on side by side. We find a new form of colonisation from within, a phenomenon that has led to the emergence of a good number of super-rich people, on the one hand, and a new flow of uprooted, very poor people, on the other. On the one hand, we find dazzling shopping malls, high-rise buildings, cars; and on the other, floating people and dismantled public institutions. This rich class has also discovered a rather profitable business proposition in real estate, directly linked to land-grab, too.

Because of SAP-related policies, crisis of public institutions in health and education sectors has intensified. The path has been cleared for the establishment of many private hospitals, clinics, coaching centres, private universities and colleges. That, needless to say, has made all these services very costly. Media institutions linked with big business houses have also been flourishing. The lumpen rich have become the strong support base of the International Financial Institutions (IFIs). Import liberalisation and unfavourable policies towards domestic industries have badly affected domestic market-oriented industries. Malls have found a more favourable policy atmosphere than mills. This mill to mall phenomenon has failed to create enough jobs. Lack of employment opportunities and continuous migration of job-seeking people to the urban areas have triggered growth of the informal sector that is unstable and uncertain. Thanks to the growth of export-oriented garment industries, we have also been experiencing an increased feminisation of the working class. The growth of the new female working class has been giving birth to new forms of resistance too.

To get a perspective, we have to look at another important phenomenon in the same period, the NGO sector. The growth of a large number and network of NGOs is an outcome of both state and market failure. The NGO became a necessity because of rising poverty and inequality. There was a widespread belief that NGOs would fill this vacuum and help in diminishing poverty and inequalities. After working for more than three decades, it has now been proved that NGOs cannot alleviate poverty or inequality. If we look at the number, both scenarios have deteriorated. By 1995 the percentage of people living below poverty line was 48% and according to the WB reports it came down to 40% by 2005, but it has again increased to 48% in 2008. This means that the population under poverty line has increased since 1995.

However, a good number of middle-class people have got involved with this sector as employees, consultants, suppliers and so on. Many NGO honchos have emerged as part of the affluent section of society. Therefore, beneficiaries of the poverty alleviation programmes, or micro-credits etc, are not the poor, but a section of the middle class and the wealthy. In fact, with a few exceptions, creating an NGO has become a good way of earning money in the name of the poor, environment, gender, human rights. That has also led to a spread of a begging culture. This growth of NGOs is also a neo-liberal phenomenon, where the state's responsibility towards its citizens is thoroughly reduced and the market is given full authority in every sphere of life. In this model, the NGO is a supplement to as well as an instrument of market economy.

MP: When did Bangladesh open up its boundaries and adopt neo-liberal policies and how do you contextualise the anti-mine movement in Bangladesh?

AM: Let me discuss the point in historical perspective. The history of Bangladesh and India has some fundamental differences. After independence India opted for a national protectionist policy for the local and heavy industries. Its priority was to build up national industrial capabilities and public sector institutions. Up to the 1990s that policy not only helped the Indian bourgeoisie grow but also founded a very strong industrial base. By the time India decided to adopt the neo-liberal path, the

country had its own big group of companies. So, when it opened up, Indian big entrepreneurs became the biggest beneficiary and all the foreign investments had to come in joint collaborations, they had to compromise with big Indian corporate groups and Indian groups also started investing in other places. But in case of Pakistan, the rulers had no national perspective from the very beginning. They assumed the place of a client state of the US. The US has successfully used Pakistan as an instrument to materialise their regional strategy to expand their hegemony. Pakistan was always dependent on the US advisers. Thus, Pakistan grew with an over-developed military-civilian bureaucracy, dependants on the WB and the US state department.

Bangladesh, within a few years of independence from Pakistan, replicated the same system. Soon Bangladesh was trapped in the WB-US hegemonic model, where economic reforms took place not to develop its potential but to create a vicious cycle of dependence. Wholesale privatisation and opening up of the Bangladeshi economy to multinational capital and creating a group of lumpen rich became the main agenda of economic reforms. I discussed earlier its nature and consequences.

Now we come specifically to the energy sector. Up to 1974 there were some gas fields owned by the Shell. In 1974, the government nationalised all those gas fields and established Petrobangla, a national institution to take control of the energy sector. This was a good beginning. Although there were a few pockets of gas offshore, most of the gas fields were owned by the national institution. A generation of skilled human resources could be developed because of this. Until the late '90s, almost 100 per cent gas production was done by the national agency; the same was true for power generation and distribution. As a result, both gas and power could be produced at a very low cost and distributed at a low price. Petrobangla and Power Development Board (PDB) were both making profits, although gas and power tariffs were much lower until the late '90s.

Since 1980s, as I said earlier, a shift in this policy began. It started in 1982 with the WB and the ADB conducting an "energy sector feasibility study". Conclusions of every study done by these agencies are well known: privatise, commercialise, hand over national resources to MNCs, etc. The same thing happened here too. The study argued that Petrobangla (a profit-making body) was a white elephant. They prescribed that to develop the energy sector two things were urgently needed:

1. To allow foreign private investment, and
2. For best utilisation of gas resources, export it to India.

Following these recommendations, steps were carefully synchronised to open up the energy sector to foreign private capital, the MNCs. Following necessary steps, signing of PSCs with oil MNCs for exploration of gas resources began in 1993-94. Now most of the rich gas blocks are with the MNCs: Chevron, Santos, Cairn Energy, Shell etc. They produce about 50 per cent of the gas supply. Government policy remains completely biased towards these companies, although their price of gas is 30 times more than the national agencies that are suffering from not only funds crunch but also from a lack of policy support to utilise and develop their capability. Because of the higher price of MNC supply, Bangladesh is now facing increasing fiscal deficit; currently it is more than 20 billion takas per year. The same thing has happened in the power sector since the mid '90s. In the name of development, construction of public sector power plants was stopped after the IFIs signalled that they would not finance such constructions. Gradually, this sector has also been handed over to the Independent Power Producers (IPPs) or MNCs. Bangladesh is suffering from another 15-billion-taka loss per year for high-cost power purchase. All these figures will increase further with their increasing share. As a logical outcome of these 'development' initiatives, periodic price rise of gas and power becomes routine, making the economy more costly and less competitive.

As usual, the same design was secretly imposed on the coal sector. In 1994, Australian Mining Company BHP came to Bangladesh to explore the possibility of coal mining in Phulbari. In the

mineral rules of 1968, there was 20 per cent royalty, but after signing the feasibility agreement with BHP that was reduced to six per cent. That was itself illegal because after signing the agreement, you cannot change the rule. In 1997, BHP left Bangladesh after realising that it would not be technically feasible for open-pit mining in Phulbari because of its depth, water system and geological structure. But a mysterious thing happened before they left. A company registered in the UK was born and BHP transferred its license to that company named Asia Energy. How could it happen that such a big company transferred its license to a newly formed company, and how could the government permit that?

Before 2005, people of that area, and we who work with the National Committee, were unaware of these things because strict secrecy was maintained. When Asia Energy started public contact in 2005 for eviction, people realised that something very bad was going to happen. In the beginning, people were told that good things would happen and people were promised a lot of compensation. But at one point people realised the real dangers of open-pit mining and the company's fraudulent activities. They started protesting against the project from the end of 2005. People formed local organisations and contacted us. In the beginning, we tried to understand open-pit mining and its probable impact. We contacted the relevant government agencies for their papers and assessment, but there were no papers, documents or assessment reports from the government. So we had to go through the Asia Energy documents to understand it, started studying Asia Energy documents from the net and the pamphlets distributed within the community. After deconstructing their propaganda documents, 'studies' and publications we became convinced that the project would be highly disastrous for the area and for the country as a whole. We were also convinced that we had to stop it to save our water resources, fertile land, people's lives and livelihood and above all coal resources.

We went there and stayed there. In the National Committee, we have political parties, academics, experts and individuals. It grew as a new form of socio-political movement with its working experience on national interest, especially against bad deals with the MNCs in the past 12 years. The Phulbari movement is a huge experience for us, it has shown how people from different ethnic groups - women and men - joined the resistance movement despite the fact that many from among their leaders were in cahoots with the company. The movement is unprecedented, both in terms of the scale of the uprising and the consciousness it has ignited, and is till date successfully resisting this imperialist grabbing project.

MP: How do you assess the role and performance of micro-credit? How much has it contributed to the capitalist penetration of rural Bangladesh and its integration in the global network of finance capital?

AM: Micro-credit in different forms has been in practice for long in this region. Dr. Muhammad Yunus (Grameen Bank) and Fazle Hasan Abed (BRAC) could institutionalise it and could attract global attention through its monetary success. Initially, their micro-credit programmes began with the promise of poverty alleviation, gradually its success showed its strength in other areas. Currently, BRAC, Grameen Bank and ASA control more than 80 per cent of the micro-credit market. From micro-credit business these organisations have accumulated a lot of capital and shown that micro-credit can become a corporate success. They have also linked multinational capital with the micro-credit network.

For instance, Grameenphone started its operation by relying on micro-credit, offered borrowers mobile phone as a commodity form of micro-credit, on condition of paying back in installments. Its initial declared aim was to 'help poor', 'alleviate poverty', now Grameenphone has become the largest company in Bangladesh with 90 per cent of its subscribers being non-poor urban people. Grameenphone is actually an entity of Telenor, Norway. They started with the poor and relied on micro-credit and then at one point migrated to more profitable areas. Grameen Bank has opened

many other businesses, has developed joint venture companies with French companies such as Denon and Veolia (a water company), all in the name of poor. Intel and many other companies are coming to Grameen Bank to make use of its wide network through micro-credit.

The same thing is true also for BRAC. BRAC was initially interested more in education, health and other essential public services. With its increasing accumulation of capital through micro-credit, it shifted to the business of textile, printing, education (including setting up of a university). It is also in business with multinational seed company Monsanto. In fact, its focus on education and health care for the poor shifted more towards commercial activity. Thus the micro-credit operation, in its process, has successfully been used as a weapon to make macro business to grow in tandem with global capital.

But question remains, what about the much publicised objective, i.e., poverty alleviation through micro-credit? If we look at the hard facts, compiled from different studies (not sponsored by BRAC or Grameen Bank), we find a new debt trap for the poor people has been created by micro-credit. You cannot find more than 5-10 per cent people who could change their economic conditions through micro-credit. The people who could change their economic conditions were those who had other sources of income. If we closely look into the system of micro-credit it appears clearly as a means to create a debt trap. If you take loan, you have to repay in weekly instalments and it means you have to be active, healthy and working all over the year, which is not possible. In fact, it is impossible for the poor millions, who constantly live in adverse conditions, to keep paying weekly instalments all over the year. If there are any unfavourable circumstances you are bound to be a defaulter. And once you become a defaulter it creates a chain and you have to take loan from another lender/NGO to repay the same. Micro-credit has connected the rural areas and the population with the market but has made done that by pushing them into a chronic debt trap.

Today Dr. Yunus is not talking any more about sending poverty to museum. He has come up with a 'new' idea of social business, which is also unclear and seems to be fraudulent. The impact of micro-credit is now well understood by people around, especially millions of victims. However, the IFIs and global corporations seem to be very happy with these experiments, as they find that the poor people can become very useful objects for profitable investment of finance capital. Thus the WB, HSBC, Citibank, and other multinational banks are entering into the micro-credit market. Bangladesh has given a gift to crisis-ridden global capitalism, which has consequently found the market of four billion poor through micro-credit. It is very relevant here to quote the Wall Street Journal, an important part of the global corporate media. It said: "Around the world, four billion people live in poverty. And western companies are struggling to turn them into customers." (26 October, 2009). Obviously, micro-credit is a very useful instrument to go with this objective.

MP: Due to more and more integration of the local economies into global capitalism, they have become vulnerable to the ups and downs in the global market. What has been the impact of the recent financial crisis on the Bangladeshi economy?

AM: The financial crisis has not affected Bangladesh much. As the number of Bangladeshis working abroad is very large, about seven million send remittances from overseas. The remittance recently crossed 10 billion USD, highest among the LDCs. It helped significantly to create a healthy foreign exchange reserve, kept the balance of payments under control, crucial in the recent financial crisis and global price rise of oil. If remittances would not have been so high, Bangladesh could have faced a much bigger crisis due to the effect of SAP. However, overseas employment has run into some problem in West Asia, Malaysia and North America.

Another probable problem area could be our export market. This is concentrated in garments, and the markets for the same are also concentrated in North America and Europe. There was a very high

possibility of negative impact on the export market. However, the demand in this sector did not get impacted much, though there was a downward trend in 2008-09.

So, overseas remittances and export earnings played a key role in keeping macroeconomic stability in order. But the story did not end there. People with low and mid income reeled under the impact of the global crisis and price rise. There was a sudden rise in the price of essentials, including rice, in the home market. It was estimated that an additional 10 million (or more) of the population were forced to go down under the poverty line during this period.

MP: Has the crisis impacted foreign direct investment in Bangladesh? Has the World Bank, ADB or IMF decreased their funds?

AM: FDI in Bangladesh has been concentrated in energy and telecommunications. Investors in these sectors are in a very good shape, enjoying super-profits and other benefits because of very favourable policies of the government. New investments are also taking place. However, awareness is rising against harmful investment in energy and power sectors. Funding in the name of aid is not necessarily made for the need of countries like Bangladesh, but is related with their employment, market creation for their goods and making the economic policy compatible with the larger interest of the global empire. Thus in their own interest aid will not decline. IMF has been trying repeatedly to tag Bangladesh with new credit. WB and ADB are busy selling new projects. If the so-called foreign aid decreases I would be happy. Foreign aid comes in the disguise of facilitating poverty alleviation but it actually facilitates the entry of global grabbers of resources into Bangladesh. The 'aid' business has also created an unnecessary, long-term liability, and strengthened pressure from the corporate bodies to make policies for their benefit. The 'foreign aid' process is closely associated with increasing corruption among officials, ministers, consultants; dismantling of public institutions and, above all, erosion of national capability, confidence and vision.

MP: You have long been associated with struggles against dispossession and corporate grabbing. What is your assessment of the process of primitive accumulation in Bangladesh, and what are the modes through which this process is realised?

AM: Currently, the phenomenon of Bangladesh is closely linked with the present phase of global capitalism. The accumulation of capital, both globally and in Bangladesh, are characterised by land grab and dispossessing people. Our ruling class is accumulating property by grabbing common resources such as land, river, forests and so on; and the global empire is accumulating by occupying resources, new land or country. In Bangladesh, global corporate bodies are interested more in natural resources under the soil or water. The MNCs or global oil companies, which are already occupying the onshore gas resources in Bangladesh, are now trying to take control of the Bay of Bengal. The Bay of Bengal is important for US military hegemony in the region, thus US companies are trying to take 'legal position' as forerunner. Global capital has been trying to grab coal mines in Bangladesh, and to ensure higher profits they are pushing for open-pit mining, which is threatening dispossession of millions of people, destroying water resources, fertile land and ecology.

The important feature of the present-day imperialism is that it doesn't have to go everywhere with its military to grab land. The WB, IMF and other such managerial bodies of global capital, act as 'civilian military' to ensure compatible policies for plunder in the name of development. These policy reforms are sufficient to legitimise new form of occupation and grabbing. That is possible if they have the local ruling classes with them.

MP: You have been in the leadership of various people's struggles against dispossession, and in recent years, people have also talked about a growth in workers' militancy in Bangladesh. What is your assessment of the people's movements here? What are the

problems and prospects of counter-hegemonic movements in Bangladesh?

AM: We have recently witnessed militancy among garment workers. Garment workers form a new social force that became visible in the '90s. The gender composition of the working class has also changed due to the increasing presence of garment workers, who are mostly women, within the larger Bangladeshi working class. They are suffering from low wage, abuse, job and physical insecurity and also sexual harassment. The government and the capitalist class have made policies to ban trade unions. This repression itself created resistance, mostly spontaneous. In 2006, it created a mass uprising in Dhaka and surrounding areas. The rising anger due to inhuman working conditions, low wage and sexual harassment against women has compelled them to burst out with their discontent on to the streets again and again. Workers' mobilisations have faced severe repressions every time, but this has tremendous impact on the working class in general.

Before the garment industry reached this stage, most of the working class was in public enterprises. Adamjee Jute Mill (large-scale private sector during the Pakistan period) has been the centre of working class resistance since the '60s. I consider its closure in 2002 as not only an economic onslaught but a political act against the working-class movement. The global and local ruling classes tried to dismantle the potential of massive workers' mobilisation. But the ruling class is, as always, unable to understand the dynamics of the working class. They closed down big enterprises, including Adamjee, and thought that it was the end of the workers' resistance. But in 2006 within four years of Adamjee's closure, Dhaka almost collapsed because of the garments workers' resistance.

I think the prospect of counter-hegemonic movements in Bangladesh is also related to people's movements in other parts of the world. Now we are becoming more and more global and the issues are also kind of similar. And so are the enemies. The movements in other parts of the globe inspire us as our movements do the same for the other areas. In Bangladesh, we are witnessing the re-birth of a counter-hegemonic movement. After the fall of Soviet Union, left movements in Bangladesh, like many other places, were faced with multi-faceted ideological crisis. The phase we are passing through now in the world is a phase that has to be highly creative. We have experiences of successes in Soviet Union, Latin America, China, Vietnam and so on, but we have also had failures. This recognition of failure along with successes is very important for going ahead with a clear vision.

In the late '90s we formed a new united platform with number of left parties and other non-party persons to speak out and mobilise against, and resist imperialist hegemony. After our successful resistance against a number of anti-people projects of the MNCs, we discovered the rebirth of people's confidence. From our experience of people's movements on different issues, we find the potential of a breakthrough is very bright. No doubt, we need to be very creative and innovative. At this point, revolutionary militancy and revolutionary academic work should go together. As the World Bank, IMF and other corporate bodies, along with their embedded consultants, academics and media have created a strong hegemony of ruling ideas; we need well-organised efforts to break this hegemony to bring real alternative into social consciousness. Radical movements demand counter-hegemonic ideology. In Bangladesh we are now trying to address those issues.

MP: During the recent visit of India's Finance Minister to Bangladesh, India signed an agreement offering \$1-billion credit facility to Bangladesh at a particular interest rate, which many in Bangladesh have found "disgraceful" and "too high". This line of credit for Bangladesh was the one-time single-largest credit package offered by New Delhi to any other country. And it has been frequently noted that through such lines of credit, India, like other more advanced countries, has been facilitating the overseas expansion of its domestic capital. What is your assessment of the present Indo-Bangladeshi relationship? Don't you find streaks of sub-imperialism (both in economic and political terms) emerging in this relationship as in the case of India's relationship with Nepal and Sri Lanka?

AM: The question of India is very important for us. Without locating India and the role of Indian corporate big capital we cannot get rid of overall hegemony of global capitalism. India has the highest number of rich people but contradictorily India also has the highest number of poor people. The current Indian state is not representing Indian people but is representing Indian big capital. India for South Asia is the same as what the US is for the world. It is hegemonic, oppressive and undemocratic. The present India should be characterised with the rise of big capital, unprecedented accumulation of wealth and power in few hands, and its linkages with global monopoly capital. This India can be termed as sub-imperialist within the global capitalist system, and within South Asia it is imperialist. This India has recently increased its military expenditure to a record high level, also building military alliances with the US. They are both now trying to take control of the Bay of Bengal. With the increasing interests of India, China and the US in Bay of Bengal, the possibility for creation of new alliances or conflicts is rather high. Either way, Bangladesh is going to suffer.

Now global corporate bodies including the ADB, the WB or MNCs consider India a regional centre. Therefore, their projects are selected in line with the interest and long-term programme of Indian big capital. For example, the coal that the British company, Asia Energy, wanted to extract, when it attempted to start open-pit mining in Phulbari, was supposed to be exported to India. When the US oil multinational UNOCAL was trying to export gas, the destination was once again India. Now a number of projects have been conceived to build new coal-based power plants in Khulna and Chittagong. It is apparently a joint project, but the result will be different for the two countries. Bangladesh will have carbon emissions and dispossession of farmers that will create social tension and human tragedy, but Indian companies will earn huge profits.

Indian big business has access to huge potential market in Bangladesh, especially after the SAP. India's presence is very high in every sector in Bangladesh. It is trying to monopolise each of those sectors, started utilising aid or credit, very well-known instruments of imperialist control and influence. Recently, India granted 1 billion USD loan to Bangladesh for building its own transit facilities. This transit is going to change everything in South Asia. Bangladesh is entering into the ambit of India's military, political and economic domination on a scale not seen before.

I don't know, how far the military aspect of the domination will go, but economically India is going to have a commanding authority over Bangladesh. India is claiming that Bangladesh is the land of terrorists and they erected fences around border, then how can they feel comfortable in taking their goods through Bangladesh? Yes, it will be used as an excuse. So, they will demand more regional security coordination under India's control. The security system of Bangladesh will be subordinated to India status and interests.

Indian sub-imperialism behaves similarly with Nepal, Sri Lanka and other smaller countries in the region. In this context, people's movements of India, Nepal, Bhutan, Sri Lanka, Pakistan, Bangladesh and other neighbouring countries should have a very high level of cooperation and coordination to strengthen united struggles for building a free, democratic and different South Asia not polluted by Indian or big capital's hegemony.

P.S.

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