REPORT

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PREVENTING VIOLENT CONFLICT. BUILDING SAFER LIVES

Working with businesses for peace in Bangladesh

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March 2018

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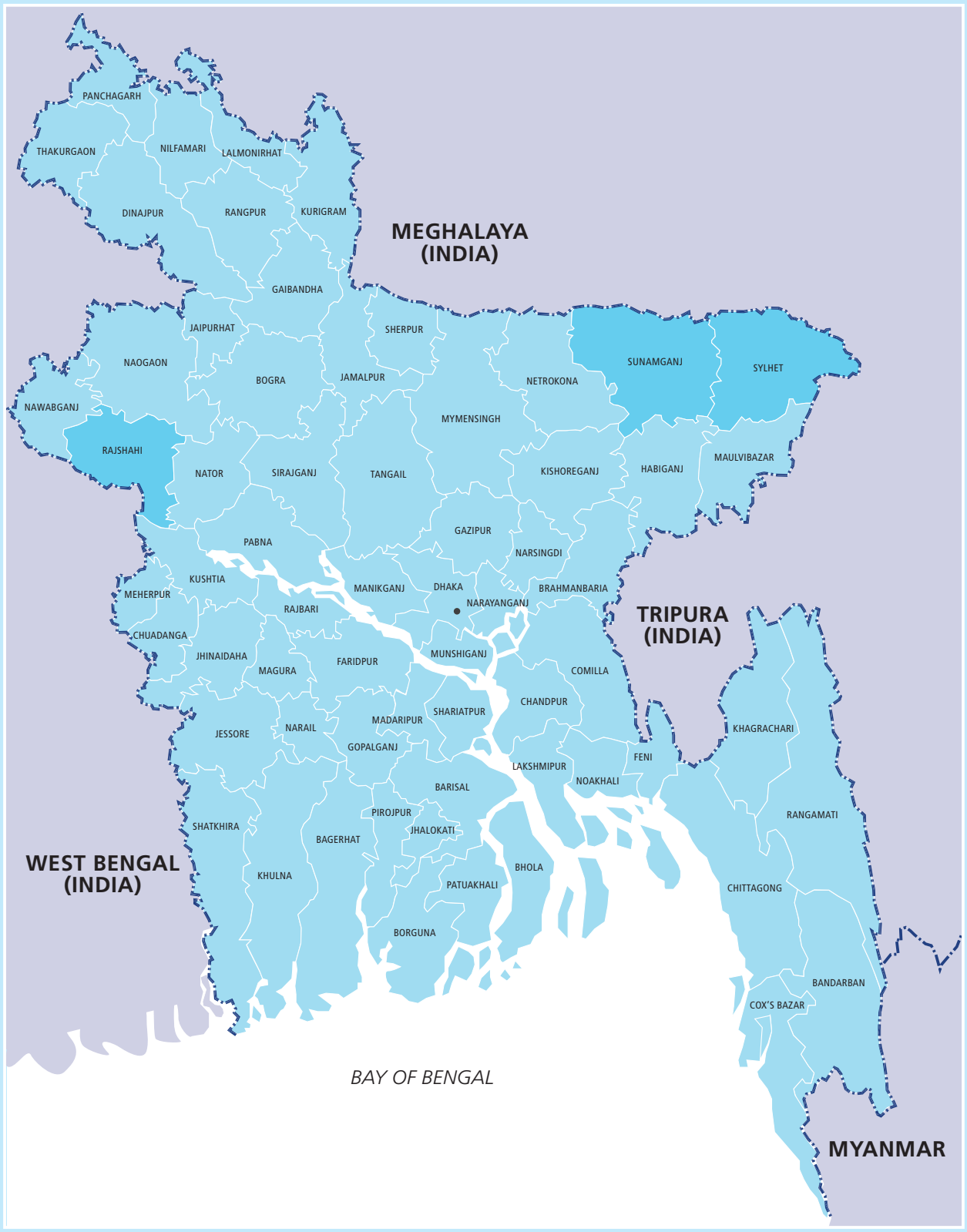
District map of Bangladesh (with highlighted research districts)

Source: Armanaziz/Wikimedia Commons



1

Executive summary

RAPID GROWTH AND DEVELOPMENT IN RECENT DECADES has turned Bangladesh into an international success story. Gross domestic product (GDP) growth has been consistently high since the 1980s, hitting a high of 7.1 per cent[1] in 2016 – and has been supported by a swiftly expanding export-oriented textile industry. Foreign direct investment, especially in energy, telecoms and in the stock market[2], has also contributed to the growing influence of the business community in the country.

But these successes have been marred by sustained violence and political unrest that date back to the country's founding in 1971. Politically motivated strikes and blockades – or *hartals* as they are known locally – are all too common, especially around elections. The last election in 2014 resulted in clashes between supporters of the two main parties, leading to widespread protests and strikes. The cost is felt not only in lives, but also economically and in the ever-deepening sense of disillusionment with state structures and institutions that fail to prevent these disturbances.

This report, commissioned by the Swiss Agency for Development and Cooperation (SDC) as part of Saferworld's 'business for peace' project, seeks to identify the factors contributing to violent conflict and political violence at the local level in three districts across the country: Sylhet, Sunamganj and Rajshahi. It assesses the potential for business actors to engage and collaborate with others to contribute to peacebuilding locally and nationally. It includes recommendations for those working at all levels and those working with businesses to support conflict prevention and inclusive economic development.

Saferworld's 'business for peace' is a pilot project that tests the theory that business actors have a positive role to play in mitigating conflict and building peace in Bangladesh. The findings have reaffirmed this core idea and suggest that future projects that work with businesses may lead to significant progress in mitigating conflict and building longer term stability.

1 *The World Bank*, 'GDP growth', (https://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG?locations=BD)
2 *BDnews* (2017), 'Foreign direct investment rises in Bangladesh', 7 November (https://bdnews24.com/business/2017/07/11/foreign-direct-investment-rises-in-bangladesh)

Key conflict drivers

The analysis identified five broad and overlapping factors that communities felt were driving conflict and insecurity:

- **Political polarisation:** Participants felt that their communities were suffering from the effects of a deeply entrenched political culture in which politicians were unwilling to compromise with opponents, but willing to use violence to achieve their political aims. The widespread use of *hartals* – closure of shops and offices as a means of protest – was cited as the single biggest cause of violence in their communities, and a major driver of disillusionment with the political system.
- **Criminalisation of politics:** The symbiotic relationship between political leaders and criminal 'strong-men' (*mastaans*) was identified as a major conflict driver. Participants felt that these groups had established mutually beneficial relationships that allowed them to monopolise political and economic power for their own benefit, excluding others.
- **Exploitation of religious or ethnic identities for political gain:** Incidents of violence and denial of rights directed against ethnic and religious minorities were cited in each of the districts, often with the implicit or explicit support of powerful political leaders. Participants felt that political drivers are at the root of much of this discrimination.
- **Erosion of traditional norms and structures:** Participants felt that in recent years there has been an erosion of many traditional systems and social norms that had previously played an important role in managing local level conflicts. These changes have accelerated as Bangladesh has become more closely integrated into the global economy, as well as being influenced by the spread of new technologies.
- **Unethical and exploitative business practices:** Collusion between businesses and criminal- business 'syndicates' was widely cited as a major conflict driver in communities. Participants also pointed to tensions over pay and working conditions as a source of tension at the local level.

Across all three districts, women, indigenous and minority groups were each identified as the most likely to be negatively affected by these five key conflict drivers, while youth were also identified as vulnerable. It was also noted that each of these issues contribute to increasing levels of disillusionment with the current political and economic system in Bangladesh. Unless they are addressed, these trends may legitimise alternative narratives, including those espoused by 'radical' or 'extremist' groups.

What is the potential role for business in addressing conflict drivers?

Most participants felt that business actors have an important role to play in promoting peace. However, they also agreed that they could only be effective peace actors if they work as part of a much broader coalition of stakeholders. Four areas were identified in which business actors could contribute to peace:

- **Employment creation and promoting economic opportunities:** Improved economic opportunities are an important condition for promoting sustainable peace, although are not sufficient on their own. Adopting a conflict-sensitive approach may help to ensure that the benefits are spread equitably, and avoid perceptions that jobs and economic opportunities are captured by certain groups only, thereby reinforcing patterns of marginalisation.
- **Raising awareness and leveraging influence:** Business actors can have a significant role in raising awareness and leveraging their influence over conflict actors. However, there are strong incentives that may inhibit business leaders' willingness to engage in such activities.

- **Promoting collaboration between groups:** previous efforts to bring businesses together to advocate for peace in Bangladesh have not been successful, in large part because they did not draw on a wider range of social and economic groups, including civil society.
- **Modelling ethical behaviour:** If business actors can model ethical behaviour, this could have a broader impact on peace and conflict dynamics. For example, taking a stand against 'syndicate' activities could have significant effects on both the long-term business environment and peace and conflict dynamics. This would require principled and dedicated action.

Recommendations for international actors working with businesses in Bangladesh to promote inclusive economic development and promote peacebuilding

- **Conflict sensitivity considerations must be built into employment generation programmes and corporate social responsibility (CSR) strategies:** Interventions aimed at stimulating positive social impact, including job creation schemes, need to be designed with an awareness of the potential destabilising effects that these can have, especially if the benefits are captured (or perceived to be captured) by certain groups to the exclusion of others.
- **Strengthen capacities of local business associations and chambers of commerce:** There are strong incentives for business leaders to avoid engaging on contentious issues. These can be overcome by organising businesses under the auspices of chambers of commerce (or other business bodies). However, they must have the capacities and skills necessary to support engagement in a conflict-sensitive and non-partisan manner.
- **Locally-based multi-stakeholder forums can contribute to improved community relations and social cohesion:** Forums that bring together business leaders, civil society, local government and other groups could be an important mechanism for developing common positions and advocating on topics of mutual concern, such as preventing *hartals* or 'syndicate' activities. This research indicates that to be successful, such forums will need to:
  - **strike the right balance between diverse and cohesive groups**;
  - **invest in confidence-building measures**;
  - **ensure careful facilitation and balanced leadership**;
  - **take all steps possible to avoid politicisation of community forums**.
- **Interventions must be developed based on an understanding of the inter-relationship between business, political and criminal interests:** Any future initiatives aimed at supporting peacebuilding, development or economic growth should be informed by a strong political economy analysis of business, political and criminal (*mastaan* and syndicate) groups in Bangladesh.
- **Ensure economic development and local government reform efforts are closely coordinated and adopt conflict-sensitive practices:** Economic, governance and conflict factors in Bangladesh are deeply interconnected. Programmes should be designed and implemented in a coordinated and complementary way, in collaboration with a wide range of local stakeholders.
- **Strategies that seek to prevent recruitment into violent groups – including those labelled as extremist groups – should focus on the broader social, political and economic grievances in the country:** Targeted efforts to prevent certain groups, especially young people, from being drawn into violent groups solely by improving economic opportunities are unlikely to be effective. Adopting a broader peacebuilding approach that seeks to address the political, social and economic issues

that affect all marginalised groups (and not just those deemed to be 'at risk' of being radicalised) is likely to be more effective. Business actors have an important role to play.

- **Support business initiatives led by and benefiting youth and marginalised groups:** Initiatives that support businesses led by marginalised groups, or that provide support during times of stress could contribute to more inclusive and cohesive societies, potentially with tremendous economic, social and peacebuilding benefits.
- **More research is required to better understand and harness the role of businesses as potential peacebuilders:** There is significant potential for business leaders to play a larger role in supporting peacebuilding efforts in Bangladesh. Donors should invest in developing the evidence base of how this potential can be better used through further research and by piloting in different parts of the country.

2

Introduction

THIS REPORT WAS COMMISSIONED AND DRAFTED with the intention of informing the design and implementation of Saferworld's Business for Peace (B4P) pilot project in Bangladesh. The B4P project is supported by the Swiss Agency for Development and Cooperation (SDC) through the Swiss Embassy in Dhaka. The objective of the project is to develop a better understanding of, and seek to harness the role of domestic business actors in building peace, in partnership with local government institutions and civil society, by leveraging the combined networks of local partners in three focus districts.

The project has two core strands. The first is to conduct research to analyse the current conflict dynamics and the role of business actors within them in three districts: Sylhet, Sunamganj and Rajshahi (*see District map of Bangladesh, opposite the Executive Summary p.i*). The second strand of the project draws on the findings from this research to develop a series of multi-stakeholder platforms involving business actors, civil society and local government officials, as well as any other key actor groups identified as important, to harness their collective peacebuilding potential by (a) advocating against the use of politically-inspired or intra-communal violence and (b) uniting around shared challenges or opportunities which use business actors' potential to contribute to peace by developing community-based action plans.

This report lays out the findings from the first strand of the project. It seeks to address the following research questions:

- What are the principal conflict drivers in Sylhet, Sunamganj and Rajshahi districts, and how do business actors interact with them?
- Are there existing examples of business actors engaging collectively with political, local government, civil society or community groups in responding to the identified drivers of conflict?
- Who or what act as 'spoilers' or champions of such engagement?
- How do conflict dynamics affect women and men, marginalised groups and young people differently?
- Is there a willingness on the part of business actors, local government, civil society or community groups to work collaboratively on any conflict drivers identified in the conflict analysis? If so, how?
- What is the potential for harnessing business actors as agents of peaceful change in light of the above?

Methodology

We adopted a conflict-sensitive, participatory and collaborative methodology that offers local partners the opportunity to explore conflict dynamics in their areas and look at the extent to which business actors may have a role in changing them. We tried to avoid being seen as primarily 'extractive' in nature by providing an opportunity for Saferworld's local partners to build capacity and develop networks of mutual understanding and trust in addition to delivering a research output.

The analysis was based on a series of semi-structured interviews and focus group discussions conducted with a total of 125 people, spread across the three focus districts. Eighty-four male and 41 female participants took part in the study, including 35 participants from marginalised and indigenous groups. In total, 15 focus group discussions were held, complemented by 16 key informant interviews.

Interviews and focus group discussions were conducted in each of the three districts, led by Saferworld staff and local partners. A validation workshop with selected representatives from the three districts was conducted in Dhaka on 31 January 2017. Key findings and analysis were cross-referenced against relevant literature focused on peace and conflict dynamics in Bangladesh. The findings from these interviews were then consolidated into a draft report, the key findings of which were then discussed and agreed with community members at a series of meetings held in April 2017 in the three districts.

3

Background: peace, business and Bangladesh

BANGLADESH HAS SUFFERED from repeated cycles of political violence and civil unrest throughout its history. Following a short but brutal war, the country gained independence from Pakistan in 1971. The war and its immediate aftermath continue to influence much of Bangladesh's political and social discourse. Competition between the families of the countries' two most influential independence-era leaders (and their associated political parties), Sheikh Mujibur Rahman and General Ziaur Rahman, still dominates politics in the country. In 1972 Sheikh Mujibur, leader of the secular Awami League Party (AL), became Bangladesh's first prime minister, adopting the position of president in 1975. He was assassinated later that year in the first of several military coups. In 1977, General Ziaur – heading up the more Islamic-leaning Bangladesh National Party (BNP) – became president, only to be assassinated in an abortive coup in 1981.

Between 1982 and 1991, Bangladesh was ruled by the military government of General Ershad, during which political freedoms were highly limited. 1991 saw the return of democratically elected government, and with it a return to intense and ever more hostile competition between the AL, now led by Sheikh Hasina Wajed – daughter of Sheikh Mujibur – and the BNP, led by Khaleda Zia, wife of General Ziaur. Between 1991 and 2014, both women have each been prime minister twice. Relations between the two party leaders are extremely fraught, while electoral competition between the AL and BNP has become increasingly violent since 1991.

The most recent parliamentary elections were the bloodiest so far. Twenty-one people were killed on polling day alone,[3] despite the fact that it was boycotted by the BNP and several other opposition parties. The boycott handed the AL a landslide victory, left the country with no credible opposition and essentially disenfranchised 50 per cent of the population. The violence has continued well beyond the election period, with the peak coming during an intense period of sustained *hartals* (political strikes) between January and April 2015. Vandalism and violent clashes among rioters as well as between rioters and the police brought the economy to a standstill, and resulted in an estimated 200 deaths, including 30 children. Petrol bombing has also emerged as a new method

3 *Al Jazeera* (2014), 'Bangladesh ruling party sweeps violent vote', 6 January (www.aljazeera.com/news/asia/2014/01/bangladesh-vote-201416229528440.html)

of violence, with attacks on buses, trains and power stations leaving more than 400 people badly burnt.

Progress and resilience amid instability

Despite the extreme levels of political instability that Bangladesh has faced since its birth, the country has made significant progress in some areas. Between 1994 and 2014, the country's gross domestic product (GDP) growth rate averaged 5.6 per cent, peaking at 7 per cent in 2007.[4] This period saw tremendous growth in the agricultural and service sectors, while Bangladesh became one of the world's leading exporters of ready-made garments. The sustained levels of growth, and lack of major economic shocks, saw Bangladesh achieve lower middle income status in 2015. Substantial progress has also been made against the Millennium Development Goals (MDGs), with indications that this could be maintained as the country shifts to Sustainable Development Goal (SDG) implementation.

However, Bangladesh's progress has not translated into equitable improvements in security for many of its people. Economic growth is heavily concentrated in Dhaka and a few other urban centres, while increasing inequality, coupled with slowing growth, are stoking discontent with the economy. There are also questions about the degree to which the impressive development statistics genuinely reflect improvements in the lives of many Bangladeshis. *Hartals* and political instability meanwhile have had a major economic impact – the Dhaka Chamber of Commerce estimates a loss of $200 million a day,[5] with many in the Bangladeshi business community warning of a reduction in foreign investment as a result.[6] Media reports estimated lost economic growth due to civil unrest to be around $2.2 billion in 2015 alone[7]. At the same time, impressive economic growth has been accompanied by worsening corruption and a widespread perception of criminal capture of both the political and economic resources.

The apparent dichotomy between positive markers of growth and continued fragility in Bangladesh speak to the dangers of judging 'development' primarily by traditional economic metrics. Measuring, and more crucially making progress in fragile states requires a multi-layered set of metrics that take into account political and social factors more commonly associated with political economy approaches.

Emergence of business as a peace actor

The business community has begun to emerge as an important advocate for an end to political unrest and the use of violence as a means of securing power.[8] The emergence of the business community as a potential peace actor is therefore a relatively new development in Bangladesh. For example, some local business actors have protested against continued political and social unrest by lodging high court injunctions, holding rallies and destroying perishable goods that were not distributable due to the paralysis of large parts of the country.[9]

However, to date business actors have not generally been engaged in broader, civil society-led efforts aimed at promoting peace and social cohesion in Bangladesh. Donors and peacebuilding actors have tended to view the private sector as either unrelated to, or uninterested in peacebuilding initiatives, and little effort has been

4 The World Bank, GDP growth, Bangladesh dashboard (https://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG?locations=BD)

5 Tasin F (2013), 'Shutdown: Economy feeling the brunt?', *The Daily Star*, 13 November (http://archive.thedailystar.net/beta2/news/shutdowns-economy-feeling-the-brunt/)

6 Khatun F (2015), 'Economic implications of political instability', *The Daily Star*, 8 March (www.thedailystar.net/economic-implications-of-political-instability-7499)

7 *The Daily Star* (2015), 'Three months that have cost us $2.2b', 14 April (www.thedailystar.net/editorial/three-months-have-cost-us-22b-77192)

8 While certain business people have been vocal advocates for reform since at least 1984, there have been few concerted and coordinated attempts to leverage the influence of the broader business community in pursuit of peaceful change.

9 Khatun F (2015), 'Economic implications of political instability', *The Daily Star*, 8 March (www.thedailystar.net/economic-implications-of-political-instability-7499)

made to proactively include them in such programmes. Private sector-led initiatives meanwhile have tended to focus only on business people, with little outreach to broader civil society. As such they have lacked the popular legitimacy needed to effect change or sustain efforts beyond periods of initial enthusiasm.

However, there is a small but growing literature that highlights the potential role that businesses can and do play as peacebuilding actors. Businesses are, for example, often highly influential and politically connected. They generally have much more clout than 'traditional' peacebuilding actors (such as NGOs or religious leaders). Many are themselves members of the elites, holding significant influence at the national and sub-national level. Local business actors in Kenya, for example, were able to effectively draw upon their political connections to advocate against the use of violence in the run up to the 2013 elections.[10] In South Africa, the private sector played an important role in facilitating the transition from Apartheid to democratic rule in the late 1980s and early 90s.[11]

However, business actors can face significant barriers and often have strong incentives to avoid engaging in political and often contentious peacebuilding initiatives. Many businesses benefit from their political connections, and can be reluctant to jeopardise these by challenging (or being seen to challenge) power-holders. Likewise, the economic costs for business leaders, especially small or local businesses, of being seen to challenge political actors can be high. The immediate benefits meanwhile are likely to be few, and can appear abstract. Finally, businesses tend to rely on stability rather than peace.[12] This can create powerful incentives to support the status quo rather than encourage fundamental reform.

Businesses are rarely the first actors to become substantively engaged in peacebuilding processes. They are generally reluctant to challenge the prevailing system, until it becomes clear that the situation is either unsustainable or that the business costs of continuing to operate under such conditions would limit their ability to operate or cause a loss of revenue. Additionally, even when conditions become untenable, few are willing to be the 'first movers', since doing so exposes them to particular scrutiny.

The emergence of business actors as more vocal peace actors in Bangladesh since the 2014 elections may indicate that the private sector is beginning to recognise the need for action, and that the risk calculus may be changing and more businesses may feel that it is in their immediate business interests to risk greater engagement in the peace-building sphere. Any such efforts however are unlikely to have sustained impact if they are not seen as being supported by communities in which they are embedded. Therefore, collaborative action with civil society may be an essential missing element that could be used to encourage greater business engagement. It is this gap between businesses and civil society that the B4P project explores further.

10 Austin, Wennmann (forthcoming), 'The private sector and violence prevention in Kenya, 2007–2013'. Unpublished paper

11 Ganson (forthcoming), 'Business in the transition to democracy in South Africa: historical and contemporary perspectives', Africa centre for dispute settlement working paper 2017/5.

12 'Stability' can imply a continuation of the status quo, which may have moderate if tolerable levels of violence. When we refer to 'peace' on the other hand, we imply a 'positive peace' in which all groups have access to fundamental rights and freedoms, including freedom from fear and respect for human rights and dignity. The process of moving towards a situation of 'positive peace' can, however, be inherently unstable, since it often implies a redistribution of power away from an unaccountable elite towards a much broader range of citizens and communities.

4

Key conflict issues in focal districts

THIS SECTION OUTLINES FIVE KEY CONFLICT ISSUES identified by participants as being at the heart of conflict in the three focus districts. It starts with a brief description of each district, before exploring each of the conflict issues in turn. The inter-relation of conflict and vulnerable groups is then discussed.

4.1 Conflict profile for the three focus districts

In each of the three districts, national level conflict dynamics played out locally. But there were also dominant local factors that determined how those dynamics took shape. For example, there were individual vested interests within political groupings, differing extents to which criminal actors were able to exploit those interests to gain and exercise power, and a nexus between political and criminal interests that took the form of violence against individuals or communities. What this underlines is the need for any analysis of conflict which is used to shape programming in Bangladesh to be as locally focused as possible.

4.1.1 Sylhet District

Source: Bangladesh National Portal

Sylhet is one of the largest, most economically and politically important districts in the country.[13] It is the largest oil and gas producing region, as well as a hub for the tea industry. Rural areas are important providers of rubber, palm oil, cane and citrus, and it is one of the highest rice-producing regions. There are several industrial plants, including those producing fertiliser, cement and ceramics, as well as garments and pharmaceuticals located in and around the Sylhet metropolitan area. Tourism is also an important part of the local economy. Sylhet is an important religious and cultural centre, drawing tourists from across the country and beyond to its many shrines and hills. It is well connected to surrounding areas by road, including into India, and is served by an international airport with regular flights to the UK and the Middle East.

Sylhet is the source of much of the Bangladeshi diaspora. It is estimated that up to 95 per cent of the UK's Bangladeshi diaspora – up to 500,000 people – can trace their origins back to Sylhet. Many maintain very close links to the district, and remittance flows play an important role in the local economy. They have helped stimulate the construction industry and retail services, while also driving up real estate prices.

The area has been a focal point for conflict throughout Bangladesh's history. During the war of independence, Sylhet was heavily contested and was the site of a major battle. More recently, it has suffered high levels of political violence. Between 2001 and 2013, there were regular, violent clashes between supporters of the main political parties,[14] while the run up to and aftermath of the 2014 elections were marred by widespread unrest and communal violence. Sylhet has also been the site of targeted attacks by Islamist groups, including a 2004 grenade attack on the British High Commissioner,[15] as well as the 2015 murder of a secular blogger.[16] The area is among the wealthiest in Bangladesh with a significant portion of the population connected to the diaspora, most notably in the UK.

4.1.2 **Rajshahi District**

Source:
Bangladesh National Portal

13 With a population of over 3,400,000, it is the 7th most populous, and 10th largest district in the country. Bangladesh Bureau of Statistics (2011) 'Population and housing census: preliminary results'

14 According to a review of incidents of political violence across Bangladesh between 2001 and 2013, Sylhet was the sixth most affected district by number of incidents, and seventh by number of injuries. Suykens B and Islam A (2015), 'The Distribution of Political Violence in Bangladesh 2002–2013', Conflict Research Group (Ghent University) in collaboration with the Microgovernance Research Initiative (Dhaka University).

15 *BBC News* (2008), 'Three to die for UK envoy attack', 23 December (http://news.bbc.co.uk/1/hi/world/south_asia/7797096.stm)

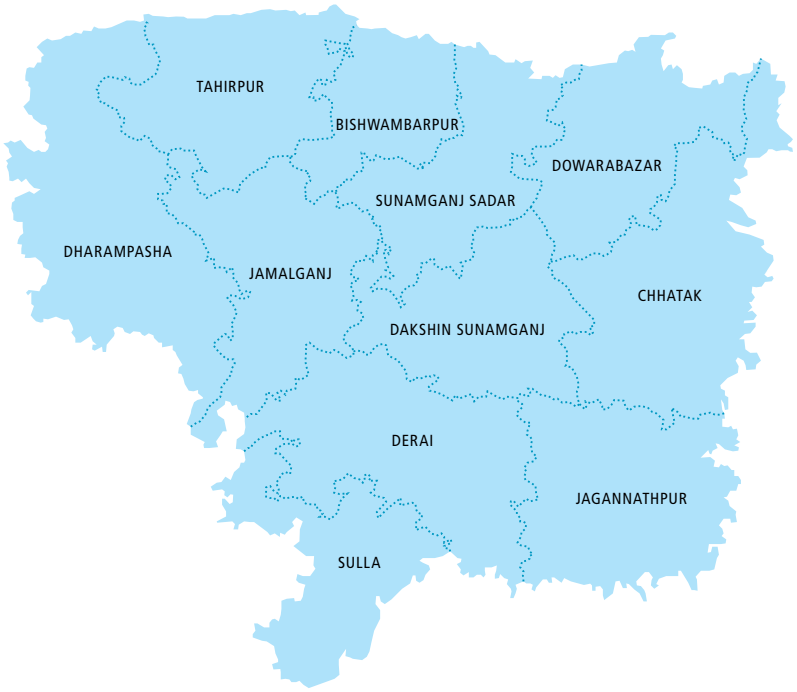
16 *BBC News* (2015), 'Bangladesh blogger Ananta Bijoy Das hacked to death', 12 May (www.bbc.co.uk/news/world-asia-32701001)

Rajshahi District is located along the banks of the River Padma, in the northwest of the country. With a population of almost 2,600,000, it is the 18th most populous district in the country.[17] The district capital, Rajshahi Metropolitan Area, is an important administrative, cultural, educational and business centre. It is the centre of the well-known Rajshahi silk trade, while the city's colleges and university are among the oldest and most prestigious in the country. Despite its strategic location, the city and surrounding areas have seen little industrial development. The economy and employment remain largely dominated by agriculture.[18]

Rajshahi has also been the centre of much political and social upheaval since before independence. Rajshahi saw a huge influx of Indian Muslims and emigration of non-Muslim communities during partition, and was the site of significant fighting during the 1971 war. More recently it has been seen as a major centre of Islamic nationalism, with religious parties garnering high levels of support. Between 2001 and 2013, Rajshahi was the third most violent district in the country by incidents of political violence and injuries (topped only by Dhaka and Chittagong).[19] The district has also suffered from several high-profile attacks by Islamist groups since 2015, including a suicide attack on a mosque[20] and the targeted killing of a university professor.[21] Several of these attacks have been publicly claimed by ISIS although the veracity of these claims is disputed.[22]

Sunamganj District

Source:
Bangladesh National Portal



Sumanganj is a mid-sized, mostly rural district, situated in the low-lying northeast of the country.[23] It forms part of Sylhet division. Roughly 90 per cent of the population is Muslim, with just over 9 per cent Hindu – slightly higher than the national average.[24]

17 Rajshahi is the 27th largest district by land area, and 18th by population. Bangladesh Bureau of Statistics (2011) 'Population and housing census: preliminary results'

18 Roughly 6 per cent of employment is accounted for by the industrial sector, compared to 62 per cent in agriculture, and roughly 31 per cent in services. Figures taken from Bangladesh Bureau of Statistics, accessed through www.citypopulation.de.

19 Rajshahi did marginally better when ranked by fatalities, coming in at 13th. Suykens, B. & Islam, A. (2015)

20 *Daily Star* (2015), 'Attacker' killed in Rajshahi Ahmadiyya mosque blast', 25 December (www.thedailystar.net/country/1-killed-ahmadiyya-mosque-bomb-attack-192535)

21 *BBC News* (2016), 'Bangladeshi university professor hacked to death in Rajshahi', 23 April (www.bbc.co.uk/news/world-asia-36119151)

22 E.g. see Manik, J A and Najar N (2016), 'Militant Islamists Are Suspected in Slaying of Hindu Priest in Bangladesh,' *The New York Times*, 7 June (https://www.nytimes.com/2016/06/08/world/asia/bangladesh-hindu-priest-killed.html?_r=0)

23 It is the 9th largest district by area, but with a population of just under 2,500,000 it is only the 21st largest by population. Figures taken from Bangladesh Bureau of Statistics, accessed through www.citypopulation.de.

24 8.5 per cent of the total population according to the 2011 census. *Ibid*.

Shajeda stands in her shop in Bagerhat.
Thomas Martin/Saferworld

The area suffers from frequent natural hazards, including seasonal and flash-flooding, as well as high rates of arsenic poisoning in the ground-water. The local economy is dominated by the agricultural sector, although fishing and livestock rearing are important sources of livelihoods also. The district is also known for the export of stone and sand, with up to fifty thousand workers reportedly depending on this sector. There is also a cement, a limestone and a food and beverage factory, as well as a paper mill and two operational gas fields.[25] This area is low-lying and is vulnerable to flooding, resulting in land contestation. The impact of flooding is primarily economic – it often leads to lost livelihoods – but also intersects with criminal enterprise and political factors to result in localised conflict.

The district is divided into five parliamentary constituencies, four of which are highly contested (having been won by BNP, AL or Jatiya Party in different elections between 1991 and 2008).[26] Despite this, it has remained relatively peaceful during previous elections. There were no major incidents of political violence observed in the district between 2008 and 2015.[27] However, there were several reports of clashes, including threats to ethnic and minority groups, causing significant concern among these groups.[28] Like most communities across Bangladesh, Sunamganj has suffered from regular *hartal* activity, including road blockades and limited transportation.

4.2 Key drivers of conflict

Participants in all three districts noted that despite political deadlock and many deep-seated economic and social problems in the country, recent years have seen some progress in terms of economic development and improved social services. However, participants reflected on the trend towards more frequent and intense political violence in Bangladesh since at least 2002, and there was an almost universal expectation that this will get worse in the months running up to the next election. There was widespread concern that the deteriorating security situation would undermine and possibly reverse development gains.

25 Roughly 72 per cent of employment is in the agriculture sector, 22 per cent in service and about 5 per cent in industry. Figures taken from Bangladesh Bureau of Statistics, accessed through www.citypopulation.de.

26 Only one constituency has consistently voted for the same party since 1991.

27 A review of the distribution of political violence in Bangladesh between 2001 and 2013 found that Sunamganj was amongst the least affected districts in the country by political violence, ranking 54th out of 64 districts. Suykens B and Islam A (2015), 'The Distribution of Political Violence in Bangladesh 2002–2013', Conflict Research Group (Ghent University) in collaboration with the Microgovernance Research Initiative (Dhaka University).

28 *Sify News* (2010), 'Violence mars Durga Puja festivities in Bangladesh', 17 October (www.sify.com/news/violence-mars-durga-puja-festivities-in-bangladesh-news-international-kkrlkgjdaahsi.html)

Following discussions, participants identified a range of key factors that they felt were driving conflict and insecurity in their communities. While the specific context in each district differs, there was significant overlap in key conflict issues identified. These can be categorised under five broad headings:

4.2.1 Political polarisation

The extreme level of polarisation within the political system in Bangladesh was identified by almost all participants as being a major conflict driver. The inability of the two main political parties to reach agreement on almost any issue, and the winner-takes-all nature of Bangladeshi politics, reinforced by the majoritarian electoral system, has resulted in a deeply entrenched political culture characterised by a willingness to escalate disagreement to extreme levels of public disorder and the widespread use of violence to achieve political aims. This polarisation starts at the national level but is reflected everywhere.[29]

Participants identified *hartals* as the most visible and disruptive manifestations of political polarisation locally. *Hartals* have been a common tactic employed by political parties for many years in Bangladesh. However, recently there has been a massive increase in their frequency and duration. In 2015, there were 55 days of continuous *hartal* activity, with severe impacts on economic growth.[30] *Hartals* are also typically accompanied by violence. Vehicles are often targeted by protestors, for example by those enforcing the strike in Sunamganj, with the objective of shutting down the transport network. In Sylhet, participants reported that *hartals* are often called at very short notice, trapping visitors in town if they were not pre-warned about the strike.

It is widely acknowledged that *hartal* violence, including violence against civilians, is used as an intentional political tactic. In Sylhet, one participant referred to video footage showing local leaders destroying commercial property. In Rajshahi, the targeting of long-term economic assets, such as mango trees, was seen as an attempt to undermine the local economy long after the end of the strike. The unwillingness of national leaders to take action against their supporters engaged in violence is also seen as proof of this fact. Those local political leaders who may be inclined to speak out against violence are often unable or unwilling to do so for fear of reprisals from their superiors in Dhaka. The highly centralised nature of power within each of the major political parties and the patronage-based nature of politics in Bangladesh[31] means that the potential cost to politicians' power, careers and influence is too high for many to advocate against this system of politics.

Furthermore, there was a common perception that the use of violence by political parties is not only a deliberate tactic to intimidate local people and assert authority, but is in itself seen as a measure of success and power. The level of violence a party is able to engineer is equated with the influence the party has. "The number of vehicles burnt can be seen as an indicator of how successful the *hartal* was," said one participant[32].

The impact of this polarised and uncompromising approach to politics, and the violence associated with it, goes far beyond the immediate economic disruption caused by regular *hartals*. Participants pointed to the impacts on education, such as when *hartals* prevent children and students from sitting exams or attending classes. The perception by political elites that the use of violence is a legitimate means of expression meanwhile risks 'normalising' violence, with potential implications for

29 An analysis of the distribution of political violence across the country between 2008 and 2012 shows that political violence correlates with the degree to which seats are contested between two main parties. This is consistent with the idea that political polarisation can be seen as a major driver of violence locally. Aziz S A and Razzaque F (2016), 'Role of electoral competition in explaining political violence in Bangladesh – a district level analysis', *BRAC Institute of Governance and Development*, working paper series **34**, November (http://bigd.bracu.ac.bd/index.php/s-reports/148-working-papers)

30 Khatun F (2015), 'Economic implications of political instability', *The Daily Star*, 8 March (www.thedailystar.net/economic-implications-of-political-instability-7499)

31 E.g. Islam M A (2005) 'The political institutions and governance in Bangladesh: Changes and continuity', *BIISS Journal*, **26** (4), pp 581–611

32 Participant from Sunamganj speaking at Dhaka workshop, 31 January 2017

domestic violence. Meanwhile, the impunity with which violence is carried out works to further undermine confidence in the rule of law.

Perhaps most damaging of all, there is evidence that the inability of political leaders to resolve disputes peacefully has done significant damage to the perceived legitimacy of the entire political system in Bangladesh. Participants from all three districts expressed a deep lack of trust in the ability of politicians to respond to their needs, questioning their basic integrity and motivations. Participants felt that there was little perceptible difference between the two main parties (at least in terms of their willingness to exploit the population for their own gain), and that there are few genuine alternatives within the current political environment. It is therefore unsurprising that increasing numbers of people are becoming attracted to alternative visions and models of governance for the country, including those propagated by prominent Islamist organisations, including those condoning the use of violence.[33]

"Political leaders must have political ethics, but these uneducated people (…) do politics only for earning money and the misuse of power. They have no principles. They have no ability to understand how much harm they have had on their own families, society and the country, as they have no political skills."

A shop owner in Sunamganj

Case study: potential for businesses to build peace in Rajshahi

A former mayor and current businessman said that political unrest was the primary driver of conflict in Rajshahi, but added that the business sector itself was divided largely along political lines. As a result there were significant barriers in bringing together either political or business actors to discuss the drivers of conflict as they would first have to step outside their own roles as parties to the conflict. Despite this limitation, he felt that business actors should be able to negotiate these barriers and work with others to mitigate conflict, while outsiders supporting this process could contribute by bringing in groups from outside the economic and political spheres. He felt that the potential for business actors to mitigate conflict and contribute to stability could be strengthened in the long term.

4.2.2 Criminalisation of politics

The symbiotic relationship between political leaders and so-called criminal 'strong-men', known as *mastaans*, is well documented.[34] In many cases it is not possible to separate the two groups, with powerful local leaders being equally involved in political, economic and criminal enterprises. Study participants said that politicians are engaged in 'obviously criminal activity', and that there is 'no morality in politics anymore'.

Corruption was the second most commonly cited conflict driver (after political polarisation) by participants, with many reports of *mastaans* and businessmen using their connections to local politicians to gain illegal access to land and natural resources. In Sylhet for example, it was reported that competition between criminal groups, specifically over access to land, was a source of tension that could easily result in violence.

It was also reported that political actors are more likely to be motivated by the economic opportunities provided by public office than by any ideological or altruistic motives. In Sunamganj, one participant reported an incident in which the chairman of the Chamber of Commerce had refused to hand over 50 per cent of the earnings from an event organised by the chamber to the leader of one of the local parties. The following day, the chamber's chairman received funeral clothes in the post, with a threatening note attached.

33 According to perception surveys conducted by the Bangladesh Enterprise Institute (BEI) in 2014, 74 per cent of respondents feel that 'radicalisation and extremism' related violence is on the rise in Bangladesh. *Bangladesh Enterprise Institute* (2014) 'The Role of Civil Society in Countering Radicalisation in Bangladesh'.

34 Hasan, M, Rose, J and Zakaria S M (undated), 'The real politics of Bangladesh: the inside story of local power brokers', *Embassy of Switzerland in Bangladesh*

"In the past, politics was a vocation – now it is a way of making money and accumulating power."

A participant from the business community

Participants in all three districts complained that politicians frequently make use of criminal groups to further their own political objectives. For example, political parties often pay local gangs to pursue violence during *hartals*. "Parties are willing to give (the gangs) drugs, guns, or anything to help them gain power," said one participant. Criminal groups and *mastaans* also benefit from *hartals* in other ways, for example by using them as cover to bring in illicit substances, to seize land or to vandalise property belonging to rivals. Such actions have contributed to the emergence of a so-called '*hartal* economy'; an economic system in which powerful groups, including gangs, *mastaans* and some political leaders, have a vested interest. The existence of such an economy provides a powerful incentive for these groups to perpetuate instability and resist efforts to promote a more collaborative political environment.

A lack of democracy within political parties was also cited as being at the root of many of the challenges of criminal capture of the political system. The feeling that even the highest of political offices can be bought by the highest bidder (or handed down along family lines), has created a system whereby *mastaans*, businessmen or any other actor with sufficient funds can easily gain access to political power. Inevitably, such power is used to enrich the individual at the expense of the population, thereby completing a cycle of corruption that is deeply corrosive of state-society relations.[35]

"Political parties have lost their identity as politicians – killing people, burning property, stopping transport, stopping education. They lack patriotism and kill the patriotism in others, deliberately engaging criminals in their party. All they want is the muscle power to get votes. Their values and morality within the political culture are all gone! If democratic norms were upheld, this criminalisation would not happen!"

Study participant from Rajshahi

Criminal capture of political processes can contribute to conflict in several ways. Corruption can undermine quality and access to local services, undermine trust in government and make political and administrative leaders reliant on criminal groups for their survival. It can reinforce grievances that underpin many of the conflict dynamics that affect communities, and may contribute to increased susceptibility to messages of radical or extremist groups that advocate the use of violence.[36]

Case study

A veteran political opposition leader from Sylhet said that the main barrier to unlocking the potential of businesses to build stability was an absence of security and the risks to their lives for speaking out. He believed that if law enforcement acted both to protect lives and to reduce the impunity of criminality in business, then this would create a context in which legitimate business could thrive, yielding benefits to economic growth as well as peace and stability. This would require political support for effective policing as part of the long-term approach for economic actors to shift from being part of the problem or being unable to address it, to becoming positive actors for change.

4.2.3 Exploitation of religious or ethnic identities for political gain[37]

Incidents of violence and denial of rights directed against ethnic and religious minorities were cited in each of the three districts, often with the implicit or explicit support of powerful political leaders. In Sylhet, the Chamber of Commerce reported that indigenous groups were often required to pay higher rates to the local government in

35 Such findings are consistent with broader research on this topic, e.g. Hasan M, Rose J and Zakaria S M (2015)

36 It is important to note that such groups may use political, ethnic or religious narratives to channel broader grievances in order to galvanise support for violence. Groups using Islam for such purposes have received the majority of attention, although this is only one narrative that has been used to legitimise violence in Bangladesh.

37 Under this heading, we include a range of issues identified by participants, including the 'misuse of religion in politics', 'religion-based politics', 'fanaticism' and the exploitation of ethnic minorities. These issues were commonly cited in Sylhet and Rajshahi, but less frequently mentioned in Sunamganj.

A rickshaw driver in Dhaka.
Thomas Martin/Saferworld

order to hold job fairs. In Sunamganj, participants reported several cases of land being seized from indigenous groups by local politicians or politically connected *mastaans*. The case of Gaibamdha sugar mill meanwhile was also cited as an example of political complicity in the disenfranchisement of indigenous groups in Bangladesh.[38]

Discrimination against Hindus has been particularly prominent, especially in Sylhet. This discrimination is contributing to extremely high rates of emigration, with some recent analysis indicating that at current rates, the Hindu population in Bangladesh could be negligible within 30 years.[39] This would be a dramatic development considering Hindus made up a third of the population of what was then East Pakistan following partition with India. Discrimination against Hindus was until recently institutionalised within the legal framework through the Vested Property Act. This allowed for the confiscation of land owned by those deemed to be 'enemies' of Bangladesh, and has often been used against Hindus and other minorities.[40]

Participants also identified NGOs as a persecuted identity group in the focus districts. They pointed to the closing of civil society space and targeting of civil society activists as key challenges.[41] One participant also reflected on a trend for increasing politicisation within civil society. For example, there is a perception that many NGOs are being used to generate support for particular political parties. This may be undermining the legitimacy of such groups in communities, while also making civil society overall more susceptible to becoming a target of repression by opposing political forces.

"Civil society is now divided in many ways. So, the politicians and people's representatives should come forward and build public awareness".

An academic from Rajshahi

There was a strong feeling that politics are at the root of much of this discrimination. For instance, the fact that minority groups have traditionally been seen as reliable vote banks for certain parties has led to those groups being targeted by supporters of

38 The Gaibamdha sugar mill has been the site of several clashes between indigenous people from the Santal group and local police and mill workers, resulting in several deaths and many injuries in recent years. The Santal claim that the land was taken by the mill owners and should be returned to them. *Dhaka Tribune* (2017) 'Santals await justice as masterminds still walk free', 7 April (www.dhakatribune.com/bangladesh/nation/2017/04/07/santals-await-justice-masterminds-still-walk-free/)

39 Kamrul H (2016), 'No Hindus will be left after 30 years', *Dhaka Tribune*, 20 November (www.dhakatribune.com/bangladesh/2016/11/20/abul-barkat-632-hindus-left-country-day/)

40 According to Minority Rights Group International, up to 2.6 million hectares of land were confiscated from 1.2 million Hindus between 1965 and 2006. *Minority Rights Group International* (2016), 'Under threat: The challenges facing religious minorities in Bangladesh'.

41 See, for example, the recent Foreign Donations (Voluntary Activities) Regulation Act 2016, which empowers the government to suspend or close down NGOs that are considered to make 'derogatory' remarks about 'constitutional bodies'. This has been widely interpreted as an attack on civil society's ability to challenge government policy. Bergman D (2016) 'Concerns raised over new Bangladesh NGO law', *Al Jazeera*, 20 October (https://www.aljazeera.com/news/2016/10/concerns-raised-bangladesh-ngo-law-161020121856969.html)

opposition parties, either as a means of intimidating voters or encouraging emigration away from hotly contested areas. Up until 2008, Hindus were seen as a reliable source of votes for the Awami League (AL), leading to targeted attacks by BNP and Jamaat-e-Islami supporters in the run-up to the 2014 elections.[42]

However, the boycott of the 2014 elections by the BNP did not result in a decrease in violence against Hindus or other minorities typically supportive of the AL. This may have been because AL politicians felt less pressure to respond to minority security concerns, given the large number of uncontested seats. It may also reflect a wider trend within Bangladeshi politics in which politicians from all sides, including traditionally 'secular' parties, have been willing to pander to religious identities in order to shore up a support base. This has included providing support to groups that promote exclusionary conceptions of Islamic identity, as well as implicitly or explicitly condoning use of violence against minority or non-conformist groups.[43]

"Imposing bigotry or fanaticism in the name of religion and social reform on other sections of believers or social groups is one of the main reasons for conflict in Sylhet".

Leader of a woman's group in Sylhet

The consequences of this are keenly felt by participants. Several people expressed a deep concern that the secular nature of the state was being undermined, while religious 'extremists' were being emboldened. Meanwhile, the deep disillusionment with the political system is likely to increase the attractiveness of alternative narratives, including those espoused by 'extremist' groups.

4.2.4 Erosion of traditional norms and structures

There was a strong feeling among participants that recent years have seen an erosion of many of the traditional systems and social norms that had previously played an important role in managing local conflicts. For example, in Sylhet participants reflected on the declining influence of traditional dispute resolution systems (such as the *Salish*, or informal courts system), but also expressed a lack of confidence in the formal justice systems that were intended to replace them. These were generally characterised as corrupt and highly politicised.[44]

Several participants also felt that important social norms were changing or being 'eroded', leading to increased tensions within their communities. Participants in Rajshahi for example felt that corruption has become more culturally acceptable, noting that "in the past, corrupt officials would have been socially ostracised. Now it is normal." In Sylhet, meanwhile, participants pointed to the erosion of 'traditional customs', such as respect for elders, which they felt played an important role in constraining anti-social behaviour, promoting social cohesion and ultimately building resilience to violence. Several people reported a loss of shared spaces, and a general feeling that communities had become less cohesive as a result.

"Nowadays, people are becoming too self-centred and social interactions are lessening day by day. As a result, there is no willingness to have any kind of coordinated effort"

Ward counsellor from Sylhet

Participants also felt that the spread of new technologies, including smart phones and improving internet access, were having a negative impact on social values. By allowing youth to easily access 'extremist' or 'radical' (primarily, but not exclusively religious) narratives, some participants felt that such technologies were contributing to the spread of violent ideologies. Furthermore, by exposing people to 'outside' or 'foreign' influences, there was a fear that they were also contributing to a breakdown of social bonds, increasing 'materialism' and contributing to the sense that local communities

42 *Minority Rights Group International* (2016), 'Under threat: The challenges facing religious minorities in Bangladesh'.
43 *Bangladesh Enterprise Institute* (2014) 'The Role of Civil Society in Countering Radicalisation in Bangladesh'.
44 Lewis D and Hossain A (2008), 'Understanding the local power structure in rural Bangladesh', Sida Studies **22**; Saferworld (2016) 'Bangladesh: Capacities for Peace', February 2016

were becoming less cohesive. The term 'outside influences' was not used to only refer to those coming from outside Bangladesh, but also from outside their local area. In Sylhet for example, participants felt that influences from other parts of Bangladesh were eroding Sylheti customs, and that this was making their community more vulnerable to conflict and violence.

"In Sylhet, we have a common interest and harmonious practice due to our socio-cultural bonds. So whenever there is a situation, we all act in the interests of Sylhet first"

Focus group participant in Sylhet

Some participants also felt that there is a lack of emphasis on Bengali cultural practices within the education system. It was noted for example that both the English medium, as well as many religious based schools promote predominantly 'foreign' or 'external' cultural values (western values in the case of English medium schools, and Wahhabi conceptions of Islam within the madrassa system). Several participants expressed concern that as a result, traditional Bengali customs and norms were being eroded, and that this was leading to less cohesive societies and communities.

The changing nature and structure of the economy in Bangladesh was cited by participants in all three districts as being one of the underlying factors contributing to these changes. There was a widely-shared feeling that communities were becoming both more 'materialistic' and more divided along economic lines. There was a feeling for example that social status and access to political influence were becoming ever more dependent on access to money. Meanwhile, several participants noted that the middle class is disappearing, as people in their communities either benefit from the system (by getting richer), or are impoverished by it.[45] Taken together, these trends appear to be creating a self-perpetuating cycle in which political and economic corruption reinforce each other, emboldening *mastaans* and elite politicians, whilst disenfranchising community members (including businesses) without political connections.

4.2.5 Unethical and exploitative business practices

Participants identified examples of unethical and exploitative business practices that they felt were significantly contributing to social tensions and conflict across all three districts. The presence of criminal and business 'syndicates' was a commonly cited issue. Syndicates operate by establishing a monopoly over a particular business interest or market sector, typically by exploiting political connections, using intimidation or through the use of force. They are often led by a *mastaan*, a powerful business leader or local politician.[46] Syndicates often focus on a particular sector during a period of exceptional demand (e.g. by capturing control of cattle markets in the run-up to Eid-ul-Azha[47]), or may establish control of a strategic segment of the value-chain, allowing for maximum control over supply – for example import licences or wholesale distribution points. The syndicate is then able to drive up prices and make huge profits, or can undermine competitors.

"Hoarders, with the help of politicians, stock goods before a hartal so that they can make a profit by selling them at a high price when they occur."

A local entrepreneur in Sunamganj

Participants from all three districts cited examples of syndicate activities. In Sunamganj, syndicate control of the broiler chicken market has driven up prices from 80 to 160 taka per box. In Rajshahi, the supply of cooking oil and sugar is controlled by such syndicates. In each case, police and government actors are reportedly aware of and monitor syndicate activity, but either lack the political backing to intervene or are complicit in their activities (as was mostly assumed by participants).

45 These observations are corroborated by analysis of overall trends in inequality in Bangladesh. Bangladesh's gini coefficient score for example has increased from 0.26 to 0.32 between 1983 and 2010 (latest available data), indicating a trend towards increased income inequality. See more at: World Bank Bangladesh Country Dashboard.

46 In many cases all three descriptions can be applied to the same person.

47 Mahmud A H (2016) 'Syndicates capture Dhaka's cattle markets again', 3 September (w.dhakatribune.com/bangladesh/2016/09/03/syndicates-capture-dhakas-cattle-markets/)

Other uses of political influence to derive unfair advantage within business were also cited as common sources of tension. In Sunamganj, participants described an example of private businesses not being able to compete with an army-run business in the same sector. Suppliers were believed to be routinely cheating private sector businesses by providing lower quality products, or siphoning off some goods. However, those same suppliers would not cheat the army. As a result, army stores were able to under-cut private operators, while also creating a strong incentive for the government to avoid taking action against suppliers.

In Sylhet, participants also identified tensions between workers and owners within small and medium sized enterprises, primarily related to pay and working conditions. These tensions have not resulted in incidents of violence or major disruption, but owners were concerned that this was an issue with significant potential to escalate. Economic pressures, in part emanating from the challenges above, may make it difficult for owners to respond to demands from their workers. Meanwhile, a lack of effective oversight and enforcement mechanisms for existing worker's rights legislation means that owners are unlikely to face significant pressure from the government to improve conditions. This leads to a form of paralysis where employers are unable to respond to pressures from above nor from below.

At the heart of these issues lies the widespread perception that political and criminal actors are operating in concert with each other, and act with almost total impunity. In the process they are depriving local people, including business owners, the opportunity to compete on equal terms. This undermines confidence in the dominant political, judicial and economic systems that govern the country. These pressures may also mean that local business owners have to choose between costly and potentially dangerous, but 'socially-responsible' practices (such as refusing to buy stock from a known syndicate or investing in improved working conditions) or taking a safer, and probably more profitable route of working within the dominant system. This is likely to reinforce the corrosive impacts of the political-criminal-business nexus on social cohesion. These patterns would only fuel deep-seated grievances and potentially anti-state narratives which can be used to legitimise the use of violence, while undermining existing local government reform programmes (such as the Sharique programme).

4.3 Impact on vulnerable groups

Participants discussed the impact of conflict on three vulnerable groups: women, youth and 'marginalised groups', including minority ethnic, religious and economically vulnerable groups. Each of the conflict issues above affect these groups differently.

4.3.1 Women

Women were identified as being disproportionately affected by conflict in each of the three districts. Participants noted that women are less likely to venture out from the home during *hartals* or other times of heightened tensions for fear of being targeted. This has multiple implications for women's security. Participants cited incidents where women had not been able to access medical services due to insecurity, while school and university attendance was also said to be undermined. Businesses run by women have also been particularly badly affected by political violence and instability. The handicraft industry in Sylhet for example is largely run by women from indigenous communities. However, violence over the last two years during tourist season has almost totally wiped out the handicraft sector. In Rajshahi, repeated *hartals*, insecurity and syndicate activities have blocked the import of raw materials needed to make sari handlooms. This has disproportionally affected women employed in this sector.

"Many indigenous women are involved in the handicraft business. But during violent times, especially during the tourist season, their orders decreased and as a result they became unemployed."

Development worker and indigenous handicraft promoter in Sylhet

Political violence has both direct and indirect impacts on women. For example, the inability of women to access or fully use economic and educational resources risks feeding into long-held gender norms, including conceptions about the role of women in society. "The number of women entrepreneurs in our region is falling because their source of investment is their family, who don't allow them to run their business when it's risky", said one women's group leader in Sylhet. In other words, investors (even family members) do not feel it is appropriate to encourage women to take part in business in risky contexts – however there is no indication that investors are equally put off from supporting male entrepreneurs. Ultimately, so long as insecurity continues to inhibit the ability of women to access these resources, broader efforts to promote gender equality are unlikely to be effective.

4.3.2 Youth

Several participants expressed concern about what they saw as large numbers of youth being recruited by violent groups, including 'criminal gangs' as well as more ideologically driven groups such as those espousing 'radical' or 'extremist' religious views. Participants in Rajshahi and Sylhet highlighted several examples where youth gangs were allegedly paid by politicians and *mastaans* to intimidate communities and enforce *hartals*. There was also a common view that youth were increasingly engaging in anti-social behaviour, with drug addiction mentioned as a significant concern in all three districts.

At the root of many of these concerns was a view that youth in the three districts are particularly vulnerable to – and explicitly targeted by – extremist narratives. There was common agreement that young people are becoming ever more frustrated by a perceived lack of educational, political and economic opportunities.[48] Likewise, participants felt that changing social norms and the presence of new technologies was also contributing to a breakdown community cohesion. As a result, participants said that youth felt increasingly isolated from their neighbours, and hence were more susceptible to extremist viewpoints.

Participants also pointed to the erosion of the once powerful student politics movement as another factor contributing to youth grievances. Since 1990, there has not been any system in place to democratically elect student leaders. Instead, these influential positions have been usurped by political party interests, resulting in the imposition of unrepresentative leaders with little interest in student's concerns.[49] This undermines one of the important avenues that youth in Bangladesh have traditionally used to make their voices heard and influence change.

Participants also pointed out that youth have an important role to play in pushing for positive change. They pointed to the 2013 *shabag* and *gonozazoron* movements, as well as protests over war criminal trials as examples of youth mobilising and playing a strong role in shaping political discourse and policy.

48 It is important to recognise that it is not only disadvantaged groups that are attracted to extremist views. Supporters of the banned Islamist group Hizbut Tahrir (HT) for example, are drawn predominantly from urban youth from affluent families. Most have a good education, including many from outside of Bangladesh. The Holey Artisan Bakery attackers meanwhile were all well-educated and drawn from wealthy Dhaka families. See: Saferworld (2016) 'Bangladesh: capacities for peace', February; Also see: Julfikar A M and Geeta A (2016) 'After Slaughter, Bangladesh Reels at Revelations About Attackers', *The New York Times*, 3 July (https://www.nytimes.com/2016/07/04/world/asia/bangladesh-dhaka-terrorism.html?_r=0)

49 A participant in Rajshahi described a local student leader as "40 years old with a wife and two children. He is not even a student!"

4.3.3 Marginalised groups

Participants identified three overlapping categories of 'marginalised groups': indigenous people, economically disadvantaged groups and religious minorities.

Indigenous people: Each of the districts have large numbers of indigenous people.[50] In all three locations, participants reported that indigenous people are both more likely to suffer due to illegal activities (especially land grabbing) and to be less likely to report crimes or seek justice through formal structures. Indigenous groups may also be geographically isolated from other communities (for example, in Sylhet many live in the hills), making them potentially less directly affected by insecurity in the towns during *hartals*. However, disruption to the transport network also makes it harder to access basic services, including health and education facilities during such times.

"As indigenous people often live in the mountains, we face difficulties in transferring patients, especially pregnant and sick children, in case of emergency during violent situations or strikes"

Development worker, Sylhet

Indigenous groups are also more likely to be economically marginalised. In Sylhet, it was reported that Monipuri youth are often involved in seasonal businesses linked to tourism – such as by working as guides, selling cold drinks, or producing artisanal jewellery. However, insecurity has largely destroyed the local tourism industry, leaving these groups most exposed to the negative impacts on their livelihoods. Finally, indigenous groups have been the target of repeated attacks by various state and non-state backed groups, most notably in the Chittagong Hill Tracts, but also across the country.[51]

Economically disadvantaged groups: Participants specifically referred to rickshaw drivers, *thela* pullers (street sellers) and day labourers as economically disadvantaged, although the findings are relevant to a broad range of groups who are mostly engaged in the informal economy. These groups were identified as being most vulnerable to the impacts of *hartals*, given that they are likely to have few economic assets to fall back on if they are unable to work. Despite some support from human rights organisations, such groups are also typically poorly organised, with few avenues for collectively expressing their grievances and limited access to decision makers or other powerful people.

Religious minorities: Hindus make up roughly 9 per cent of the population of Bangladesh – slightly more than in Sylhet and Sunamganj, and a little less than in Rajshahi.[52] Each district also has small Christian and Buddhist communities. Since the current cycle of political upheaval started in 2013, each of these groups (and others including Shia and Ahmadi Muslims as well as atheists) have suffered from targeted attacks, highlighting their vulnerability. However, despite Bangladesh's secular constitution, religious minorities had been subject to discrimination for many years prior. Participants pointed to the implementation of the Vested Property Act as a means of seizing land belonging to minority groups.

In many discussions, participants did not identify particular challenges for marginalised groups. Many participants did not perceive indigenous or economically disadvantaged groups to be particularly vulnerable. However, in discussion with these groups, a wide range of vulnerabilities were identified. These were largely reflected in the literature on Bangladesh.[53] This is an interesting finding in itself – it implies that there remains a large disconnect between 'mainstream' groups, including those actively engaging in this project, and the marginalised groups discussed here.

50 In Sunamganj, the main groups were the Garo and Hajong. In Sylhet, the main groups were Khashi and Monipuri, and in Rajshahi, the main groups were Shantal, Oraon and Pahari.

51 Human Rights Watch (2015), 'Bangladesh's persecuted indigenous people', May 18 (https://www.hrw.org/news/2015/05/18/bangladeshs-persecuted-indigenous-people)

52 Bangladesh Bureau of Statistics

53 See *Minority Rights Group International* (2016), 'Under threat: The challenges facing religious minorities in Bangladesh'.

5

Implications of analysis on B4P project design and model

THIS SECTION IDENTIFIES KEY AREAS in which the business community can contribute to peace in the three focus districts in Bangladesh, as well as at the national level. It identifies a series of implications from this analysis, both for the B4P project as well as for wider policy actors interested in promoting peace and sustainable development in Bangladesh.

5.1 Maximising the role of businesses as peace actors

The drivers of conflict discussed in this paper clearly have a large impact on businesses in Bangladesh. All of those interviewed agreed that it is in their interests to engage in efforts to prevent conflict in the future. Most participants also felt that business actors have an important role to play in promoting peace. However, they also agreed that this could only be effective if part of broader, collaborative action with others.

"Civil society members, elected representatives, honest administrators, experienced NGO workers, business forums, teacher and government should all be united under one platform that considers the wellbeing of the country. This platform will work in a positive way against violence"

A local doctor from Sunamganj

Based on these discussions, we have identified four areas where business actors could contribute to peace in the focus districts, with associated implications for the B4P project.

5.1.1 Employment creation and promoting economic opportunities

The potential for business to contribute to employment generation and economic opportunities could play an important role in helping build community resilience to conflict. If vulnerable people – especially those potentially susceptible to being drawn into violent activities, be that of criminal gangs or violent political or ideological movements – are able to access appropriate economic opportunities, it may contribute to making these narratives less attractive. Likewise, the provision of development or

A woman walks down the street in Kotalipara Bazaar.
Thomas Martin/Saferworld

humanitarian support to local communities through corporate social responsibility initiatives can also play a role in encouraging community cohesion.

However, it is important to acknowledge that such initiatives are unlikely to have significant peacebuilding impacts unless they form part of broader efforts aimed at addressing the multiple drivers of insecurity within target communities. For example, improving youth employment opportunities is unlikely to prevent vulnerable people becoming 'radicalised' if nothing is done to address deep-seated disillusionment with politics, state institutions and the economy.

Equally important is the nature of any jobs or economic opportunities created, as well as who is able to access these. The creation of low-paid jobs, or those seen to be associated with a low social status, is unlikely to provide an enticing alternative to a potentially lucrative, high status career within a criminal enterprise. Finally, if the benefits associated with stimulating economic opportunities are captured by a small group of politically connected individuals, then this is likely to reinforce, rather than address the underlying factors driving conflict in Bangladesh.

5.1.2 Raising awareness and leveraging influence

Perhaps the greatest potential impact that business actors can have is in raising awareness and leveraging their influence over important conflict issues. Participants noted that many local politicians receive financial support from business leaders, while they also rely on them for helping to galvanise support. Individual business leaders may therefore have significant access to key decision makers as well as influence locally.

Participants felt that business as a group could have more influence over political decision making than they now exert. As the main provider of jobs, tax revenue and growth in the country, businesses are central to the abilities of political parties to achieve their goals. There was a feeling that business leaders and politicians should work together much more closely to speak out against violence. The support of local businesses could for example embolden local political leaders to speak out against violence even if it would anger national leaders.

Galvanising the business community to have a greater (pro-peace) influence over political decision making is only likely to be effective if businesses are able to speak with a united voice. This means strengthening local business associations, including chambers of commerce, making efforts to build links between small, medium and large enterprises and amplifying messages from across the country to influence national level change. Importantly, business associations need to avoid becoming

politicised. If they are seen as overtly supportive of one political party, they are likely to lose popular support and will be less able to exert influence when political dynamics shift.

"Everything comes down to politics. All of the major business people are also politicians. If they decide to make positive changes, everything will be in order. But we don't react until we are forced to. Youth entrepreneurs can play a vital role. They should be active in working against violence."

A local businessman from Sylhet

However, there are significant challenges. Many business leaders are already politically active, or benefit from current associations with local political or criminal leaders. As chambers of commerce become more influential, there will be strong incentives for local politicians to seek to exert greater influence over them, including by sowing disunity if they do not like what they are saying. Political leaders have the tools and resources they need to create this disunity, for example through provision of favourable contracts to certain business actors and not others. Maintaining unity in the face of such efforts would require a strong sense of common purpose, dedication and discipline.

5.1.3 Promoting collaboration between groups

There was clear enthusiasm and willingness from participants from the business community to set up mechanisms to encourage collaborative work with civil society and local government in pursuit of peace. There do not appear to be any such initiatives currently active in the three focal districts, or to our knowledge at the national level.[54]

Participants did point to several examples of business associations or civil society groups acting separately to address conflict issues. In Rajshahi for example, the Chamber of Commerce brought companies together to protest against the sustained *hartals*. With the chamber's support and encouragement, many local businesses stayed open during a recent *hartal* as an act of defiance and protest. At the national level, The Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) has also undertaken a series of initiatives aimed at bringing the *hartals* to an end and encouraging more dialogue between political parties.

However, these initiatives have only had limited success. In part this was assumed to be because they were limited in scope and were seen as niche interests of the business community. Participants agreed that collaborative approaches, informed by business, civil society and local government (and ideally also by the media) were much more likely to leverage broader support across communities, making them both more impactful and sustainable.

There was however a question about who could and would lead such initiatives. Business people acknowledged that they would be unlikely to take the leadership role of a collaborative initiative, at least in the immediate term and especially if it was highly visible. There was a feeling that doing so would expose them to accusations of engaging in political action, with potential economic consequences. Civil society may be better placed to play that leadership role (during the initial stages at least). However, this poses a question about the sustainability and genuine commitment of business actors; they may soon lose interest if they do not feel that discussions and activities are aligned to their interests, or if members are not 'speaking their language'.

"In my opinion, no one will want to take the lead at first. Any international agency should facilitate a sensitisation workshop with administration and key political actors along with other social groups – then it will continue to the lower level."

A development worker from Sylhet

54 There are a number NGOs working with the private sector in Bangladesh. Much of this work is focused on improving working conditions for Bangladeshi workers and tackling child labour, especially in the garment industry. While these initiatives are relevant to this project, they are not explicitly aimed at promoting peace.

Another challenge may be built-in power imbalances for any such collaborative forums. For example, local business leaders may be well connected, comparatively affluent and well educated. It is possible that representatives of grassroots organisations or marginalised groups may lack confidence to fully engage in such a forum. Equally, representatives of different groups may need to establish trusting relationships and overcome stereotypes and prejudices. Navigating these tensions will therefore require talented and nuanced facilitation.

5.1.4 Modelling ethical behaviour

There was a feeling that if business actors were able to model ethical behaviour, this could have a broader impact on peace and conflict dynamics in their communities. For example, if businesses worked together to take a stand against syndicate activities, it could have a significant impact on both the long-term business environment and peace and conflict dynamics. However, such efforts are only likely to have an impact if businesses are able to maintain a unified front, while drawing on support from other stakeholders including local communities, political actors, the media and civil society.

The sheer prevalence of corruption within the system, and the impunity of corrupt business leaders is likely to be another barrier. Pervasive corruption can engender an atmosphere in which it is not only tolerated, but becomes normal practice. In such a context, businesses face a significant 'collective action problem'; leaders may acknowledge that corruption is bad for all, but no one wants to risk challenging the system. The business costs of doing so (being seen to stand up to corrupt officials) could be high, concentrated and immediate. On the other hand, the benefits are likely to be widespread (all will benefit, not just the first-mover) and will accrue primarily over the medium to long term. In such a context, businesses benefit significantly from a 'safety in numbers' approach.

Recommendations for international actors working with businesses in Bangladesh to promote inclusive economic development and promote peacebuilding

- **Conflict sensitivity considerations must be built into employment generation programmes and corporate social responsibility (CSR) strategies:** Development interventions aimed at stimulating job creation need to be designed with an awareness of the potential destabilising effects that these can have, especially if the benefits are captured (or perceived to be captured) by certain groups to the exclusion of others. Likewise, businesses that explicitly aim to stimulate positive social impact, for example through CSR strategies, should consider any potential unintended, negative consequences of their activities. There is space for conflict-specialist organisations to support such initiatives to maximise peace, through analysis, capacity building or the development of tailored resources.
- **Strengthen capacities of local business associations and chambers of commerce:** There are strong incentives for business leaders to avoid being the first to engage on what can be seen as contentious issues related to peace and conflict. These can be overcome if businesses can come together to advocate on key issues under the auspices of a larger body, such as a chamber of commerce. This will allow business leaders to speak with one voice, while providing a degree of 'safety in numbers'. The chambers must however have the organisational capacities and skills necessary to be able to support business engagement in this area in a sensitive and non-partisan manner.
- **Locally-based multi-stakeholder forums can contribute to improved community relations and social cohesion:** Forums that bring together business leaders, civil society, local government and other groups could be an important mechanism for developing common positions and advocating on topics of mutual concern, such as

preventing *hartals* or 'syndicate' activities. This research indicates however that to be successful, such forums will need to:

- **Strike the right balance between diverse and cohesive groups.** Forums are only likely to be effective if they are sufficiently diverse to gain genuine community legitimacy, but are also cohesive enough to be able to agree and articulate peacebuilding priorities.
- **Invest in confidence-building measures.** These are likely to be necessary both within sectors (between business actors, for example) as well as across different groups. Forums will also need to provide a safe space for all stakeholders to engage honestly and with confidence while helping them develop a sense of shared identity and common purpose. This will be important for the group to maintain unity in the face of potential disagreements or active efforts to sow discord among them.
- **Ensure careful facilitation and balanced leadership.** Facilitators of dialogues will need to be aware of inherent tensions such as power imbalances between different people and groups as well as the 'collective action' problems laid out in this report. Balanced leadership will be crucial.
- **Take all steps possible to avoid politicisation of community forums.** In order to reduce the risk of politicisation, participants of community forums will need to be carefully selected to ensure that there is a mix of diverse perspectives as well as people who have varying degrees of influence in the community and are willing to engage in a non-partisan way.

- **Interventions must be developed based on an understanding of the inter-relationship between business, political and criminal interests:** Any future initiatives aimed at supporting peacebuilding, development or economic growth should be informed by a strong political economy analysis of business, political and criminal (*mastaan* and *syndicate*) groups in Bangladesh. Failure to do so could lead to interventions entrenching or worsening conflict drivers (such as the criminalisation of politics, or of unethical or exploitative business practices), resulting in further corruption or a reinforcement of existing patterns of exclusion and grievances. For many people, this would delegitimise both the state and businesses.

- **Ensure economic development and local government reform efforts are closely coordinated and adopt conflict sensitive practices:** Our research has highlighted the deeply interconnected nature of economic and governance processes locally. It has also highlighted the potential for programmes aimed at stimulating growth or reforming governance systems to either exacerbate tensions or contribute to peace. It is essential that programmes are designed and implemented in a coordinated and complementary way, and designed in collaboration with a wide range of local stakeholders (including the business community) and with an explicit understanding of local conflict dynamics.

- **Strategies that seek to prevent recruitment into violent groups – including 'extremist' groups – should focus on the broader social, political and economic grievances in the country:** Targeted efforts to prevent certain groups, especially young people, from being drawn into extremist or violent groups solely by improving economic opportunities are unlikely to be effective. Adopting a broader peacebuilding approach that seeks to address the political, social and economic issues that affect all marginalised groups (and not just those deemed to be 'at risk' of radicalisation) is likely to be a more effective strategy. Ideally, efforts would not be framed in terms of countering radical groups, but rather on building widespread community cohesion and ensuring all groups are able to express their views and seek redress to real and perceived injustices in a non-violent and collaborative manner. Business actors can have an important role to play in this, but only as one part of broader action.

- **Support business initiatives led by and benefiting youth and marginalised groups:** Groups that are often most affected by political violence have not benefitted from the increased economic opportunities afforded by Bangladesh's growth in recent years. For many, this has contributed to a perception that the political and economic system in Bangladesh works only for those with political connections, or for members of the urban elite. Initiatives that support businesses led by marginalised groups, or that provide support during times of stress (e.g. during and following *hartals*, or in areas affected by violence), could contribute to more inclusive and cohesive societies, potentially with tremendous economic, social and peacebuilding benefits.
- **More research is required to better understand and harness the role of businesses as potential peacebuilders:** This research has illustrated that there is great potential for local business leaders to play a larger role in supporting peacebuilding efforts in Bangladesh. Development and peacebuilding donors should invest further resources in developing the evidence base of how this potential can be used to build peace in Bangladesh and, drawing on the lessons in this report, to pilot similar initiatives in more districts.

Saferworld is an independent international organisation working to prevent violent conflict and build safer lives. We work with local people affected by conflict to improve their safety and sense of security, and conduct wider research and analysis. We use this evidence and learning to improve local, national and international policies and practices that can help build lasting peace. Our priority is people – we believe in a world where everyone can lead peaceful, fulfilling lives, free from fear and insecurity.

We are a not-for-profit organisation with programmes in nearly 20 countries and territories across Africa, the Middle East, Asia and Europe.

COVER PHOTO: A cloth seller in Kotalipara Bazaar, in Gopalganj. © SAFERWORLD/THOMAS MARTIN

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