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PEACE PIPELINE TO PIPE DREAM AND BACK: HOW THE TAPI COULD CHANGE SOUTH ASIAN REGIONALISM

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Guest contributor

The proposed Turkmenistan-Afghanistan-Pakistan-India (TAPI) pipeline has been cited as a potential driver of greater regional integration in South Asia. It is argued that the common quest for energy security could motivate South Asian states to move beyond antiquated perspectives based on non-intervention, and encourage the development of negotiating positions and multilateral dispute resolution mechanisms. However, the construction of the TAPI also brings with it a host of non-traditional security concerns, from loss of land, to human rights issues and environmental risks. Nations involved must thus not merely commit to cooperation, but also coordinate regionally on a range of issues that have a human security impact.

The proposed Turkmenistan-Afghanistan-Pakistan-India (TAPI) pipeline will transport gas from the Daulatabad field in Turkmenistan to Fazilka in India via Afghanistan and Pakistan.
Credit: World Bank / flickr.

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The South Asian energy problem

In South Asia, the demand for oil and gas outstrips domestic production, and countries have to rely on energy imports. The high prices of energy on the world market mean that countries incur substantial import bills, compromising their ability to meet their other domestic needs, which in turn affects the region's economic growth (UNEP, 2007:60). Access to electricity is also a challenge, with it still not available to approximately half of the region's population of 1.5 billion. Also, the connections between the energy systems of different countries tend to be few to non-existent, with marginal cross-border trade in electricity. Natural gas is not traded in the region (UNEP, 2007:62).

The UN Environment Programme recommends a two-track approach for addressing these shortcomings: (1) 'enhancing energy trade through specific projects, whether bilateral or multilateral' and (2) 'strengthening regional organizations and institutions, to complement the first track' (UNEP, 2007:63). This NTS Alert examines a project which falls within this definition – the Turkmenistan-Afghanistan-Pakistan-India (TAPI) gas pipeline. It identifies potential benefits for regional integration were the pipeline to be completed. It also draws attention to the impact that this desire for energy security may have on several other non-traditional security concerns in the region.

The TAPI: One pipeline to bind them all?

Long the stepchild of South Asian energy security initiatives, circumstances have now cast the TAPI gas pipeline as sole heir to the regional family fortune. Complications notwithstanding, the pipeline appears set to go ahead, mainly because the Iran-Pakistan-India route is off the table (TAPI pipeline, 2012). If the optimism is to be believed, the TAPI will draw South Asia into a network of economic interdependence, fostering political trust and general bonhomie along the way. Cynics note that the TAPI would be long dead were it not for support from the US. Proponents point to the same fact as assuring its success, comparing it to the Baku-Tblisi-Ceyhan (BTC) pipeline – a difficult transnational project linking Azerbaijan to Turkey – that was pushed through by a strategically interested US.

Context is everything. In the BTC's case, America was comfortable domestically and aggressive in undercutting Russian influence in Central Asia; now, with the TAPI, it seeks to placate India for the loss of Iranian gas. On the other hand, the BTC nations enjoyed fairly stable relations with each other, while in the case of the TAPI, even the nations involved are not entirely convinced. India constantly wavers between piping in Turkmen gas and importing liquefied natural gas (LNG). Pakistan is proceeding with the Iran-Pakistan pipeline despite US sanctions. These dynamics notwithstanding, the TAPI could yet prove the optimists right – if the region's desire for energy security leads to greater cooperation, to the development of a multilateral legal framework, and to growing appreciation of common interests due to engaging in collective bargaining.

The Turkmenistan-Afghanistan-Pakistan-India (TAPI) pipeline project is estimated to cost around USD7.6 billion. The Asian Development Bank (ADB) is taking the lead in facilitating the TAPI negotiations.
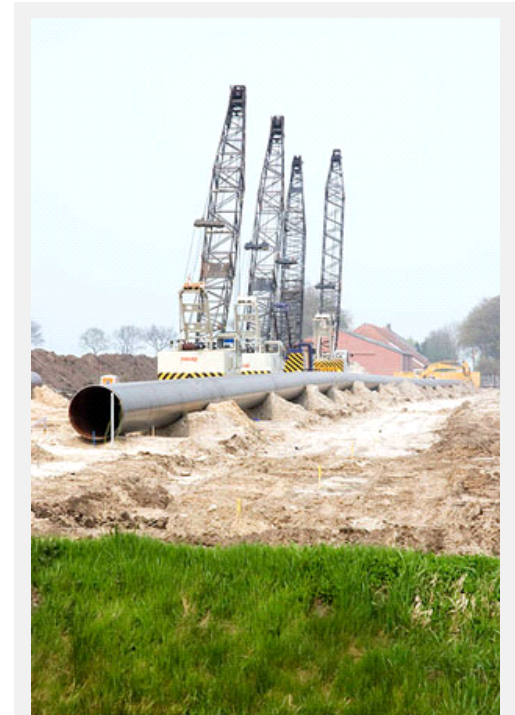*Credit*: Harry-Harms / flickr.

Cooperation on regional security

A key challenge to the TAPI's success is securing Afghanistan. South Asia's regional peacemaking record, hamstrung as it is by the rhetoric of non-intervention, is among the worst in the world (Nathan, 2010). The North Atlantic Treaty Organization (NATO) has resolved to leave Afghanistan by 2014, creating a security vacuum that could destabilise the country. India did significantly expand its involvement with a 2011 agreement that paved the way for the training of Afghan military officers in India (Dikshit, 2011). Such training is essential; to this day NATO trains Georgian, Ukrainian, Azeri and Moldovan troops to guard its Eurasian energy corridor. It nevertheless provoked suspicion in Pakistan, symptomatic of the way regional security is subordinate to an existential rivalry. Accusations fly freely from both sides. Pakistan accuses India of collaborating with Afghani militants to contribute to the Balochistan conflict, while India traces attacks on Indian nationals and embassies in Afghanistan back to Pakistan's Inter-Services Intelligence.

Afghanistan has been used thus far as a geostrategic battleground. The TAPI, however, would bind India and Pakistan to a common problem. Their current zero-sum approach would inevitably increase the threats to the pipeline's security; thus, instead of trying to win Afghanistan by proxy, they would have to work together to stabilise it.

A multilateral legal framework

Bilateralism is another cornerstone of South Asian regionalism. The Ganges basin, for example, which lies across four countries, is the subject of separate bilateral pacts between states in the basin. India, in particular, aims to protect itself from judgment by 'smaller' South Asian nations at the regional level; it had insisted that discussion of 'bilateral and contentious issues' be excluded from the deliberations of the South Asian Association for Regional Cooperation, or SAARC (Charter of the SAARC, quoted in Nathan, 2010:7). The SAARC comes off very poorly in comparison with other regional organisations on its approach to multilateralism. The closest such organisation in the neighbourhood is ASEAN. The SAARC has no multilateral dispute redressal mechanism comparable to ASEAN's. Moreover, ASEAN –

notwithstanding its own underwhelming record on regional peacekeeping – has at least favoured multilateralism despite pressure to settle disputes bilaterally (Nathan, 2010:9).

A detailed multilateral legal framework regulating gas transit, rent-sharing, security and, most importantly, dispute redressal, has been recognised as crucial to the success of a project such as the TAPI (Dadwal, 2011). South Asia has failed to develop such a framework in any sphere. The TAPI would therefore provide much-needed experience in regional multilateralism. Optimistically, the experience of energy interdependence backed by a legal framework could even have an impact on the way bilateral disputes affecting regional security are discussed in the SAARC.

Collective bargaining

Shared commercial considerations should be front-and-centre in TAPI negotiations. When Russian producer Gazprom expressed interest in supplying South Asia through the TAPI, Turkmenistan reacted with a warning to act with 'a sense of responsibility and reality' (Bhadrakumar, 2010). Turkmenistan, which has plans to triple the volume of its gas exports within 20 years, is understandably anxious to be the sole source of supply. However, from the perspective of South Asia, additional sources of supply coming through the TAPI pipeline would enhance the region's energy security. Should Gazprom offer a competitive price, the consuming nations of South Asia must convince Turkmenistan not to turn the Russian company away.

The same goes for adding more consuming nations to the pipeline. The proposed inclusion of Bangladesh (Bangladesh inches closer, 2012), for example, cannot be considered as a victory if it does not make the project more attractive commercially. The overall increase in quantity demanded must be negotiated into better prices for all consuming nations. Willingness to bargain collectively would represent a step in the right direction for regional identity. A less coordinated approach would result in the region resembling pearls on a string – pretty, but easily broken.

There is then some logic in the arguments that the TAPI could lead to higher levels of cooperation and the strengthening of regional arrangements. However, a pipeline also brings with it potentially significant human security costs, which must also be addressed at the regional level.

Non-traditional security implications of pipeline development

The Turkmenistan-Afghanistan-Pakistan-India (TAPI) pipeline brings with it a range of threats to human security, particularly to communities along its corridor.
Credit: robotbrainz / flickr.

The transnational pipeline, at the level of the citizen, offers a powerful solution to one category of human security concerns – the availability of energy in the face of rising demand in the region. However, it also brings with it its own set of problems which could potentially worsen the human security situation, particularly for communities living around the pipeline. Moreover, pipeline projects on the scale of the TAPI necessitate a range of attendant activities that can have wide-ranging implications. For example, the UN Interagency Framework Team for Preventive Action (2010:4) notes that 'the exploitation of non-renewable natural resources, including oil, gas, minerals and timber has often been cited as a key factor in triggering, escalating or sustaining violent conflicts around the globe'. The Team identifies six key factors as the causes of this link between resource exploitation and worsening human security: 'poor engagement of communities and stakeholders'; 'inadequate benefit-sharing'; 'excessive impact on the economy, society and the environment'; 'mismanagement of funds', including the use of the funds to finance war; 'inadequate institutional and legal framework'; and an 'unwillingness to address the natural resources question in peace agreements', including the reluctance to address '[i]ssues of ownership, wealth-sharing and distribution' (UN Interagency Framework Team for Preventive Action, 2010:5).

Non-traditional security threats

Land grabs

One of the greatest challenges is the loss of land. The Shwe project, a transnational pipeline transporting gas from Myanmar to China, is a case in point. Despite the protections enshrined in domestic law and international norms, there are numerous recorded instances of land being appropriated for the project, without adequate provisions made for compensation. For example, villagers in Kyaukpyu are reported to be still

waiting for their compensation (EarthRights International, 2011). Indigenous and tribal people are often among the most affected, especially those whose traditional land rights system is not based anything resembling the Western conception of 'formal land rights' (Terminski, 2011:10).

Such 'land grabs' could lead to social and economic marginalisation of affected communities and individuals. The profit motive driving large corporations may lead to them ignoring the land's significance 'as a formative system of economic, cultural and social interactions' (Terminski, 2011:9).

Human rights violations

Companies usually employ supernumerary police to protect their facilities, with governments and companies inevitably collaborating on security arrangements (Watts, 2005:391). However, these security arrangements usually work under a veil of secrecy. Watts (2005:389) notes that the security guidelines in the memoranda of understanding between governments and companies are often confidential.

The result is a systematic build-up of military, police and private security forces with the over-arching mandate of protecting the *project* against the population, rather than protecting the population, and limited transparency or accountability in terms of the measures they take to ensure that protection. There is evidence of extraordinary 'protection fees' as well as forced labour rackets run by local security forces around pipeline areas. Moreover, since such projects also draw an influx of foreign employees, there are sometimes disparities in employment conditions which resemble 'something like apartheid' (Watts, 2005:393).

Environmental risks

Pipelines pose significant risks of environmental damage. Displacement of communities and individuals and devastation of traditional livelihoods can result from pollution and environmental accidents. As such, the lack of transparency in the dissemination of the findings of environmental impact assessments (EIAs) is of major concern. In Azerbaijan and Kazakhstan, concerned stakeholders are said to have been unable to gain access to EIAs conducted by the oil companies involved, or to details of the environmental standards agreed upon in the production-sharing contracts signed by those oil companies (National Heritage Foundation, 2003 in Watts, 2005:388). Exacerbating such issues is the problem of local judiciaries often being less than capable of addressing legal action brought by harmed parties.

Governance and accountability

The supposed trade-off between prioritising non-traditional security concerns and emphasising national development is often an artificial one, with benefits of projects not trickling down to the population. Revenues from pipelines are sometimes the subject of special legislation, which enable a lack of transparency. Companies are also guarded when it comes to disclosures, citing mythical confidentiality requirements as justification (EarthRights International, 2011).

In dealing with the non-traditional security threats brought about by the development of energy projects, accountability is a key issue. Locating responsibility is rendered problematic because of the tendency of energy projects in the developing world to be run by joint ventures or consortiums (Watts, 2005:387). Actual legal responsibility for particular spheres of activity is often vaguely defined, and unofficial complicity between governments and corporations rife. There are usually enough parties for blame never to be pegged down to any one of them. Watts (2005:387) notes that companies and governments shift blame on to each other. Companies, according to Watts (2005:387), 'claim that they are not political and cannot intervene in ways that compromise national sovereignty; they claim that the lack of transparency is often imposed by state dictate; and they often claim ignorance or limited control over subsidiaries'. Governments, on the other hand, opportunistically place both blame and responsibility on the companies involved (Watts, 2005:387).

Given the governance and accountability issues that tend to be associated with these projects, it might be helpful, at least to begin with, that an outside entity take the lead in ensuring that the TAPI project has provisions for mitigating impacts on the security of affected communities. A useful model would be one adopted by the World Bank when it involved itself with the Chad-Cameroon pipeline project. It was the first instance of private investors agreeing to adhere to a set of standards – the Bank's policies concerning compensation, resettlement, indigenous peoples and the environment (Uriz, 2001). While controversies over that project still remain, it would nevertheless be a significant step forward if the Asian Development Bank (ADB), the major financial force behind the TAPI pipeline, were to provide strong signals by defining the standards expected of the project in relation to addressing non-traditional security concerns.

Thus far, multilateral discussion of non-traditional security issues in the region has been weak (NTS-Asia, 2007). However, if these issues are not dealt with, the security of the pipeline itself could be put at risk. Nigeria's experience stands out as a cautionary tale. Pipelines in the country have been the subject of persistent attempts to illegally tap the oil, causing pipeline explosions and accidents. These have been traced in part to a cycle of displacement or property loss, poverty and criminalisation of poverty (Onuoha, 2007). The possibility of such a cycle occurring along the TAPI could perhaps be the impetus for non-traditional security issues to be moved up the agenda.

Conclusion

An oft-expressed sentiment is that the pipeline by the very fact of its existence will lead to greater harmony in South Asia (Iqbal, 2010; Owen, 2012; TAPI pipeline, 2012). This 'peace pipeline' rhetoric is dangerous because it suggests that interdependence is itself the route to stability. It is not. The TAPI's success depends greatly on the region significantly changing its approach to itself, committing itself to cooperation, and to multilateral, regional-level approaches that focus on common interests. It must also, concomitantly, develop the beginnings of a regional consensus on non-traditional security issues. If it cannot do these, that same interdependence could significantly exacerbate the subcontinent's problems. If the TAPI does force a shift in South Asian regionalism, that could yet be its greatest contribution.

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