

Impact of Terrorism in the process of Industrial Development: A study on the Tea Industry of Assam

Dr. Kakali Hazarika

Assistant Professor Department of Economics Nabajyoti College, Kalgachia; Barpeta, Assam; India Email : <u>ziasarmah@gmail.com</u>

Abstract

Terrorism means the use of extreme public violence to achieve a particular goal or to force someone to do something. Basically terrorists attempt to create political and social change by threatening the welfare of their opponents.

North East India has immense potentialities for industrial development being covered with international border. It is enriched with a large bucket of natural resources, wide open spaces and the power of a huge manpower. But it lacks the basic component for industrial development i.e. foreign investment. One of the basic causes of this leakage is insurgency or terrorist problems. Investors have a fear of losing their money or even their lives. The incidence of kidnapping or killing business persons, entrepreneurs, land lords etc. by terrorist create a deep fear in the minds of outsiders. Among the tea producing states of India, Assam is well known internationally since long back. The state is continuously dominating the country's tea map by producing almost half of country's total tea production. It has the potentiality for making a positive economic impact ensuring new employment opportunities, proper utilization of local resources and source of revenue. Tea industry, one of the major sources of revenue and employment generator of India as well as Assam is also suffering from this terrorist problem. Kidnapping or killing of tea garden owner and managers is burning news in news channels and papers. Moreover; conflict between labour and management is also a common issue in tea gardens. In these contexts this paper will highlight the impacts of terrorism on the tea industry of Assam and measures to overcome the problems.

Introduction: Terrorism is the premeditated use or threat of use of violence by individuals or sub national groups to obtain a political or social objective through the intimidation of a large audience, beyond that of the immediate victim. Although the motives

of terrorists may differ, their actions follow a standard pattern, with terrorist incidents assuming a variety of forms: airplane hijackings, kidnappings, assassinations, threats, bombings, and suicide attacks. Terrorist attacks are intended to apply sufficient pressures on a government so that it grants political concessions. The presence of terrorist groups in developing countries has led to a multitude of problems for millions of civilians. Many extremist militant groups have been founded with the intention of overthrowing the government and ideologies of a particular country and replacing it with their own. Factors, such as religious beliefs, political views, and social expectations have been used as justification for their skewed and violent intentions. Leaders of the groups have been successful in forming connections and adopting a common cause in which their ideologies are forced onto the public. As a result, the militant forces available to them are used offensively in order to gain the most strategic advantage.

Industries, the crucial part of the development process in an economy; is not free from the influence of terrorism. It is the sector which import huge amount of revenue to a country and for establishment and maintenance of industrial units; heavy financial assistance is required. That means; industries are related with heavy funds and terrorists are mainly interested in long run economic and political gains. Industrial development and industrialization is not the same thing. Industrial development means growth in the number and size of industries and also increases in the number of persons employed in industrial activities. Industrialization of an economy, on the other hand, means that the industrial sector grows faster than the rest of the economy resulting in increases in its share in gross domestic product and percentage of work force engaged in the sector. In other words industrialization means structural change of the economy in favour of the industrial sectors.

Tea industry is one of the largest and influential industries in India. Tea, the world's most popular and widely consumed beverage has a history of more than 5000 years (Dutta & Das 1991). It is believed that tea originated in China. The Merchants of the East India Company were primarily responsible for the development of tea planting and also tea trade which together comprised the tea industry of India. Although the tea trade started in China, the first tea factory of the world came up in India in 1839 as The Assam Company Limited. Tea is the most popular and cheapest beverage after water. People drink tea irrespective of class and age. India has a very significant position in the world tea market in terms of production, consumption and export since long back. Assam alone produces more than half of the total tea productions in India.

The Problem: We often hear about and we often discuss the problems of terrorism in Assam. We can't deny the fact that the Government of Assam has done nothing to solve the terrorism problem. Terrorism and unemployment are two major problems of Assam and there is an interconnection between these two problems. The people of Assam have witnessed several terrorist attacks which include devastating blast at Ganeshgusri on 30th October in 2008, in 2004 Dhemaji bombing etc. over the last few decades. ULFA, NDFB, KLNLF, DHD are a few names of terrorist organizations that are continuously disturbing the people of Assam. Recently the blast in Tinsukia can't be neglected in Assam. We are suffering from this problem since last 30 years but till date we haven't found any solution to solve this clueless crime of killing innocent people. Unemployment seems to play an important role in growing terrorism. The priority of uneducated unemployed people is only bread and a shelter to live in, terrorist organizations take this priority as an advantage and they easily brainwash them and use them for violence. Even educated unemployed people are joining these organizations because they don't have any other option after completing their education life.

In Assam there are six active terrorist groups and around fourteen groups are in peace talks with government. Interestingly, around forty terrorist groups are in Assam which are presently inactive and may wake up any time.

Terrorism in Assam: Poverty gives man power for terrorists' operations across the world. Black money gives money power to buy weapons, vehicles, food and also man power. So black money is one of the root causes of terrorism. Terrorists can do nothing without money. All their purchases and transactions are illegal. For illegal purchases, they need to pay more than market price. Terrorists cannot operate without support from local people. Knowing the risk local people will not support so easily. But there are two factors that make people obey them. One is huge money and the other is fear. People rarely obey only with fear. Most of the times, it is both. So terrorists contact local antisocial bodies and pay huge money. These local antisocial bodies will be accumulating hungry poor people for their operations by scaring and showing money. When a weak minded poor person sees huge money which he/she cannot imagine to earn in life time, his/her senses stop working and get ready to do anything. Or if they frighten a person about his life or his family member's life, without any other option, the person may commit the crime. Once a person commits crime in extreme condition, the criminal leaders use that person as weapon in the society by blackmailing or by showing money.

The problem of insurgency in Assam is often discussed as political phenomena. But a few people have tried to get to the root cause of the problem. Ethnic identity crisis can be considered as the root cause of terrorism in Assam. Though there are lots of reasons for the decades-old insurgency in Assam, the main cause can be traced to the ethnic identity crisis. The problem of insurgency in Assam is often discussed as political phenomena. But a few people have tried to get to the roots of the problem. Assam is considered as the land of several tribes and communities having different cultural and social thoughts and beliefs. There are lots of linguistic differences as well as religious differences. These differences can be a major factor for the growth of terrorism.

As in the process of formation of Assamese nationality, most of the tribes have lost their ethnic identity. But major political developments or changes have compelled them to think about their ethnic identity. There is a threat to the identity of various ethnic tribes and communities in Assam. The threat to the existence of most of these communities has been translated in the form of several agitations. First of all is the decades-old agitation of the Bodo community, still in the hunt for its existence in Assam. Bodos, it may be mentioned, is an indigenous tribe of Assam, mainly confined to the Brahmaputra Valley. They still have their own cultural and linguistic identity. But in the process of Assamese nationality formation, some of them have lost their ethnic identity. It is believed that most of the insurgent groups have taken advantage of these kinds of revivalistic tendencies. Insurgent groups are always hijacking the minds of the youths. The ethnic isolation of several groups may be the root cause of insurgency in Assam. It is often discussed that most of the ethnic groups are deprived by the government with regards to socio-economic development. And almost all the major insurgent groups are taking advantage in so far as recruiting new cadres from such communities. Various political parties are not interested in solving the insurgency issue since it is an issue through which electoral gains can be made. The recent developments in the region are also depicting the same thing. But still we can discuss the ongoing peace process in the region. Some of the rebel groups have already come to the mainstream, abjuring violence and surrendering arms. There are still several ceasefire rebel groups extending their efforts towards restoration of peace. But with the government yet to consider initiating formal peace talks with urgency, there are chances of the law-and-order situation deteriorating in Assam.

Tea Industry: Fear and anguish haunt the top personnel of the big tea companies in Assam which accounts for more than half of the country's total production of the beverage.

Hounded for years by armed insurgents for funds, the tea industry is accused of helping the separatist guerrillas. The resourceful tea industry will now try to hold the government squarely responsible for all that had happened. The investors and other business houses keen on investing here in tea industry might have second thoughts as they could think there is no security in the state. So nobody would be willing to take a chance.

The state government is accusing top tea plantation executives of willfully aiding and abetting terrorism by funding separatist rebel groups. The biggest of these, Tata Tea Limited, was the first to be charged with providing financial support to the terrorist group ULFA. Another big tea company, Williamson Magor, is also accused of having paid huge amounts to the militants. The Assam government insists that tea companies never sought protection against threats by the militants.

Impacts of Terrorism

Direct Economic Destruction

The most immediate and measurable impact of terrorism is physical destruction. Terrorists destroy existing plants, machines, transportation systems, workers and other economic resources. On smaller scales, acts of terrorism may blow up cafes, churches or roads. Large-scale attacks can destroy billions of dollars' worth of property and senselessly kill thousands of productive workers. The impact of terrorism is always negative for the economy, and physical destruction is a large reason why. Productive resources that might have generated valuable goods and services are destroyed, while other resources are almost invariably diverted from other productive uses to bolster the military and defense

Increased Uncertainty in the Markets

Even if we do not live anywhere near terrorist attacks, we might still be negatively impacted indirectly. This is because all kinds of markets hate uncertainty, and terrorism creates a lot of it. There is plenty of debate about the depth and pervasiveness of the actual impact on financial markets. As the threats and publicity of global terrorism continue to rise, markets appear to be more and more resilient. International investment and cooperation are lower in a world full of terrorism.

Insurance, Trade, Tourism and FDI

There are two obvious industries especially vulnerable to the effects of terrorism: insurance and tourism. Not all insurance companies pay out in the event of international terrorism or foreign wars, so the impact is likely less than one might first expect. Nevertheless, terrorism is risky business for everyone, and insurance companies hate risks.

Increased Nationalism and Foreign Skepticism

The final risk to the economy is political risk. This is already on display in the United States and Europe in 2016, where there has been a rise in skepticism of foreign cultures, businesses, immigrant workers and refugees. Closing down borders to trade and immigrant workers reduces the size and diversity of economic transactions and limits productive resources. Economists as early as Adam Smith contended that the division of labor and gains from trade are limited to the size of available factors of production. Just as a single household or town is less productive if it only relies on internal resources, so too do national economies limit themselves to the extent that they wall off external producers and consumers.

Terrorism in the Tea Industry: Till the late 1980s, militants did not interfere with the functioning of the Assam tea industry, as it was the single largest employer in the state. Even during the bandhs declared in the state during 1979-85, tea gardens were exempted, like other essential services. The first victim of the Assam tea killings was D Choudhury, Assistant Manager, Ledo Tea Estate, who was hacked to death in February 1989. In August 1989, Amal Barua, a field clerk of Corramore estate of the Williamson Magor group was shot dead. In March 1990, a Tata Tea employee, P C Scaria was gunned down. The April 1990 killing of Assam Frontier Company Chairman and NRI tycoon Swaraj Paul's brother, Surrinder Paul (Paul), sent panic signals, as it now became apparent that appropriate measures had to be taken for the safety of life and property in the gardens. In October 1990, Bodo gunmen opened fire at a New Year's party at a planter's club, killing a manager and wounding ten others.

Soon after Paul's murder, the ULFA called a meeting of the Assam tea industry officials, which was attended by representatives from Tata Tea, Williamson Magor, Warren Tea, and Goodricke. The representatives were threatened with further killings if they did not pay money to the ULFA. Most of the companies accepted the ULFA demands. Following this, the killings reduced substantially during 1991-93, though kidnapping and extortion

continued unabated. Alarmed by the killings and the industry's plight, the Assam government set up the Assam Tea Plantation Security Force (ATPSF) to protect the tea estates. The costs of hiring, training, and equipping the forces were borne by the tea industry.

Suggestions: Every country of the world is trying to find out a solution for terrorism. The authorities are trying to crush the terror menace through legal action; western powers are trying to crush it through warfare; however, these methods are, apparently, proving ineffective. Here some measures are suggested to destroy the problem of terrorism.

- According to UNESCO, "Violence begins from the mind". It must, therefore, be uprooted from the mind itself. This goes directly to the root cause of terrorism. Therefore, in order to eliminate this root cause we need to initiate our efforts by beginning from the right starting point. And this starting point is the re-engineering of minds of individuals by taking them away from the culture of violence and bringing them closer to the culture of peace.
- Efforts should be made to increase information sharing between tea gardens while improving interagency communication between the Departments of State, Justice, and Homeland Security and the intelligence agencies are vital to protecting the gardens from the continued threat of terrorism.
- 3. Cooperation among the people engaged in a particular tea estate is also essential to ensure the security of the garden. So that, if one gets any hint of terrorism related to the garden, he or she can make alert the entire people and protective measures will be ready before attack.
- 4. Tea garden owners must provide proper social security measures to the labours. Moreover a friendly relationship must exist between garden owner and labours. So that the labour force of the tea garden will be always ready to protect the garden from every direction.
- 5. Government must take strong action against the terrorist or people related to terrorism. This may create a fear within the people who wish to engage himself in terrorist groups.
- 6. Proper extensive research should carry out to find out the main causes of terrorism and the factors which are feeding terrorist groups. Only then it will be possible to destroy the problem from its root.

7. Moral education in the school level will prevent terrorism to some extent in the long run. When every people will be honest, helpful, peaceful, lovable, caring; there will be no terrorism. But this might be an impossible task.

Conclusion: On a broader scale, terrorism hurts international trade. This may be due to imminent threats, such as compromised trade routes and distribution systems, or because of the psychological and physical reactions to terrorism. This also means less foreign direct investment (FDI), especially in unstable countries. Terrorism is perhaps one of the most challenging problems of our times. We need to understand what causes terrorism. However, terrorism is not a problem. It is by-product of other problems. If we solve the real problem, terrorism disappears automatically. Government should take proper initiatives to protect the industrial sector of the country. Only then; India can compete globally.

References

- Dutta A K & S C Das (1991) *Tea Culture*; Field management in tea; Journal of Tea Research Association; Tocklai; Assam.
- Sarma Amiya & M P Bezbaruah; Dialogue (Journal) January March, 2009, Volume 10 No. 3
- 3. https://indilens.com
- 4. <u>http://www.merinews.com</u> by Kumud Das
- 5. <u>https://www.researchgate.net/publication/228634803_Economic_Consequences_of_T</u> <u>errorism_in_Developed_and_Developing_Countries</u> [accessed Aug 25, 2017].
- 6. <u>http://www.investopedia.com/articles/markets/080216/top-5-ways-terrorism-impacts-economy.asp#ixzz4qkaZwosd</u>
- 7. <u>http://www.satp.org/</u>
- 8. http://www.business-standard.com