

We welcome the dialogue

Let it be fruitful by all means

ENDING all speculation set off by the last-minute fiasco centring around a tea party invitation to the US ambassador's residence, the much-awaited dialogue between BNP secretary general Abdul Mannan Bhuiyan and his AL counterpart Abdul Jalil has taken place much to the relief of everybody.

Not only has the dialogue begun, its first session ended on a positive note auguring well for the rest.

The leader of the House PM Begum Khaleda Zia and the opposition leader Sheikh Hasina have set a positive tenor to the talks in their respective speeches on the last day of the last session of the eighth parliament on Wednesday. Barring some sparsely appearing ballistic remarks against each other, their speeches on the whole were restrained, introspective and forward looking. The positive mood of expectancy they reflected should reverberate throughout the dialogue engagement up until it comes to a logical conclusion.

The PM is absolutely right when she suggests that the agreement on the contentious issues of reform should come about before her government's tenure is over. A similar sense of urgency found resonance in the opposition leader Sheikh Hasina's address to the parliament. She maintained that the change the opposition was looking for in the caretaker government need not require a constitutional amendment.

It is of utmost importance now that leaders on both sides copiously refrain from indulging in any inflammatory statement on the sidelines of the dialogue. The notion that any leader of the government or the opposition can take some liberty with their public speeches to hurl negative words at each other and still persist on the path of engagement must be completely eschewed. It is a hard-earned dialogue that the government and opposition are having and they can't squander the precious opportunity for a by-partisan understanding by any irresponsible utterances.

The opposition and the government ought to keep realistic expectations about the outcome of the dialogue. Their approach to the reform issues needs to be pragmatic, flexible and accommodative. The very fact that they have initiated the dialogue without preconditions means that they have started from a vantage point to carry forward the talks in a constructive and result-oriented manner. There must be willingness on both sides to concede something to gain something.

Press being key to information dissemination about the progress or otherwise of the dialogue, should be given access to the process. It is incumbent upon all concerned that press briefings are given on a daily basis and that these are in the shape of statements jointly issued by the government and the opposition.

Violence against power outage

Crossing limits

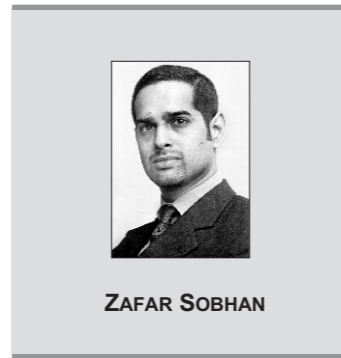
PEOPLE angered by power outage blocked traffic in two important areas of the city, namely, Tejgaon Industrial Area and Jatrabari. They blocked Dhaka-Chittagong Highway near Jatrabari creating a gridlock of hundreds of vehicles. People surrounding the industrial area came out on the streets with sticks. Protesters even broke a number of private and public vehicles near the FDC gate and Shatrasta intersection.

We are perturbed over this growing culture of violence. People all over the country over the past several days have sufficiently registered their anger and frustration against unprecedented power outage and its continued state of deterioration. Why more of it? It is time to put a halt to road-blocks and violent agitation leading to all round inconvenience to members of the public. We also apprehend that continuity of all such protest marches has the portent for giving rise to a state of anarchy. Besides, it should also be understood that the state of our power supply and distribution is so bad that heightened protest marches by themselves cannot radically alter the objective situation.

Why destroy public and private property in the name of protests taking your wrath out on innocent people having nothing to do with the creation of power outages? Besides, it is the month of Ramadan and with the rising complexities facing the forthcoming election it is all the more reason for us to stay focused and show restraint rather than going on a rampage with grievances.

While protest marches are a democratic right of the people at the same time it should also be remembered that none has the right to increase the miseries of the people by any irresponsible act.

Endgame



ZAFAR SOBHAN

IN chess, the stages of the game are divided into the opening, the middle game, and the endgame. Different players differ in their ability to master each of these stages. But obviously the endgame is the most important. If you have a lousy endgame, then you aren't going to be very successful, no matter how good you are at other aspects of the game.

So it is in Bangladesh politics. And as the end of the tenure of the current government approaches, everything hinges on the skill and sagacity with which the prime minister and the leader of the opposition are able to play out the endgame.

The clock is ticking, and one way or the other, this current government will have to step down within 15 days of October 27 to make way for the constitutionally mandated caretaker government.

The much-vaunted dialogue between the two sides has finally got underway, and this looks like the last chance for both sides to reach a compromise on reform. But it must be said that early indica-

STRAIGHT TALK

This is every caretaker government's nightmare. Caretaker governments are generally made up of well-meaning and unassuming eminences who want nothing more than to serve their country peacefully for three months and to go back to the quiet life when it is all over. No caretaker government will want to put itself on the line and order tough measures to maintain law and order, so I am not sure if the government's plan to stack the caretaker government with allies who will do its bidding will work.

tions, including the elaborate charade that has been interminably played out these past few months, weeks, and days, do not suggest that either side is much interested in compromise.

Each side believes that it has the upper hand and that there is thus no need to back down from their core demands.

The AL feels that its demand for reform of the caretaker government and election commission both reflects the popular sentiment and is necessary for credible elections.

The BNP, for its part, feels that it cannot be faulted for abiding by the letter of the constitution, and that it is under no compulsion, either legal, moral, or political, to back down.

It remains possible that the two sides will be able to reach a mutually acceptable compromise, and that the government can step down and be replaced by a caretaker government that will be able to hold elections to the satisfaction of all concerned.

But the unhappy reality is that

the chances of this transpiring are quite slim, and the time has come for us to ask where things are likely to head in the rather more likely event that the talks do break down. At the very least, we need to be aware of what the stakes are.

The first alternative is that the BNP sticks to its guns and insists on installing Justice Hasan as the caretaker chief and then proceeds to install a hand-picked slate of advisers who would go ahead and hold the election without any of the reforms demanded by the opposition.

I don't know. There is general consensus that election reform is necessary, specifically that the voter role needs to be redone, and that the current chief election commissioner cannot credibly preside over the elections. Elections pushed through in the absence of minimum reforms and in the absence of the AL seem unlikely to garner credibility, either inside the country or outside.

In the second place, it remains to be seen whether such a caretaker government would be able to

function in the face of the massive agitation on the streets that would welcome it. Somehow I doubt it.

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This might act as incentive for the government side to consider being a little more accommodating when it comes to the reform dialogue. But the bottom line is that the government, with its popularity plummeting, has no reason to welcome the judgment of the voters at the polls and every reason to wish to keep the AL on the sidelines.

The alliance government would



clearly prefer to take its chances with its own hand-picked caretaker government than with a caretaker that wishes to operate on the basis of consensus. Whether this augurs well for the nation as a whole is another question.

But what about the AL? There may be popular consensus behind its proposals for election reform, and it may feel that it has the better of the argument as to whether Justice Hasan is the right man to be the head of the caretaker, but an uncompromising negotiating stance is also not without risks for the AL.

For the AL, it seems, much hinges on whether they are strong enough to bring the caretaker government to a standstill if their demands are not accommodated. This they may well be able to do, but this might lead to an alternative

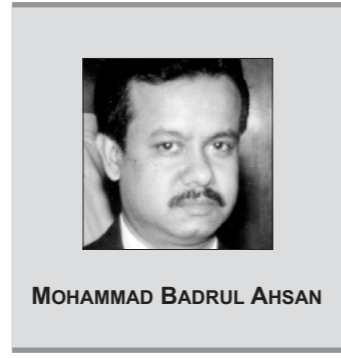
problem.

If the caretaker acts to accommodate the AL and its allies, then it will have to deal with the BNP cadres who will take to the streets in response. This is a high risk proposition for the AL, and there is no guarantee that it will prevail in such a show-down or that the caretaker government will be able to maintain law and order in such a situation.

As in any chess game, there is the possibility that things will end in stalemate. What if neither side can maneuver itself into position for a decisive victory? It is a question that both sides should be asking themselves as they sit down to talk.

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Moths and butterflies



MOHAMMAD BADRUL AHSAN

M AHATMA Gandhi was shot dead by a Hindu extremist. Lilaqat Ali Khan was killed by an assassin's bullet. Indira Gandhi was gunned down by her bodyguards. Our own leaders Sheikh Mujibur Rahman and Ziaur Rahman died at the hands of army officers.

But Iskander Mirza, Ayub Khan, and Yahya Khan died in their beds. Hussein Mohammad Ershad is alive and kicking, still going strong in pursuit of politics. Why great leaders are cut down in the mid-air, but lesser ones land it safe?

It's hard to place Zulfikar Ali Bhutto, Ziaul Haque, and Rajiv Gandhi in any of these pantheons. They died unnatural deaths, but most people wouldn't like to think that they were great leaders. But the question remains whether there is a connection between greatness and fatality, whether there is some kind of a destiny curve that goes full circle for those who aspire to accomplish great deeds?

Perhaps there is one connection. All great deeds bring change,

CROSS TALK

Turn to insects in order to understand the Homo sapiens. When the caterpillar is full grown it forms a pupa where the miracle happens. If the caterpillar forms the chrysalis, it turns into a butterfly. If the caterpillar forms the cocoon, it becomes a moth. A similar miracle happens when leaders get to power. Some form the chrysalis and turn into butterflies, which is a symbol of moral compromise. Others form the cocoon and turn into moth, which is a symbol of sacrifice.

and change always puts pressure on the status quo. Martin Luther King was killed with a perfect shot in Memphis, because he was pushing a barrier that was in favour of the American whites, because he wanted equality for blacks in a culture which was rooted in discrimination. Throughout history, kings and leaders have lost their lives because both power of change and change of power are deadly games.

But there is another explanation as to why this connection exists. From time to time political destiny reconciles what is sowed with what is reaped. Richard Nixon shot to fame through his prosecution of Alger Hiss. As fate would have it, he would be hounded from power by the son of a labour organizer in Washington and a member of the Communist Party, who was hounded into hiding by subpoenas from Nixon's House of Un-American Activities Committee. Carl Bernstein, the Washington Post reporter, and his colleague Bob Woodward, unearthed the Watergate scandal and wiped out

the Nixon presidency.

More examples, if you like. Lyndon Johnson stole the Senate seat from Coke Stevenson by lying that his opponent was a communist and then by diddling the election returns of one county in Texas. In twenty years, the same Johnson would be caught in the webs of his own cunning and lies about Vietnam. Once desperate to acquire power by all means, Johnson eventually bowed out and refused to run for the second term.

Great leaders often resort to narrow interests which start off the chain of events leading to their destruction. Sukarno liberated Indonesia, but was toppled by a military coup four years after he had announced himself President for Life. The projectile was exhausted before traveling far because it was mired in corruption, womanizing and other earthly pleasures. This is not to say that all the great leaders who got killed were unscrupulous men. Most of them fight for a cause, which ask for sacrifice and spill blood. Although friends and comrades

urged him to settle down, Che Guevara wanted to change the world, spreading the fire of revolution from one country to another. In the end, the government troops hunted him down in the Bolivian jungles.

This is where it becomes difficult to draw the line. Great leaders can get either punished or rewarded in death. Anwar Sadat was killed by the Islamic extremists as a punishment for his initiative to make peace with Israel. Salvatore Allende died in a CIA-staged coup in Chile to pay for his sins because he tried to create a socialist enclave in the capitalist landscape. But Benigno Aquino's killing in the Philippines spurred the public reaction, which forced Ferdinand Marcos to flee the country. Great leaders, who get killed, can hang in the balance as martyrs to some, monsters to others. In our own country, we cannot sort out that dilemma between Shiekh Mujibur Rahman and Ziaur Rahman.

In some ways, great leaders are packaged by destiny. When John Kennedy went to London in 1947

and suffered the first attack of Addison's disease, a doctor gave him only one year to live. When he returned to New York attended by a nurse, a priest even gave him the last rites at the dock. Kennedy lived for next 16 years to become one of the most illustrious US presidents until an assassin's bullet took his life in 1963.

Perhaps one reason why great leaders meet tragic ending is that they are more mission-bound than time-bound unlike ordinary men. Their lives are comparable to incense sticks which burn to give fragrance and then reduce to ashes once finished. Every great life lives for a cause, a purpose-led journey from birth to death, divergent to encompass many more lives along the way. Lesser lives are like license and permit. They have a date of issuance and a date of expiry, convergent to exploit other lives for private gains.

Many great lives live long, because they accomplish multiple purposes. Mao Ze Dong brought about the Chinese Revolution and the Cultural Revolution to complete the trajectory of his mission. But Fidel Castro liberated Cuba and became its lifelong ruler on cruise control. He brought change and then turned that change into status quo.

Some great lives get wasted before their purpose is clear. Patrice Lumumba of Congo was assassinated by the members of the Belgian Secret Service, apparently because he was seen as an impediment to the western interests. He has become a martyr of

the African cause in general and his voice still echoes throughout the continent. But nobody knows who killed Sweden's Prime Minister Olof Palme. His murder still remains unexplained except that he was a troublemaker on the international political scene, uncompromising with the White House as with the Kremlin, and a passionate spokesman for the Third World.

Turn to insects in order to understand the Homo sapiens. When the caterpillar is full grown it forms a pupa where the miracle happens. If the caterpillar forms the chrysalis, it turns into a butterfly. If the caterpillar forms the cocoon, it becomes a moth. A similar miracle happens when leaders get to power. Some form the chrysalis and turn into butterflies, which is a symbol of moral compromise. Others form the cocoon and turn into moth, which is a symbol of sacrifice.

The butterflies are attracted to flowers and the moths are attracted to fire. Even amongst the butterflies, the species that vary their diet to include rotting fruit, dung, mud, sweat, pollen, and even carrion generally live longer than those that live on nectar. Why great leaders get killed and the lesser ones live longer? The answer should be obvious by now.

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That falling feeling

LEONARDO MAUGERI

UNDERSTANDING the oil market is difficult. Making reasonable forecasts is almost impossible. That's why most analysts were surprised by the dip in prices from the Aug. 8 historic high of \$79 per barrel to below \$60 in recent days. Suddenly the alarmists who foresaw an imminent era of oil scarcity are silent, OPEC is again discussing supply cuts, oil share prices are down. And new conspiracy theories are flowing, like the one about the Republicans' pushing down gas prices before the US midterm elections.

What's going on? Over the last few years the public has been bombarded by pessimistic warnings about a world inexorably running out of oil, in the midst of growing instability in oil states from Iran to Nigeria, and rising demand -- particularly from China, India and other emerging economies. As this bleak scenario gained acceptance, it became easy to assume that the

price of oil would defy the laws of gravity and break the barrier of \$100 per barrel.

In fact, the current oil crisis has nothing to do with a catastrophic shrinking of global oil resources, while the specter of rising Asian demand is largely a myth -- China has huge potential to reduce its oil consumption. Supply is tight because two decades of low prices discouraged the exploration and development of new fields in the world's most oil-rich areas. That has cut spare production capacity -- the critical cushion needed to cope with crises -- to just 2 to 3 percent of global consumption. This makes the price of oil a hostage to political and climatic events. There has been no objective rise in oil-state instability, only in the market's vulnerability to speculation -- gloomy or not.

What has happened recently is a global-market mood swing, in the face of evidence that consumption growth is slowing while production is still rising. US oil inventories --

and even reserves -- have turned out to be higher than had been previously thought. Forecasts for the hurricane season in the Gulf of Mexico switched from severe to mild. Temporary shocks, particularly the BP spill and shutdown in Prudhoe Bay, Alaska, proved less disruptive than expected. And geopolitical risks seemed to recede, as confrontations involving Iran and Lebanon eased, at least for now.

In a situation where fleeting news can move markets, almost anything can happen next, from a new spike to a further drop in the oil price. Right now, the spike is the most likely scenario in the medium term -- say, one year or two. But a bit farther out, between roughly 2010 and 2012, there is a good chance that supply trends will overtake demand, raising spare production capacity to a range between 7 to 10 percent of demand. That large a cushion would drive down both the price of oil and the market's major vulnerability to minor rumors. Let's

try to understand why.

Essentially, the underlying causes of the new century's first oil crisis are in the process of being solved. Since 2002, the major producing countries and oil companies have gained the confidence to invest in exploration, development and refining. We are in the midst of a real investment boom, although it needs time to bear fruit. Oilfield development takes several years, and there is now a serious shortage of equipment and qualified personnel.

If investment continues at current rates, however, the global production capacity of crude could increase by 12 million to 15 million barrels per day between 2010 and 2012, outstripping expected demand growth of about 7 million to 9 million barrels per day. This would boost spare capacity and drive prices down. Of course, the spending boom depends on high prices, which depend in turn on demand. And while much of the industrial world seems to assume that global

demand will continue to rise sharply, oil producers most assuredly do not. They worry demand may pop like a bubble, as has often happened in the past.

In recent years, the belief has grown that the world economy has become almost indifferent to the price of oil, ignoring the simple truth that any economic system will react to big price changes for any vital good. Even after the oil shock of 1973 -- much more intense than the current crisis -- oil consumption continued to grow for six years before a backlash set in. This time, however, the data suggest that high prices are already affecting consumption. While oil-demand growth began to recover from the 2002 recession by 2003 and then jumped by a startling 4 percent (3.2 million barrels per day) in 2004, it slowed again in 2005 to 1.3 percent. What's more, the International Energy Agency (IEA) has steadily lowered its forecast for 2006, which now stands at a modest 1.3 percent.

There is also the China myth,

which holds that the growing Chinese economy will absorb ever-more oil. This ignores several important factors. First, China's oil consumption is growing fast, but it amounts to only about 8 percent of global demand, and need not be a source of concern in a normal market. Second, China's booming demand in the last two years largely represents a rebound from the stagnation of previous years. It's been driven partly by the rapid buildup of inventory, as well as by delays in the building of coal-fired and water-powered electricity-generating plants. Indeed, alarmists began screaming \$100 oil when Chinese demand registered astonishing increases of 12 percent in 2003 and 16 percent in 2004, only to slide back to 1.5 percent in 2005. It is now on pace to reach 6.1 percent in 2006, according to the IEA.

Third, China and Asia's thirst for oil has been heavily subsidized by local governments and price controls, making oil products much cheaper than on the international

market. In China, the price of gasoline and diesel in April 2005 was 44 percent lower than on the open Asian market. As a result, China consumed three times as much oil per unit of output as Europe. Starting in mid-2005, however, the Chinese and most Asian governments announced plans to end or reduce subsidies.

Fourth, China continues to use oil where it can be replaced by other sources of energy. The transportation sector (in which oil remains largely irreplaceable) absorbs less than 40 percent of China's consumption, as against more than 75 percent in the United States. This means, contrary to all the scare scenarios, that China's oil-consumption growth has the potential to ease substantially, while in most industrial countries consumption growth is approaching zero and may start to drop.

It is too soon to say whether all these elements are already reducing consumption growth below current trends. In the oil sector,

short-term data remain poor, due to the lack of reliable statistical systems in most developing countries and imprecise information on oil inventories. One thing is certain: if prices should drop significantly before the investments now underway reach the point of no return, they could come to a screeching halt, precipitating another price spike. Only a major recession could prevent this, by killing demand. Hardly comforting. But remember the main point: it's not possible to forecast oil prices with real accuracy -- so it's not wise to place great stock in any one forecast.

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