

The Daily Star

Founder-Editor : Late S.M. Ali

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CAPITAL comes with different intrinsic qualities and connotations. Therefore, the contribution of capital can also be found outside its more familiar haunt i.e. financial capital. This simple but profound statement of fact was made by Theodore Schultz about four decades back. On the basis of an empirical study he came to the conclusion that productivity increase in the American economy was to be attributed mainly to 'human capital'. It was not represented just by labour, another traditional factor of production, but by education that transformed labour into capital. Human capital thus came to be canonised in the theology of development.

Based on a different type of empirical study, after about thirty years Harvard social scientist Robert Putnam(1993) introduced another concept of capital. He called it "social capital" referring to the capacity of societies to organise community-based or interest-based voluntary organisations including local government bodies capable of representing community interests and engaging in collective activities to promote the interests of their members.

Development analysts were quick to see the potential of the new concept in the context of development strategy in the developing countries where "government failure" had become a matter of growing concern and "rightsizing" government an article of faith. Social capital, as defined by Putnam, was immediately perceived to be able to compensate for 'government failure' and also capable of promoting bodies to fill up the space to be vacated by the government after "rightsizing".

Writing about the same time sociologist James Coleman, identified social capital as that part of human capital that allows members of a given society to trust one another and co-operate in the formation of new groups and associations. In contrast to Putnam, he identified social capital as attributes of the members of various associations and not as something inherent in associations. Though variously perceived, social capital was seen to lie at the heart of what has been called 'high-trust societies' by Francis Fukuyama (1998) with interactions based on non-family, non-kin networks. Countries like America, Germany and Japan were seen as having healthy endowment of social capital while France, Italy, China, Taiwan, Hong Kong were classified as 'low-trust societies' with poor endowment of social capital. Taking the cue from Coleman a hypothesis was made by Fukuyama to the effect that the difference between the high-trust and low-trust societies

ORD Alfred Tennyson wrote more than 150 years ago, "For I dipped into the future, far as human eye could see/ Saw the vision of the world, and all the wonder that would be." And he saw "Till the war-drum throbbed no longer, and the battle-flags were furled/In the Parliament of man, the Federation of the world." Recently, the Central Intelligence Agency (CIA) of USA dipped into the future and saw as far as 2015. In a 113-page tome, the world's leading espionage house discussed and debated the future of the world "to rise above short-term, tactical considerations and provide a longer-term, strategic perspective. How does it look over the next 15 years? The world is going to be a crowded planet in 2015 with a population of 7.2 billion, up from 6.1 billion in the year 2000, but people will live longer in most countries. There will be no shortage of food anywhere except in Sub-Saharan Africa, which is likely to be stricken by malnutrition due to poor infrastructure and distribution, political instability, and chronic poverty. While food and energy situation remains favourable water scarcities and allocation will rankle governments in the Middle East, Sub-Saharan Africa, South Asia, and northern China.

The quantum leaps in technology will continue through integration or fusion of ongoing innovations in information technology, biotechnology, materials science, and nanotechnology. And the globalised economy will implement growing political stability in the world, although its reach may not be universal. Unlike the Industrial Revolution, the process of globalisation will be compressed, punctuated by chronic financial volatility and a widening economic divide. Overall global economy will return to the high energy levels of 1960s and early 1970s, mostly driven by political pressures for higher living standards, improved economic policies, rising foreign trade and

I was amused at reader A H Dewan's attempts to question India's secular credentials. Zealots and fanatics notwithstanding (every country has them), minorities enjoy far greater freedom in India than is perceived. Media reports have a way of colouring perceptions but the ground reality is different. The status of minorities cannot be measured merely by numbers or by the 'lack of communal riots' (as mentioned by an Observer). Minorities have been integral part of everyday life in India with many holding senior positions in all walks of life be it business, politics, sports or professional services. The same cannot be said of Indians living as minorities outside India, including Bangladesh.

The Indian media has always highlighted atrocities against minorities witness the coverage of the Staines murder, Babri Masjid, the Ayodhya comments of Vajpayee. Unfortunately, a communal angle is given to incidents that are a case of sheer rioting or murder.

A Proud Indian
Dhaka

Revive the OIC

Sir, The Organisation of Islamic Conference, (OIC) is an international organisation, established more than three decades ago, aimed at strengthening the bonds of brotherhood and historic relations among member countries for the welfare of Muslims living around the globe. How far has the OIC been successful in serving the cause of the Muslims? Despite the good intentions of many, due to inefficiency and weak leadership, the OIC has not achieved its goal. It has not even been able to publish the much required encyclopaedia of the Muslim countries as yet.

We strongly feel that the following must be done to revamp and galvanise the OIC :1. An Encyclopaedia of Muslim countries should be published immediately. 2. On the pattern of BBC and Voice of America, the OIC should start broadcasting news, views and other programmes from OIC Headquarters, naming this station Radio OIC. 3. Exchange visits between Muslims of different countries should be encouraged, and visa requirements should be eased and then lifted. The member countries of OIC should always keep in mind that 'United we stand divided we fall'.

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Social Capital

In the context of the present situation in Bangladesh social capital can contribute to social change, economic development and democratic transition if all segments of the population organise themselves voluntarily (attracted by incentives and encouraged by motivations) into viable associations... It is a tall order. But as a strategy it has the potential of both promoting individual/group interests and maximising social gains in the aggregate.

Robert Putnam has now come up with a disclosure in his latest book *Bowling Alone* (2000), which may deflate the enthusiasm of many of its champions and may even appear to let them down. Subjecting wide ranging data to the full rigour of social science he has reached the disconcerting conclusion that in America at present there is a widespread dissipation of social capital. There is loud lamentation in the book over the fact that unlike in the past Americans are

groups the total may be more than the sum of the parts and approximate general welfare in the society. But if some groups are marginalised, as the blacks were for a long time in America and the women who still suffer subtle discrimination of one sort or another at present, the social capital embodied in these associations will be like the pigs in Orwell's *Animal Farm*, some groups being more equal than others. In other words, being organised into groups is no

tions members will not feel inclined to maintain their relationship at the same level and with the same urgency. This is what may have happened with a large number of voluntary associations in America. To give an example, the NAACP, representing the Afro-Americans, cannot now claim the same solidarity and allegiance from its members now that its agenda has been largely implemented through legislation and ground level practices. The same may be said about women's organisations and trade unions. Putnam should not have been taken by surprise that more and more Americans are now, to use his metaphor, bowling alone.

For Bangladesh what is the relevance of social capital, particularly of the outcome of its sustained working over time? As

has already been pointed out "social capital" was seen as soon as it entered the lexicon of development as a corrective to "government failure" and also having the potential to occupy the space likely to fall vacant as the size of the government diminishes. It may be argued that failure of the government to reach out to the poor and the disadvantaged can be addressed through social capital if the stakeholders are organised comprehensively. But unlike America the members belonging to this category cannot organise themselves into associations on their own because of socio-economic handicaps and widespread illiteracy. Economic enfranchisement of the poor and the disadvantaged, therefore, is dependent on external agents and will be so for some time to come. If the efforts of such agents are not comprehensive enough to cover the target group members and are not sustained over a long period, social capital can only serve a limited number. Moreover, such dependence cannot be reduced if the 'human

IN MY VIEW

Hasnat Abdul Hye



drifting away from almost every form of voluntary associations, from church to political party, to trade unions, to sports clubs. He should not be surprised at this development because given the circumstances surrounding the origin and subsequent achievements of various associations this outcome was inevitable and was just a matter of time. But before elaborating on this point, first a widely cherished myth should be demystified. In their day to day activities and underlying objectives the much vaunted associations and voluntary organisations in America was nothing more than special interest groups representing the blacks, the labourers, church groups of different denominations, women and other disadvantaged groups. Greater interest of society at large was not their spur, promotion of welfare of their members being the prime motivation.

As long as majority of the population (divided according to their primary identity) is organised into various special interest

guarantee of early redressal of grievances or achievement of coveted goals as the assertive force of the "human capital" within the "social capital" of associations does not attain the critical mass. But let it be assumed that after some interval all associations representing social capital (which in turn incorporates human capital) come to have the same status and power i.e. they become equal pigs, contrary to the Orwellian arrangement. In this event, the phenomenon of bowling alone, the metaphor used by Putnam to describe the drifting of Americans from their associations, should be seen as the consequence of making their mission possible, even if it was not intended at the beginning. Being pre-occupied with group interests, associations did their natural death or suffer decline when success creates a sense of security and fulfilment among the members. Having overcome the handicaps or earned the dividends of collective activities through the voluntary associa-

tions members will not feel inclined to maintain their relationship at the same level and with the same urgency. This is what may have happened with a large number of voluntary associations in America. To give an example, the NAACP, representing the Afro-Americans, cannot now claim the same solidarity and allegiance from its members now that its agenda has been largely implemented through legislation and ground level practices. The same may be said about women's organisations and trade unions. Putnam should not have been taken by surprise that more and more Americans are now, to use his metaphor, bowling alone.

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The Future According to CIA

In Nineteen Eighty-Four, George Orwell wrote in a sombre tone, "If you want a picture of the future, imagine a boot stamping on the human face for ever." By all means that Orwellean nightmare doesn't exist in the future according to CIA. On the contrary, if you imagine the human

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weapon of mass destruction), longer-range missile delivery systems and other technologies.

If the drivers on the basis of which CIA has made its forecasts tend to digress, it could lead to different developments. The deviations could include serious deterioration of living standards in several major Middle Eastern countries and violent political upheavals in Egypt, Jordan, and Saudi Arabia. Another global epidemic on the scale of HIV/AIDS, or rapidly changing weather patterns attributable to global warming could have devastating impact on the world population. Internal religious or ethnic divisions in one of the countries like Iran, Nigeria, Israel, or Saudi Arabia could spark a disrupting crisis.

A growing anti-globalisation movement is also possible as a deviant, which will become a powerful sustainable global political and cultural force threatening Western governmental and corporate interests.

China, India, and Russia form a de facto geo-strategic alliance in an attempt to counterbalance U.S. and Western influences. The US-European alliance could collapse, owing in part to intensifying trade disputes and competition for leadership in handling security questions. Major Asian countries might establish an Asian Monetary Fund or less likely an Asian Trade Organisation, undermining the IMF and WTO and the ability of the US to exercise global economic leadership.

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CROSSTALK

Mohammad Badrul Ahsan



cesses of democracies. Escalating migration will create influential diasporas, affecting policies, politics and even national identity in many countries.

The greatest news, however, is that in 2015 governance decisions will be influenced by people in the rest of the world, while Africa will completely detach itself from the European powers. Many international organisations and non-state actors of all types will rise including transnational religious institutions, international non-profit organisations, international crime syndicates, drug traffickers, foreign mercenaries, and international terrorists seeking safe havens.

Education will be determinative of success in 2015 at both the individual and country lev-

els. The globalising economy and technological change inevitably place an increasing premium on a more highly skilled labour force. Adult literacy and school enrolments will increase in almost all countries. The educational gender gap will narrow and probably will disappear in East and Southeast Asia and Latin America.

The worst news is that the crime situation will not only not improve but will get lot worse all over the world. Currently, annual revenues from illicit

based in North America, Western Europe, China, Colombia, Israel, Japan, Mexico, Nigeria, and Russia will expand the scale and scope of their activities through alliances with one another, with smaller criminal entrepreneurs, and with insurgent movements for specific operations. These criminal enterprises will diffuse corruption amongst political leaders, infiltrate banks and businesses, and co-operate with insurgent political movements to control substantial geographic areas.

The environmental issues are going to persist, and even deteriorate in some cases. Degradation of arable land and depletion of forests will continue due to increasingly intensive land use. Greenhouse gas emissions will rise, and the loss of forests and other species-rich habitats, such as wetlands and coral reefs, will exacerbate. Global warming will challenge the international community as indications of a warming climate such as melt-backs of polar ice, sea level rise, and increasing frequency of major storms occur.

Curiously, the CIA predictions agree with Tennyson that the battle-flags will be furled until 2015. Although there will be conflicts around the world, the risk of war among developed countries will be low. These conflicts will be, however, limited to frequent small-scale internal upheavals and less frequent regional interstate wars. Potential areas of conflict will be mainly in Asia, erupting from antagonisms between India and Pakistan, China and Taiwan, or countries in the Middle East. The danger of these conflicts will be driven by the availability of WMD (a nuclear, chemical or biological

criminal activities include \$100-300 billion from narcotics trafficking, \$10-12 billion from toxic and other hazardous waste dumping, and \$9 billion from automobile theft in the United States and Europe. Almost \$7 billion comes from alien smuggling, and as much as \$1 billion from theft of intellectual property through pirating of videos, software, and other commodities. Corruption costs about \$500 billion or nearly one per cent of global GNP in slower growth, reduced foreign investment, and lower profits.

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