

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 could be explained only by cultural, political

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.

and historical factors, an insight absent in traditional economic discourse. The presence of cultural traits like strong family bonds and kinship network, despotic, totalitarian or centralised political system and the historical legacy of both of these experiences differentiated the low-trust, social capital-deficient countries from those not marked by the same characteristics.

The various theories on the origin and nature of the contributing factors notwithstanding, Putnam, Coleman and Fukuyama, all three agree on the common view that social capital can and has been a potent force for change and development. It is also seen as the most significant variable explaining the socio-economic development of countries not in thrall to family or kinship network and under non-democratic forms of government. As the best example it is pointed out that American society has always been characterised by an elaborate network of voluntary associations which include church organisations, Boys' Scouts, Girls' Guides, Rotary and Lions' clubs, religious bodies, trade unions, chambers of commerce and industry, sports clubs, community libraries etc. Alexis de Tocqueville considered this tradition of voluntary bodies as the outstanding feature of American democracy, one that tempered the proclivity towards individualism. Fukuyama has gone beyond this profound but innocuous insight and observed darkly that if the natural human impulse towards sociability is blocked from expressing, it may appear in the form of criminal gangs or mafias. The positive contribution of social capital cannot be taken for granted, it is implied.

Nine years after making public his theory on social capital, 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 drifting away from almost every

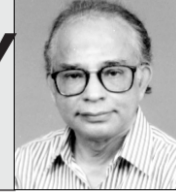
the parts and approximate general welfare in the society. But if some groups are marginalised, as the blacks were for a long time in America and the women who still suffer subtle discrimination of one sort or another at present, the social capital embodied in these associations will be like the pigs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

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 capital" within the organised groups is not qualitatively

IN MY VIEW

Hasnat Abdul Hye



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 groups the total may be more than the sum of

coveted goals if 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 die 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 associations members will not feel inclined to maintain their relationship at the same level and with the

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 Orwellian nightmare doesn't exist in the future according to CIA. On the contrary, if you imagine the human face of the future, it's the stamping boots of progress which

trade and investment, the diffusion of information technologies, and an increasingly dynamic private sector.

The governments will have diminishing control over flows of information, technology, diseases, migrants, arms, and financial transactions across their borders. Globalisation will increase the transparency of government decision-making, and complicate the ability of authoritarian regimes to maintain control, interfering with the traditional deliberative pro-

individual and country levels. 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



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 trans-national 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

and networks 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 furlled 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 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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power use in the isolated areas. The micro and mini hydel projects may be bright investment areas for the NRBs. The private printing industry need BMRE, to cater to the huge student population in the country.

The leather finished product sector can possibly absorb more foreign investment, as also the industrial waste disposal schemes. The urban water-supply demand would be outstripping the slow supply resources year by year for many years to come. Then the mass production of modular materials for low-cost housing and suburban townships have powerful potential markets.

The possibilities for identifying new areas for investment is an exciting exercise for the professional Bangladeshis residing abroad. But clapping with one hand is not possible.

Friday Mailbox

Su Kyi's let down

Sir, In the supplement "The Fifty-Third Anniversary of the Independence Day of the Union of Myanmar" (*The Daily Star*, January 4, 2001), the ruling State Peace and Development Council (formerly SLORC) in fixing its political, economic and social objectives has evidently made the framing of a new constitution one of its cardinal tasks. In other words, the result of the 1990 elections in which Daw Aung San Su Kyi won an overwhelming victory stands annulled and cancelled with the lapse of time.

During the 1989 student uprising, the military junta found itself at sixes and sevens and was virtually on a retreat course. But the politicians failed the masses by remaining divided and pursuing their own selfish interests.

The communists who were underground took advantage of the situation by creating unnecessary issues. U Nu, the former prime minister who was ousted by General Ne Win's military coup in 1962, laid claims to power and Thakin Chit Maung, the former general-secretary of the Burma Workers Party, propounded his own ideas and concepts on the question of democratic restoration of the polity.

The army sought the services of Dr. Mg Maung, a jurist, to negotiate with politicians to achieve a settlement whereby democracy would be restored, but there would be no witch-hunting of Army personnel.

The squabbles and differences among the politicians gave the army time to re-consolidate. But the popularity and charisma of Aung San Su Kyi was such that the army agreed to hold elections. The military game-plan of winning the elections through its pliant supporters and candidates failed and Aung San Su Kyi's National Democratic League swept the polls like a tidal wave.

The army refused to acknowledge the people's verdict and proceeded to draw up a new strategy of continuing in power.

I want to point out that a golden opportunity was lost when the politicians procrastinated in 1989 when the need was to unite under the leadership of Aung San Su Kyi. With the army in disarray, the only emphasis and priority should have been to immediately restore democracy, send the army back to the barracks and then weed out the unscrupulous and ambitious officers who can be aptly described as criminals in uniform.

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For the record

Sir, A section of the print media in Bangladesh, when reporting the appointment of Ambassador Iftikhar Ahmed Chowdhury, Bangladesh's Permanent Representative to

the UN Offices in Geneva, as special adviser to the UNCTAD Secretary-General, mistakenly said that the appointment was made by the UN Secretary-General Kofi Annan. The Office of the Spokesman for the UN Secretary-General in New York, when contacted about this appointment, clarified that the Secretary-General only appoints his own advisers. The fact is that the UNCTAD Secretary-General in Geneva, with the rank of an Under-Secretary-General in the UN hierarchy, has appointed Ambassador Iftikhar as his special adviser. Readers have a right to correct facts.

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"Preaching to India?"

Views expressed in this column are the writers' own. The Editor may or may not subscribe to those views. The Editor reserves the right to decide which letters should be published

Sir, This has reference to the various comments on Rajeev Kumar's letter "Preaching to India?" As an Indian who has lived in Dhaka for the past two years, I would like to present the reality of 'secularism' in India. Politicians aside, the common man on the streets in India does not equate 'Indian' with 'Hindu'. There is a tremendous amount of tolerance for 'another way of life' in India, stemming from the Hindu attitude to life. The system does not discriminate on the basis of religion. Growing up in a typical Indian middle class family, one had friends, sporting heroes, whose religious identity was never in the forefront. The divide is identified and exploited by the politicians.

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. I urge readers to log on www.rediff.com and read about the plight of 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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OPINION

IT is heartening to note that a platform for the interested NRBs residing abroad has been created in Dhaka (TechBangla), for transfer of technology and creating scope for investment. Prof Yunus's observation is timely (DS, Dec 24), noting that it has taken a long, long time (since 1991) to get the Bangladeshis residing abroad to take an active interest in the accelerated development of their mother country, for which the government's lukewarm approach is responsible to a larger extent.

The government's open policy and counter services are still rather shy on the issue, but it is hoped TechBangla would forge ahead with policy and investment proposals. Actually Bangladesh has been hovering at the take-off stage, but the continued lack of political consensus on national issues failed to enhance the image of the political leadership in Dhaka.

Welcome to Active NRBs

A Mawaz

Unless the style of doing politics is changed, the nation would continue to lose a lot of time in internal bickering and moonshine ideologies. Our politicians are not practical, as they still suffer from the ignoble insecurity complex, in offering politics as a tool to solve national problems. Political benefits are for the non-political people (the citizens), and not for internal political consumption, as we have been noticing for so many years in Dhaka. The politicians must learn to talk in the language of national development, and not confine most of their time and energy for the rehabilitation of the crippled politics in the country.

The local computer/IT industry has been developing in a rather indigenous manner through the efforts of a handful of resourceful entrepreneurs; and the need of the moment is to put into place a set of

cyber laws for Bangladesh for the healthy development of e-commerce. The software sector has to be protected against pilferage. It is encouraging to note that a member nation of the EU is helping the GoB to install several thousand computers at the school level for creating awareness in the new and next generation.

The national coaching network in cricket is being expended in a positive manner, and the huge response of the youngsters is impressive, creating a need for setting up SMEs to cater to the huge anticipated demand for cricket bats, balls and gear. Creating 500 cricket pitches has no business possibilities?

The NRBs have to look deeper into long-term strategies to contain the arsenic poisoning in drinking water; as 85 million people are reported to be at risk (DS, Dec 24).

Catering to an 85m market is big business.

The IWT sector is being neglected, with too much priority to road development, creating water logging and drainage hazards (and indirectly pushing the railway network into insolvency). Why the design of our launches and riverine craft are so outdated and unsafe? The development projects in the internal waterways sector is a huge untapped market, good enough for several decades. We live in a deltaic region, fed by more than 200 rivers, and the river training and flood-protection programmes would call for huge capital investment (including computer modelling simulated software).

The solar energy technology has to be imported in bulk (SKD kits) for quick and cheap assembly at the rural level for low-level lighting and