

Job one: Solve the Sunni problem

The political problem the United States faces is simple: a significant element of Iraqi society fears that it will do badly in the new Iraq



FAREED ZAKARIA

writes from Washington

For months before the war, the United States (intentionally or unintentionally) signalled its support for the Shiites and Kurds of Iraq. It made clear it was comfortable with the fact that a democratic Iraq was likely to be a Shiite Iraq (the Shiites make up 60 percent of the country)...When the Sunnis hear the phrase "Iraqi democracy," they probably think "tyranny of the Shiites."

A purely military response, while necessary, will not address this problem. In fact, it exacerbates it. The purpose of guerrilla warfare, the Brazilian guerrilla leader Carlos Marighella once explained, is to force the occupying army to militarise its presence, to engage in reprisals and roundups, to show force, to patrol in tanks. These measures alienate the population and generate sympathy among the population for the guerrillas. In recent days, American forces have been dropping bombs, taking prisoners and generally showing more force. In other words, the strategy -- the guerrillas' strategy, that is -- might be working.

The political problem the United States faces is simple: there is a significant element of Iraqi society that fears that it will do badly in the new Iraq. These are the people who are not helping the Army hunt down the guerrillas. What compounds this problem is that these people, the Sunnis, have been Iraq's governing élite for 500 years.

It has become increasingly clear that the resistance in Iraq is not the work of a small band of dead-enders, but is in fact a more widespread movement. We can tell this because still, months after the attacks began, we know very little about them. Gen. John Abizaid says that the enemy is 5,000 strong. A leaked CIA report puts the number at 50,000. One day, an administration official says the attacks are the work of Baathists. The next we are told foreign fighters are the culprits. The reason for this lack of information must be that the guerrillas are able to merge back into the population, and that the locals are not actively informing on them.

that they will be the victims of the new order. When the Sunnis hear the phrase "Iraqi democracy," they probably think "tyranny of the Shiites." The Sunnis have good reason to be worried. They know a thing or two about tyranny, having ruled Iraq for all of its modern existence. (And before that, they were the favoured sons under two colonial administrations: the British and the Ottomans.) But they are also a key to stability, a powerful and well-connected element in Iraqi

society that for centuries has produced the majority of politicians, generals, merchants, professors and doctors. They can help -- and they can certainly spoil -- the chances of building a new Iraq.

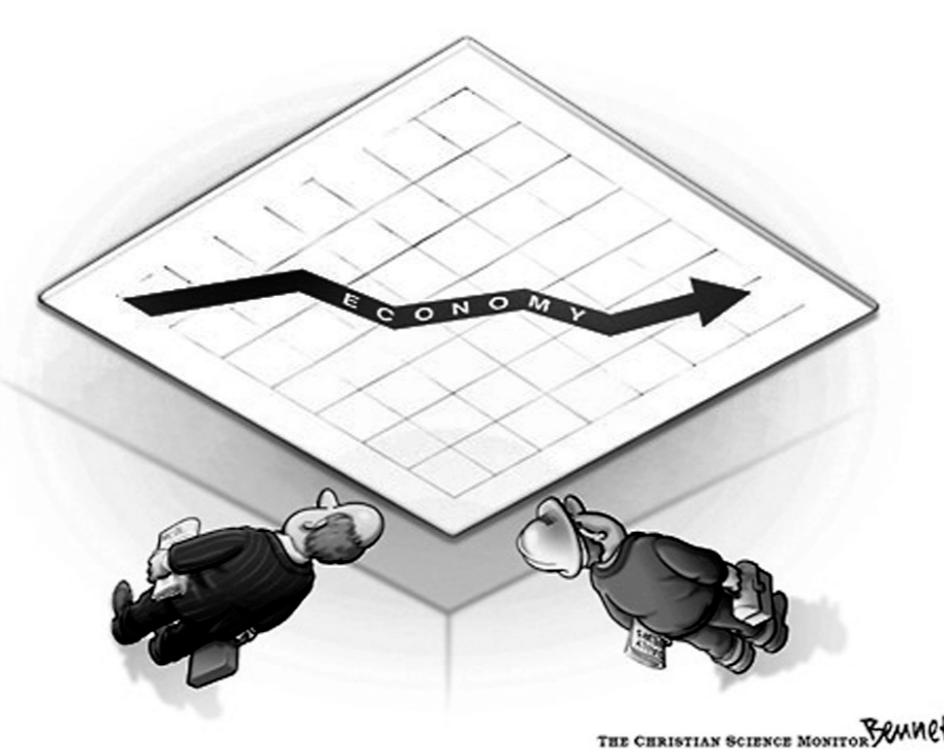
Beyond effective counter-insurgency operations, the United States will have to develop a political strategy to bring Sunni leaders -- tribal, religious and political -- into the new order. This might involve political promises, bribes, spending

projects in Sunni areas and some symbolic gestures, such as appointing a figurehead Sunni president (to balance the real head of government, a Shiite prime minister). The military historian John Keegan noted last Saturday in *The Daily Telegraph* that the British have done better in their sector than the Americans because, in part, they have accommodated themselves to Iraqi society rather than trying to reconstruct it along ideological lines. Washington will have to strike a balance because, rightly, it wants to change Iraq, not accommodate itself to it. But first it must end the war. And to do that, it must solve its Sunni problem.

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THE CHRISTIAN SCIENCE MONITOR Bennett

Microcredit and microfinance

Ideas need to be differentiated

KHANDAKAR ELAHI AND M. LUTFOR RAHMAN

In his presentation to the International Seminar on Attacking Poverty with Microcredit, organised by the PKSF in Dhaka during 8-9 January 2003, Professor Yunus identified several significant problems that the worldwide microcredit movement had been grappling with. One of these problems was the lack of conceptual clarity. In the words of Professor Yunus, "The word microcredit did not exist before the seventies. Now it has become a buzzword among the development practitioners. In the process, the word has been imputed to mean everything to everybody... I think this is creating a lot of misunderstanding. We really don't know who is talking about what. I am proposing that we put levels to various types microcredit we are talking about... I am arguing that we must discontinue using the term 'microcredit' or 'microfinance' identifying its category."

It is both encouraging and appreciable that Professor Yunus has finally noticed the lack of clarity in the use of the microcredit and microfinance ideas in the current development discourse. His idea of microcredit seems quite different from the microfinance idea that is being advocated and advertised from the both bilateral and multilateral donor agencies and distinguished western academic scholars. This conceptual confusion is hurting the cause of microcredit that Professor Yunus had in mind when he experimented the idea in the 1970's and established the Grameen Bank in the early 1980's.

Microcredit

The microcredit idea evolved as part of a paradigm shift in the Third World (TW) development thinking, which led to dramatic changes in the development policies pursued by donor agencies. Western interests in the TW development were inspired after WWII, when most of these countries gained political independence. To help improve socioeconomic conditions of these decolonised countries, national and international agencies were created to transfer western monies and materials. This policy is popularly known as the 'top-down' approach to international development, because international aids and loans were given to the TW governments, who were primarily responsible for their utilisation.

International aid programmes failed, many believe, to achieve their objectives -- a fact that was recognised as early as the end of 1950's. Most of

these failures were attributed to the perception that the people -- supposed to be benefited from the development projects -- were not included in the process of designing, formulating and implementing these projects. With this understanding, development activists and practitioners advocated for ending the prevailing 'top-down' approach and adopting 'participation and participatory methods of interaction as an essential dimension of development'. The idea received World Bank's recognition in 1973. In the Annual Meeting of Board of Governors in Nairobi, the then Bank President Robert MacNamara told his audience that no programme would help small farmers if it was designed by those who had no knowledge of their problems and operated by those who

failures. These credit programmes usually have the following features: First, the loan size is small, averaging about US \$100. Second, the primary customers of these loans are rural poor, women in particular, who have little access to conventional banking facilities. Third, the purpose of these loans is to create income generating activities in rural non-formal sectors through self-employment. Fourth, these loans are collateral-free. Finally, the micro lenders have integrated the loaning and savings mobilisation functions. Unlike the conventional banks, regular savings are a precondition for getting loans from the micro finance enterprises.

Apparently, the microcredit organisations have three distinctive characteristics: First, they are part of

sations from all over the globe in Washington, D.C. This popularity, in turn, inspired academic interests in the topic, leading to the coinage of the concept, microfinance, in the late 1990's. Thus, the term, microfinance appears to be a transformation of the popular poverty-alleviating idea, microcredit. This is perhaps one reason why the two terms are often considered synonymous in the development literature.

Princeton University professor, Jonathan Morduck's survey article, "The Microfinance Promise," published in the *Journal of Economic Literature*, makes no difference between microcredit and microfinance ventures. The same practice is followed in the *Microfinance Handbook* published by

the World Bank. This book defines microfinance as a development approach that provides financial and/or social intermediation. The financial intermediation includes the provision of savings, credit and insurance services, while social intermediation involves organising citizens' groups to voice their aspirations and concerns for consideration by policy makers, development of self-confidence etc. The microfinance institutions include all kinds of lenders, who supply small loans to poor people -- NGOs, government and commercial banks, nonbank financial institutions, informal lenders like moneylenders, pawnbrokers etc.

Conceptual confusions

The confusion in the conception seems obvious. For, one of the most important characteristics of micro-lending is collateral free loans supplied by the NGOs to the poor who have little access to formal financial institutions. Some of the above micro-lenders clearly violate these conditions.

This confusion is continued in the renowned recent book -- *Microcredit and Poverty Alleviation: Case Studies from Asia and Pacific* -- edited by Joe Remenyi and Quinones Jr. In their introductory article titled, "Financing a Revolution: An Overview of the Microfinance Challenge in Asia-

and Pacific," Getubig, Gibbons and Remenyi say that the most notable microfinance providers come from Bangladesh, who include Grameen Bank, the BRAC and the ASA. These small-loan providers are, however, microcredit organisations, not microfinance ones. Then in his own article, titled "Is there a 'State of the Art' in Microfinance?" Remenyi gives a very different idea of microfinance. He takes the traditional definition of banking -- financial intermediation that involves bringing together the independent acts of savers and borrowers to facilitate one another's goals'. Microfinance is no different from this traditional banking concept except that, unlike formal banks whose activities mainly involve rich clients in urban areas, the market for microfinance consists primarily of poor people in rural areas of TW countries who need credit for pursuing small enterprises in the informal sector. The microfinance entrepreneurs are business people with usual profit motives, who are supposed to be self-financed eventually. "Subsidised credit and subsidised banking with the poor are inimical to 'best practice' in microfinance." This idea is supported in recent publications.

Conclusion

The fundamental differences between microcredit and microfinance ideas are (a) profit motives and (b) the means of operation. By definition, the microcredit programmes are NGOs, for which they cannot run their operations with the objective of making profits. This, in turn, suggests that they must depend upon external financing. The microfinance, on the other hand, is a profit-making private venture, which must aim at operating its activities without external help, because profit-making and public objective do not go hand in hand.

For both intellectual clarity and sound policy formulation, the current practice of using the microcredit and microfinance terms synonymously demands critical evaluation. It is obvious that they are very different kinds of organisation that attract very different kinds of people. Therefore, for the sake of sound policy-making of international development, these terms ought to be used in their proper context.

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Economic inequities and political frailties

A national stand is imperative

HAFEEJUL ALAM

WHILE the market manipulation, the unrest in the name of system losses and at the cost of strained tax-payers. These are only a few amidst the vast sea of exploitation and inequality which are breaking the backbone of this nascent nation. In the national context, it is not important which political party comes to power or which one leaves it, but it

two basic weaknesses of our democratic system. He pointed out that our political parties do not follow the democratic system themselves and that only the very rich people can get elected in the parliament. It may be relevant to mention here a statistical fact that more than 80 percent of our members of parliament are from the rich business community. It is a disgrace that our political system could not yet devise any procedure by which honest professionals, intellectuals, and dedicated leaders could find their way in the parliament and speak for the people. If the parliament consists of only the rich entrepreneurs, it would better serve as a chamber of commerce and industry as opposed to a parliament. One may be amazed to find out that the successive national budgets reflect nothing but the hopes and aspirations of the chamber bodies in contrast to those of the vast spectrum of professionals and people.

In the backdrop of such a state of affairs, no one can expect that Bangladesh would be able to face the challenge of the new millennium unless immediate steps are taken to stave off the stark inequities in the economy and bleak frailties in the polity. If our total economic planning is not made people-oriented and if the state is run as a business establishment caring only for the profit and loss statement rather than for the social statement, the things may rapidly go out of control. Just calling the armed forces and apprehending a few criminals or frequently reshuffling the police force would not change the chaotic scenario at all, as we have seen before that such cursory actions result in further messing up of the problem, instead of unravelling the same. It is high time that the major political parties including the government take a national stand to get rid of the endless malfunctions, and go for necessary constitutional provisions, so that the independence of judiciary and setting up of an independent anti-corruption body are ensured, members of the parliament can speak and vote freely in the interest of the people rather than of a particular party, and people can evaluate the performance of the government every three years instead of five long years, through a system of free and fair election where only the voice of the people shall reign, not the money or the muscle.

is absolutely important to contain the sizzling state of affairs. It is a pity that the leaderships of the major political parties are dependent almost totally not upon their own abilities, but upon the legacy of the kindred celebrities who are no more in this world. For Bangladesh, it has almost become a craze to support or not to support a political party on the basis of one's acceptability of the deceased leaders instead of the living ones. Here lies the Achilles' heel of our polity. No wonder, Frederick T. Temple, the former World Bank Representative in Bangladesh once so aptly pin-pointed

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Dr. Rubaiul Murshed

All health information to keep you up to date

Sugar is not always sweet

Too much sugar in the diet can make you put on weight and it is not good for health. Some people may stand quite large amounts without noticeable immediate ill effects, but the enduring liabilities of consuming sugar are such that it is better to reduce sugar consumption to a minimum amount.

Sugar is more precisely known as sucrose. It is a refined carbohydrate and occurs in a number of fruits. Most sucrose consumed in Bangladesh comes from cane sugar. Although there are a number of clinical situations in which sucrose is of value, but as a food sugar has come in for substantial criticism from doctors. In fact, there are some vitamins and minerals present in the original cane sugar plant; but the raw materials of sugar-cane are washed with water, and the sugar extracted by first crushing and chopping and with lot of processing before crystallising. Unfortunately the final form of sugar is almost devoid of vitamins and minerals.

Sugar has been used as a thin paste applied to the area to treat infected wounds and ulcers. As well, chronically ill patients can be maintained for months or years on carefully planned management of intravenous feeding, which usually include glucose derived from sucrose, amino acids, fatty acids, vitamins and minerals.

Distasteful effects

Sugar is very easy to eat in large amounts. Some consider sugar as 'empty calories'. Because, sweet foodstuff available these days in the market are packed with calories which provide energy and nothing else. These calories simply transform into fat and can fabricate fatness. It is interesting to know that men consume more sugar than women, and the highest consumption is amongst teenagers. The following conditions can be strongly linked with significant sucrose consumption. Some on occasion, but not all, benefit from a reduction in sucrose consumption.

*Hypertension or high blood pressure *Diabetes mellitus (adult) *Indigestion, Irritable bowel syndrome * Hyperacidity, Reflux *Tooth decay *Diarrhoea may be caused by sucrose intolerance (soft drinks) *Increased susceptibility to infection *Gallstones *Hyperactivity in children *Seborrheic dermatitis, Acne *Allergies.

Did you know?

The three leading causes of death in the first thirty days after a stroke are not related primarily to the stroke itself or to neurologic deficits.

They are 1. Pneumonia 2. Ischaemic heart disease and 3. Pulmonary embolus (embolus is a mass of undissolved matter present in a blood or lymphatic vessel).