

Good enough governance, PRSP and reform The delightful and disturbing

MONZUR HOSSAIN

ADVOCATING good governance as imperative to poverty reduction raises a host of questions as to what, when, and how it needs to be done. How much is "good enough" for poverty reduction? The "good enough governance" might be a condition of minimally acceptable government performance and civil society engagement that does not significantly hinder economic and political development and that permits poverty reduction initiatives to go forward. In this article I shall discuss the issues related to good enough governance from the Bangladesh perspective as a poverty reduction strategy.

Bangladesh already prepared its interim PRSP (I-PRSP) where it has highlighted several areas for reform in the country; some of those were already initiated and some are yet to be initiated. Central among these were the reform of judicial system, public administration reform, forming independent anti-corruption commission, decentralization, public expenditure management, as well as formation of ombudsman, and a system of caretaker government to conduct national elections freely and fairly already has been in effect from 1991. In the backdrop of Bangladesh's praiseworthy progress, especially in social indicators toward achieving Millennium Development Goals, the above-mentioned initiatives need to be further discussed.

The GDP growth has been stagnant at around 5 percent for the last several years and there is no sign of improving, while some of our neighboring countries with the same comparative advantages such as India, Vietnam, etc. are growing faster at a rate of 7 percent or above. Before preparing PRSP in 1999, as part of the World Bank's rethinking aid strategy, Bangladesh's GDP was growing at a rate around 4 percent.

Does this mean that growth is complementary to poverty reduction as by this time poverty was reduced to around 46 percent from 59 percent in 1991? The incidence of extreme poverty also decreased to 34 percent from 43 percent in 1991. Despite around 13 percent decrease in poverty, actual numbers of poor remains the same due to increase of population. Can this 13 percent reduction in poverty explain the 1-1.5 percent increase in real GDP growth?

For a country like Bangladesh where around 50 percent of the people live in poverty, we may rely on the hypothesis that "poverty reduction and growth strategy bear the same meaning," although PRSP concept of the World Bank comes as a growth-strategy paradigm shift to poverty reduction strategy. If we accept the hypothesis, then what is wrong with GDP being stagnant with 5 percent growth? Can it be explained by problems related to good governance, or in other words, structural problems? Let us analyze the governance issues described in the PRSP and the undertaken reforms briefly.

Judicial reform

Judicial reform is one of the main agendas for good governance in Bangladesh. The lower judiciary is entangled with administration, therefore it is not free from bureau-

cratic dominance and corruption. It is a long-standing demand of the civil society and development partners to separate the judiciary from the administration. In this regard, the Supreme Court issued a ruling in 2001 to the government to take initiatives to separate the judiciary within a specified period of time. But the government failed to maintain the deadline till now, describing the situation as complex, as it has to design human resource management, budget allocation system, separate judicial recruitment process, etc. Although the reform in the judicial system is not explicitly related to poverty reduction or to the poor, but as it will ensure rule of law and justice in the society, it will definitely have positive impact on every sector of the economy.

Public administration reform

Public administration reform is also highlighted as an important aspect of good governance. The proposed reforms are broad in scope, such as

dependent on the government for its financial support. However, with the sizable containment of corruption, it is expected that Bangladesh will find its rapid way to economic growth and the poverty reduction process will gain momentum.

Decentralisation

Decentralization has been figured out in Bangladesh's PRSP with greater importance. The government has already taken some initiatives. PRSP provides more plans to continue and strengthen the process -- strengthening the capacity of local governments, specifically for fiscal management and training for a wide variety of new tasks and responsibilities. UNDP also conducts some projects to help the government strengthening capacities and skills of local government bodies. The Bangladesh government now plans to allocate development funds directly to the root level local government Union Parishad (UP) for implementing development projects for the area on the basis of local needs, hoping that it would reduce time of imple-

related to poverty alleviation, it is an important issue toward good governance. To make the electoral process transparent, an independent election commission takes all initiatives to conduct general and local elections. Moreover, an innovative "caretaker government" system is now working well in the country for more than a decade so that the ruling political party cannot take undue privileges in the election.

Criticisms of the reforms and PRSP

Most of the reform issues in Bangladesh toward good governance such as anti-corruption, independent judicial system, decentralization, and public expenditure management reforms, are partially in effect. Most of them were done in a hurry with a view to satisfying donor agencies like the World Bank, IMF, etc. Although the undertaken initiatives are praiseworthy with respect to the progress in other developing countries, they are incomplete. To

good representative institutions in place. They were encouraged to adopt mechanisms for the effective delivery of basic services, an objective that is to be reached through budgetary measures, clearly defined responsibilities, committed civil servants, diverse methods for ensuring accountability, diverse modes of delivery, and local capacity. In addition, there might be a variety of economic protections for the poor such as laws and regulations, efforts to reduce exclusion, and investment in physical capital. The government must ensure law and order, and must have an effective judiciary to protect the poor from corruption and violence. These issues are proper to the issues of good governance.

In light of the above objectives, the government took reform measures and is thinking to take some other reforms that are good for governance and particularly relevant to poverty reduction. The reform issues are interdependent and one would not be successful if the others are not considered effectively. For example, civil service reform may improve pay and conditions of work for government officials, and it may even reduce corruption and patronage, but may mean little to the poor unless an effective political organization among the poor is in place to ensure that public officials treat them fairly. Decentralization may remove bottlenecks in decision-making and might even make regional and local officials more accountable, but it can easily lead to increased inequality among regions and constituencies if it is not taken carefully. Therefore, interdependence among the reform issues and honesty in taking reforms are essential to make the governance good enough and to achieve poverty reduction goals.

From the above discussion, it may not be wrong in the case of Bangladesh if we accept the hypothesis that poverty reduction and growth strategy are complementary. To accelerate our GDP growth rate beyond 5 percent, we need to make some effective and quick structural reforms in governance issues that will also be conducive to poverty reduction.

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introducing a merit-based civil service, recruiting skilled private sector personnel in specialized government positions, ensuring transparency and accountability, improving pay and incentive system, etc. Overall, these proposed goals are not clearly related to the goal of poverty alleviation, rather these are general commitments to improve government performance.

Anti-Corruption Commission

To fight against corruption, an independent anti-corruption commission (ACC) has been formed recently which is headed by a retired High Court judge. This is one step forward in containing widespread corruption in Bangladesh. The main target, described in PRSP, is to maintain transparency and accountability in public procurement, public expenditure management, and budgetary process, as well as in the private sector too.

The President appoints the commission chair and two other members and its tenure is five years for one-term. They will work independently without fear or favour. But the commission has to depend on government for their finance and other logistic supports, which may put some pressure on them from the government side.

As corruption is widespread in Bangladesh, it has become the main impediment to economic development. Corruption takes place in the form of bribery, nepotism, forgery, etc. that actually deprive people from their own rights, especially those are in abject poverty and live in rural areas. Political institutions are also corrupted; transparency needs to be increased in fund rising process of the political parties as well as democracy must be exercised inside political parties.

Apparently it would be very challenging for the ACC to combat corruption inside the government as well as political institutions as it is

menting development projects, bureaucratic entanglement, and corruption in disbursing fund through different stages of the government bodies.

The success of the new initiatives to allocate fund directly to the UPs would largely depend on strengthening their capacity and monitoring their activities. Training of UP members and awareness of the beneficiaries would be essential in this regard. These types of decentralizations of government funds would hopefully be milestone toward poverty alleviation.

Public expenditure management

This category has been discussed in a separate category of the PRSP, related to the discussion of good governance. The plans include efforts to increase efficiency and particularly to increase the capacity to manage information about public expenditures and to promote greater transparency in the budgetary process.

Nonetheless, if budgeting and public expenditure management reforms are carried out successfully, it will touch on many other aspects of governance including anti-corruption, increased management efficiency, transparency and accountability.

Office of the Ombudsman

It is a high priority of the PRSP to set up the office of Ombudsman to deal with irregularities and corruption in public expenditure management and government organizations. Although still it seems a far-reaching objective, but establishing Ombudsman will definitely help the governance to be good enough. By reducing corruption in government bodies, it will definitely help accelerating economic growth as well as poverty reduction.

Strengthening electoral institutions

Although this issue is not explicitly

make the reform measures more sustainable and effective, it needs more refinement. Moreover, the PRSP lacks in explaining some other clear and concise targets of poverty alleviation such as revitalizing rural banking sector to enhance the effective role of micro-credit, to reduce rural unemployment, to mitigate natural disasters, etc. However, if the government does not interfere in the activities of the ACC and the other reforms continue smoothly, it is hoped that the country would be able to achieve its MDG poverty reduction goals.

Conclusion

In preparing PRSP, highly indebted poor countries like Bangladesh were encouraged by the World Bank and the IMF to consider a more parsimonious list of governance related issues. These countries were asked to empower the poor by ensuring that there are fair elections, pro-poor policies, and

In defence of an institution

JAMEY MAVIS LOWDERMILK

BANGLADESH has much to offer the international world, especially in the way of foreign visitors: a culture of immense generosity, peaceful villages framed by a spectacular countryside, and incredibly tasty food; I have greatly enjoyed each of these qualities during my brief but gratifying stay here in this fabulous country.

Still, I traveled across the Pacific Ocean from my home on the east coast of the United States to experience firsthand what I consider to be Bangladesh's greatest gift to the world: the Grameen Bank, and unfortunately, in numerous conversations with friends and peers in Bangladesh, I encounter perpetual confusion and distrust of Grameen Bank's legitimacy.

This organization is redefining the world's perception of poverty alleviation, capitalist development theory, and micro-finance, and has already raised Bangladesh's international profile in economic and development circles.

As I leave Bangladesh filled with inspiration derived from this unique institution, I hope those of you who doubt Grameen's banking system and success will read on.

I spent the last three months studying with the Grameen Bank, including countless nights in the villages visiting with the owners of the bank: the poor, rural women of Bangladesh.

In my experience, I find that skeptics have three main concerns: (a) that Grameen is an NGO, catering to its own profits; (b) that Grameen is exploiting the poor through high interest rates; and (c) that Grameen leaves borrowers worse off than when they began. All of these fears, while legitimate, do not pertain to the Grameen Bank.

To begin, Grameen is not an NGO (non-government organization); it is a special bank, created under a specific ordinance by the government of Bangladesh in 1983. The village members of the bank own 94 percent of the Bank's equity; the government owns the remaining 6 percent. This fact, the borrowers' ownership of the bank, separates Grameen from any other development institutions working in Bangladesh.

Grameen offers four main loan options to its clients, with flexible repayment schedules and rates depending on their ability: (1) the Basic Loan, at 20 percent declining simple interest; (2) the Housing Loan at 8 percent declining simple interest; (3) the Higher Education Loan at 5 percent declining simple interest; and (4) the Struggling Member Loan at zero percent interest.

While some rates appears higher compared with conventional banks, these loans include incentive-based packages ensuring the borrowers' progress. Commercial bank loans require collateral, excluding the poor, and include punishing legal frameworks. In the absence of these requirements, Grameen disburses loans on trust, engaging with personal support and adaptable programmes.

Furthermore, with the success of its members entrepreneurial endeavours, Grameen Bank redistributes its profits to subsidize low interest rates on Housing and Education Loans, offering generous savings options, managing loan and life insurance funds, and creating more than 7,000 annual scholarships to rural children.

The most recent addition, the Struggling Member programme, provides small, interest-free loans to the poorest of Bangladesh, the beggars, who can slowly change their lives by introducing income-generating activities to their begging, like selling candies.

Based on the 10 indicators of poverty, since initiation in 1983, the Grameen Bank has elevated over 973,000 people above the poverty line; people that before were eating less than three meals a day, could not afford the necessary protection from winter, or arsenic-free water.

You do not, however, have to take my word for it. Unlike my journey halfway around the world, you have only to travel home, to your village. Grameen has nearly 1400 branches around Bangladesh, some within a two-hour drive of Dhaka. If you remain in doubt, ask a borrower yourself; ask her what life was like before Grameen; ask her for what she took her loan; and most importantly, ask her what she thinks of the Grameen Bank.

I guarantee she will stand behind this institution as I do, not to mention countless international leaders (President Clinton and Senator Clinton of the US and Queen Sofia of Spain, to mention three).

The Grameen Bank is changing the world, aiming to eventually remove the face of poverty from Bangladesh and making Bangladesh a model for other developing countries, worthy of international praise and recognition. Like many others before me, I stand in absolute admiration of this organization and its motherland. Thank you Grameen and thank you Bangladesh, both for these amazing three months and for your gift to the future of our worldwide community, when poverty will sit on the shelves of museums.

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AFSAN CHOWDHURY

ONCE in a while something beautiful and brave catches the eye like the Counter Foto magazine published on the occasion of the Drik Chhobimela 2004. It's a commemorative publication, a souvenir as some would say, but it's mostly a celebration of the idea of images at the level of pictorial, graphical and representational. It is about what photography means to the sponsors of Counter Foto and how they wish to present it. It is also a joyous cheer to the spirit that keeps on being productive and creative despite all the odds we all face in this country.

The publication was birthed in connection with Drik's Chhobimela 2004 and this volume is also a homage to what Dr. Shahidul Alam has been able to achieve over the years, inspire a committed cavalry that is creative, dedicated, and resourceful. Dr. Alam is no less himself, and just as the Chhobimela is held regularly in Dhaka bringing together photographers from all over, its success is not just in the exhibitions but that Bangladesh has been able to overcome the dark shades of depression and become a celebration of light. Just like photography.

But that would be a partial explanation because what the magazine does is discuss the mind and methodology of image making through lenses, whether of the eyes or the machine, that is the camera. This magazine is a serious attempt to do away with the flippant and introduce the anthropological, social and psychological visions and representations that generate the image and the counter image that make up today's world of photos. It begins where picture taking ends and the magnifying glass of the mind behind the shutter begins. It's not about picture taking but on picture taking and this difference is the space that designates this beautiful yet disturbing volume.

Theory and images: Explaining the sublime

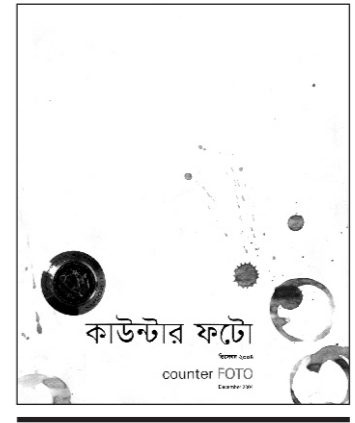
As the editorial explains, the volume expands on the developing theoretical structure of photography built around the structures of State and society. It is presenting a new image that is just being clicked now and in the immediate and the Counter Foto images are more about that narrative. It does seem therefore that the pictures are less important than the words and that itself is a counter construction that is interesting and stimulating though sometimes they do stretch beyond a point. Many of the contributors are eminent anthropologists and what gets the focus is visual anthropology and not visual arts. It's about the construction of the image and not the image itself.

That is a path breaking move because this is almost the first mature attempt to understand and formulate what images come to mean. The Fotos inside are not pleasant chats but expressionistic descriptions of what the image-

maker has understood and tried to capture the world. This expressionistic categorisation is interesting because it means a particular way of looking and describing the images around us. They are not clicked moments of frozen reality but reality that is shaped into images. They have more in common with Diane Arbus with her quite horrific images which showed the highly disturbing strewn within the ordinary. The famous image of a young boy screaming in rage holding a toy grenade in Central Park, New York or hugely obese couples choking

Book Review

Counter Foto Edited by Saiful Huq Omi. Asst. Editor: Munem Waseef. Cover design: Shobbosachi Hazra. Design and lay out: S. Hazra and Khaled Asif. Print Planning: Khaled Asif. Published by Drik Alokchitra Gronthaghar Ltd and Counter Foto. Price: Tk 200



the space in a room signify something is not right with the world. They are not the "moments" of Cartier-Bresson and his classmates slicing and freezing time and truth in the sublime ordinariness. It's a transition to be sure but one that has to be noticed and in Bangladesh that news has formally arrived through this magazine and book.

Rahnuma Ahmed and Manosh Chowdhury are great craftspeople of ideas and we are enlightened by their thoughtful but difficult for the uninitiated to read for the first time, essays. Pavel Partho tries to locate "otherness" in Bengali photography while Shahidul Alam's translated piece is on the absurdities of the "pictures for poverty" business, a much more accessible piece. The last named article is a realistic description of how discrimination is practiced even in worlds which claim to serve the poor and do the opposite.

They all make up this necessary mosaic which Counter Foto wishes to present before us all. They wish to say what has to be told about the silent images and about the eloquence hidden by the startling silences of what we observe and see. They are no longer pictures, photos, and images but as

Rahnuma Ahmed say vividly, a series of representations and misrepresentations.

Partho of course puts into focus this distortion and shows how the Indigenous People are being presented to the world and themselves and through this process mis(represented). One is reminded of how the Native American (Red Indians) was redesigned and what role photography played in that. So this becomes the documentation of a murder of identity. It is an excellent piece of documentation and investigation adding quality and empathy not just to a subject sometimes accused of not being so but particularly in this case the significance is greater. This is evidence of the national self and photo and artisan have become part of the evidence. The man behind could not be farther away from the subject and this distance becomes the statement that indicates our nature of cultural genocide.

A shutter on words of Anwar pixman

Yet the centerpiece if you will of the volume is the interview of photographer Anwar Hussain by Saiful Huq Omi and Munem Waseef. It's a very neo-journalistically done but is a terrific attempt to create art out of facts. Like many photo persons Anwar has to be into self-advertisement and every interview is in a sense that. Anwar Hussain in particular has fashioned a lifetime in the world of light clicking the shutter on himself and his personal world. The images are in a way an extension of that and that gives his pictures a lack of the documentary that borders on the fictional realism. It becomes his signature and his textual explanations extend the persona. This is an excellent construction of critical collaboration that has helped reap rich dividends for the reader.

Of course the production is superb and credit must go not just to the design team and lay-out artists but the team as a whole. Care and love is evident on every page and of course a book on graphics and images could hardly be otherwise. There are several attempts to create such volumes without either the skills or the resources but in this case there is very little to complain.

Yet for a layperson it might not be easy to avoid irony for the very reason that it tries to tackle an unknown new world, its birth and growing up. In 1989, the Kodak camera and film company set up a billboard which said, "150 years ago a language was invented that everyone understood". This volume is an excellent example of how simplistically in error this statement was. What is visible is not necessarily obvious, what can be seen isn't necessarily understandable. It's this delightful irony that Counter Foto represents by turning the simple into something haunting, beautiful but never far from being strange and inexplicable either.

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