

Opposition's common minimum programme under the microscope

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ON November 22 at a grand rally at Paltan Maidan in Dhaka city, the 14-party opposition coalition comprising Awami League (AL), left 11-party alliance, Jatiya Samajtantrik Dal (JSD) and National Awami Party (NAP) announced a 23-point common minimum national programme which is the pledge of the opposition combine on what it will do if put in power.

People and the media appreciated the peaceful and democratic manner in which the programme was announced by the mainstream opposition parties. The BNP-led ruling alliance reacted positively to the moderate stance of the opposition and interpreted the conduct and the message of the grand rally of the opposition combine as pro-election.

The ruling BNP proposed to sit with the opposition combine to discuss its 23-point programme excepting reforms in caretaker government (CTG) system. The opposition requested the government to sit first outside the parliament to discuss the reform proposals on the CTG and the Election Commission (EC) to pave the way for its joining the parliament.

Either way, what appeared was that a favourable atmosphere for a meaningful dialogue between the ruling alliance and the mainstream opposition was in the offing. But a rapid rise in militancy with the new dimension of suicide bombings by the misguided Islamic militants and the government's initiative to invite more than 25 political parties including the AL, which has rejected the invitation, and some professional bodies to discuss ways to combat militancy, have for the time being stalled the prospect of dialogue on the minimum national programme of the 14-party opposition coalition.

This article, therefore, makes an attempt to dispassionately discuss the common minimum national programme announced by the AL-led 14-party opposition combine.

First, the programme has pledged to establish a secular democratic government through free and fair elections to be held after bringing reforms in the CTG and the EC on the basis of the guidelines announced on July 15 this year and free the elections from black money, violence, and communalism.

It may be mentioned that on July 15, the then AL-led 10-party alliance announced proposals for reforms in the CTC and in the EC. The proposals for reforms in the CTG suggested that (a) the chief adviser and the other advisers to the CTG should not have any active involvement, at present or in the past, in any political party and the chief adviser should be acceptable to all political parties; (b) eligibility for being appointed chief adviser should not be limited only to judges, rather it should be expanded to other profes-

sions; (c) the president would act in all matters on the advice of the chief adviser during the tenure of the CTG, keeping parliamentary democracy in consideration; (d) the defence ministry would be entrusted with and run by the CTG during its tenure; and (e) the jurisdiction of the CTG would be confined to day-to-day, routine work and assisting the EC in conducting the general elections.

As regards the reforms in the EC, the salient points included: (a) appointing the chief election commissioner (CEC) and other members of the EC in consultation with all the active political parties; (b) empowering the EC to conduct the elections in a free and fair manner and in an independent atmosphere; (c) forming an independent secretariat for the EC to make the commission an independent institution, free from the control of the executive branch of the government.

The ruling BNP has so far rejected the proposal for bringing any reforms in the CTG system. Their main argument is that it is not possible to find a person who will be acceptable to all political parties for appointment as the chief adviser to the CTG and this will create a serious constitutional crisis.

It is a fact that it is very difficult to find a person who is acceptable to one hundred plus political parties for appointment as chief adviser. But the action of the BNP-led alliance government that has sparked off the opposition demand for reforms in the CTG is the raising of the retirement age of the judges of the Supreme Court from 65 years to 67 years to make room for the immediate past retired chief justice KM Hasan — who was the secretary of the international committee of the BNP during the regime of President Ziaur Rahman — to be the chief adviser to the next CTG.

Thus, the BNP-led alliance government has a moral, if not legal, responsibility to discuss the CTG reform proposals with the opposition. If a better formula acceptable to the opposition combine and the government for appointment of the chief adviser is available through open-minded and problem solving discussion, it will be an invaluable contribution to end the present political impasse. Then, finding solutions to other reform proposals on the CTG may not pose big problems.

The constitution has provided that the EC shall be independent in the exercise of its functions and subject only to the constitution and any other law made thereunder. Then why is the demand for reforming the EC? There are reasons for it. In the absence of any provision in the constitution or in any other law determining the procedure for the appointment of the CEC and the ECs as well as the eligibility of persons to be appointed to these posts, successive political governments during the last three decades or so appointed persons as CEC and ECs who were sympathetic to them.

It appears that the common minimum national programme announced by the AL-led 14-party opposition combine contains issues that need immediate solutions to save the country from grave crises ahead as well as issues that come within the normal functions of any popularly elected government. The mainstream opposition should have at the moment stuck to the issues like immediate reforms in the CTG and the EC, combating terrorism, uprooting misguided Islamic militants, and establishing rule of law.

The recent appointment of the CEC by the government paying no heed to the demand of the opposition political parties including the main opposition AL to appoint the CEC through discussion with the political parties has aggravated the situation, leading to refusal of the AL to participate in any election including the forthcoming general election under the incumbent CEC.

Further, the EC has a full-fledged secretariat, headed by a secretary, to execute the decisions and orders of the EC. The secretary and other officers of the rank of additional secretary, joint secretary and deputy secretary are appointed by the government. They owe their allegiance more to the government than to the EC. People have seen the helplessness of the immediate past CEC against the activities of the incumbent secretary who enjoys blessings of the chief executive. One retired CEC has thus suggested that the EC, to be meaningfully independent, should have full

violence will be welcomed by the people.

Second, as regards the pledge to free the country from chauvinist communal forces and militants, ban communal politics, ensure freedom to practise religion, freedom of expression and freedom of conscience, execute the verdict of killing of the Bangabandhu, bring to book the perpetrators responsible for all grenade and bomb attacks, it may be said that the constitution, the highest law of the land, guarantees freedom of religion, freedom of thought and conscience, and subject to any reasonable restrictions imposed by law, ensures the right of every citizen to freedom of speech and expression. There is also no place for communalism and militancy. The constitution prohibits discrimination against any citizen on grounds of religion, race, caste, sex or place of birth. Militancy is a punishable offence.

So the pledge has basically assured the implementation of the

their due punishment. The execution of the verdict of the highest court of law is the responsibility of any government in the country.

Third, the points such as recognizing that all powers in the republic belong to the people, establishing rule of law, and separating judiciary from the executive are embedded in the constitution. So, these are mere repetition of the existing laws. Anyhow, the AL and the BNP, the two major political parties that ruled the independent Bangladesh for most of the period of her existence have so far failed to implement the constitutional provisions on these issues. The extra-judicial killings of the BNP-led alliance government have been condemned locally and internationally. The opposition pledge to stop extra-judicial killings deserves appreciation.

Fourth, making parliament the centre of all activities, ensuring accountability of the government, holding elections to district and upazila councils, and strengthening and

largely dysfunctional. People are worried about the fate of their hard-earned democracy. People will welcome the proposal for holding elections to the upazila and district parishes although such commitments made earlier by the two major parties have remained unfulfilled.

Fifth, identifying the criminals and their godfathers and bringing them to book and not accepting them as members of any political party nor nominating them in the elections, ensuring a healthy political environment by stopping corruption and criminalisation sound nice. These are also not new pledges of the political parties. Anyhow, ensuring implementation of these promises is the bounden duty of any good government.

Sixth, disclosing the accounts of assets of ministers, lawmakers, politicians and bureaucrats has been a long-standing demand of the members of the civil society. However, there exist rules that bind the public servants



Leader of the Opposition Sheikh Hasina addressing the 22 Nov grand rally at Paltan

existing legal provisions on these issues. The Bangabandhu murder case is awaiting disposal in the Appellate Division of the Supreme Court which has to find a mechanism to dispose of the case without further delay. The nation is eagerly waiting to see that the persons who are found guilty by the highest court of law get

empowering the local government bodies are the oft-repeated demands of the civil society leaders. The BNP and the AL that have held the state power in succession for the last fourteen years or so are on record of making such promises earlier. The confrontational politics of these two parties have made the parliament

to disclose their assets annually. But there is a poor record of monitoring implementation of these rules. Major political parties including the ruling BNP are on record to pledge earlier the disclosure of assets and properties of the prime minister, ministers, and other holding the rank and status of minister. Implementation of the pledge

The FM's drive by GDP growth forecasting model

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ON December 13 the Bangladesh Bank (BB) in its monetary policy review estimated current year's real GDP (RGDP) to be in the range of 6.3 to 6.8 percent.

When reporters asked the Finance Minister about the GDP growth, Saifur Rahman discounted the BB estimates, instead made his own prediction. He suggested that the growth in the current fiscal year would exceed 7 percent mainly due to acceleration in employment generation. His forecast is based on his watching "drive by construction sites" (Saifur's DCS model).

Saifur contends that "When one goes outside Dhaka, he or she can realise that plenty of development work is going on. When I go to Sylhet by road I have to pass through three other districts and I see factories and brick kilns are springing up on both sides of the road and hundreds of people are working there. So, the RGDP growth will be more than that of BB forecast." What a naive observation unseemly of a country's finance minister!

The FM scoffed the statistical procedure used by Bangladesh Bureau of Statistics (BBS) as backdated. He said, "If the data were updated, our growth rate would look much healthier." Is he suggesting that BBS statisticians should be driving around the countryside and count the drive by construction sites and accordingly manipulate the RGDP figure?

Several years ago a group of BB officers who came to study at Eastern Michigan University told me that the then Prime Minister announced in a public meeting that the RGDP growth was 5 percent. When the PM was reminded that the growth rate was 4.5 percent, she ordered the BB to come up with a figure of 5 percent. The officers and staff of the BB worked overtime to manipulate the data to arrive at 5.0 percent growth rate. Since then country's RGDP growth stayed around 5 percent.

I trusted my students from BB although I never concerned myself to verify their story. I now believe that when the FM predicts RGDP growth using his DCS model, anything in that economy is possible. In fact, I will not be surprised if the actual growth comes out better than

7 percent as desired by the divinely gifted. Compared to last year, this writer certainly expects a higher real growth this year primarily due to higher government expenditure on:

- Much needed national security (including added security to three exquisite official residences of the prime minister, her ministers' residences and their travels),
- Fighting terrorists, looking for their hideouts and paying for court cases,

- Chasing and repressing oppositions and using state law enforcing apparatus to despoil rightful political assemblies and feeding the jailed political functionaries,

sensical in nature? One possibility is that the government is bored with 5 percent growth year after year. So, they now need a new higher growth figure and the FM is setting the stage to fabricate that growth rate. Such a creepy attempt, if it were to be true, appears quite possible for an administration confronted with the worst crises imaginable from all fronts — not to speak of the trepidation posed by the growing popularity of opposition parties as the national election is fast approaching.

Regarding the BB's policy of continuing with a concretionary monetary policy, the FM mocked

so that percentage changes in velocity will be equal to zero (%ΔV = 0).

The equation would then be a simple model of the determination of NGDP. In that case, if the Central Bank wanted to make NGDP, say at 6 percent per year, it needed to merely let the money supply grow by 6 percent per year. In such a simple world, economists could use the equation to predict NGDP growth by predicting the growth rate of money. And policy makers could control NGDP growth by controlling growth of the money supply. Predicting real growth by predicting money growth is similar to living in fool's paradise.

That policy contending that BB's judgment is incorrect. He argues that BB makes such forecasts based on various statistics (as economists would expect of BB), but it does not examine the money supply and its relation with the RGDP.

The monetarist model of the Quantity Theory of Money (MV = PY) relates money growth with nominal GDP growth (NGDP, growth before adjusting for inflation) as follows:

$$\% \Delta M = \% \Delta V = \% \Delta P + \% \Delta Y$$

Where,

- $\% \Delta M$ = means percentage change in money supply (money growth rate),
- $\% \Delta V$ = percentage change in the velocity of money (growth rate of velocity of money)
- $\% \Delta P$ = percentage change in the price level (inflation rate)
- $\% \Delta Y$ = percentage change in real GDP (growth rate of RGDP)

The velocity of money is defined as the number of times a typical dollar (or taka) has been used on average in transaction (buying goods and services) during a given year (Y/M). If we assume that changes in velocity are very small then V can be considered constant

Unfortunately, we live in a real world where velocity of money is not constant and things become complicated by multitude of factors many of which are beyond our control. However, the non-constancy of velocity does not render the equation useless. All economic models make assumptions that are in some degree unrealistic. Without making these assumptions no economic model could ever be built except perhaps that of Saifur's DCS model.

A word of caution is that FM may not confuse the relationship between money growth and RGDP growth with that of money growth and NGDP growth. The former relationship is much more complicated which is beyond the scope of this non-technical article. If nations of the world could pave their way to riches by printing new money, there would be no poverty and destitution on the surface of the earth.

It may be noted that GDP was never intended to be an indicator of progress or welfare. The United Nations Human Development Programme (UNDP) argues that all countries should pay much more attention to the quality rather than the quantity of growth. A UN report presented at the UN meetings on September 14-16, 2005 indicated that Bangladesh has achieved fifth worst ranking (only next to Ethiopia, Rwanda, Niger and Madagascar) in failing to reduce poverty alleviation.

- Extravagances in SAARC conference exhibiting glamour for fake image while masking poverty and plights of the poor,
- Image building numerous foreign travels by the prime minister and her entourages,
- Newly politicised election conducting appointments,
- Massive salary hikes to government employees, ministers and lawmakers,
- Other seemingly anti-people activities (you name it).

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Europe will get it right

Ultimately, the question is not whether the EU gets a constitution, or whether the French adopt US-style affirmative action, but how European economic performance can be improved in order to produce more jobs. How can the traditional social democratic welfare state be streamlined and be made sustainable? This issue will dominate Europe's future.

ANDREW MORAVCSIK

JUST over a year ago, author Jeremy Rifkin predicted that Europe would soon overtake the United States as a model for the world. The so-called European Dream — a coupling of the national social welfare state with multilateral cooperation in Brussels to promote free markets and common regulations — would supersede the American Dream.

For true believers in that vision, 2005 was a dispiriting year. French and Dutch voters rejected the European Union's proposed constitution. Then came the French race riots. Anglo-American conservatives, took these events as vindication of their own model, which opposes big government, social spending, multiculturalism, and multilateralism. After five years of European (and, not least, French) attacks on US foreign and domestic policy, they took satisfaction in concluding that Europe, in the end, is really no better than America.

Nothing proved their point so well as the recent riots. The "Muslim insurrection," as the right-wing Fox News commentator Bill O'Reilly put it, seemed the almost inevitable byproduct of mollycoddling social policies. Conservative military historian Victor Davis Hanson argued that talk of "so-called root causes" served only to "appease" law breakers and to encourage further violence. The subtext: Europeans — tired of multilateralism, yearning to get tough on Islam, deeply suspicious of "tax and spend" big government — secretly long to be more like Americans. If only their corrupt, parochial, paternalistic and, yes, socialist governments would just get out of the way!

It's a great story: Europe destroyed by the bankruptcy of its own socialist cultural ideals. Yet there is little truth in it. The real

lesson of both the referendums and the riots is, in fact, precisely the opposite. Over the past year, Europeans have proven themselves to be more committed to both the social-welfare state and their EU institutions than ever. If anything must change, Europeans increasingly recognize, it has less to do with the ideal of Europe (or national social policies) than with something far more prosaic: jobs. At bottom, Europe's real challenges are economic. And they will be solved not by borrowing the American model, but by muddling through to a distinctly European solution.

Let's return to the year's first big event. Far from being a libertarian repudiation of the European Union, last spring's constitutional referendums brought forth a groundswell of support for social democracy. Subsequent polls reveal that opposition had little to do with skepticism about enlargement, anti-immigrant sentiment, or even possible Turkish membership. Nor did it signal dissatisfaction with the constitution itself — which, item by item, most Europeans strongly supported. Opponents were instead motivated by fears — largely misplaced — that globalization, budget cuts and unpopular politicians might shrink the social-welfare state.

Despite the constitution's fate, Brussels quickly returned to normal. Turkish accession negotiations were launched. Legislation liberalizing services is moving forward. Squabbling over the EU budget will eventually end in a real cost-cutting deal. For all the hand-wringing, the EU is stable and successful. No significant party in any member state — even the British Tories, if one reads carefully — supports a fundamental retrenchment of its powers.

The French riots have been similarly misunderstood. Simply put, they were not primarily cultural in impulse, but socioeconomic. Far from being

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