

A winning formula

As we approach another general election a window is ajar letting through a ray of hope. Over the last thirty years, micro-finance has achieved a silent revolution in the countryside of Bangladesh. The wretched women have become respectable and powerful. They have become the beacon of hope. The call for clean candidates can be another simple solution for Bangladesh to address the intractable issue of governance. The means of free and fair elections together with clean candidates could ultimately deliver the kind of government that could result in good governance.

MANZOOR HASAN

GENERAL elections are the ultimate barometer of public satisfaction of political performance. Every few years citizens are given the opportunity to speak their mind, cast their votes and make their wishes known. *Ceteris paribus*, the results of such plebiscites are generally accurate and they fairly represent public opinion.

No wonder politicians and public alike get quite excited about the prospect of such an event, especially in a transition society like Bangladesh. This may also explain the pre-occupation of politicians with the pre-election period. Experience shows that in Bangladesh this process starts quite early -- the morning-after. Even before the counting of votes is over, politicians are ready to refute and recriminate with clockwork precision.

This keen interest in the process of elections, which would include (among others) issues such as the authenticity of the voter roll, the independence of the election commission, and the neutrality of state apparatus, should be promoted and encouraged if they are seen as means to achieving a certain end.

Globally the issue of political accountability has been on ascen-

dancy since the fall of the Berlin Wall. Several factors have contributed to this greater focus on political institutions: emergence of a uni-polar international system, liberalization of trade, proliferation of information and communication technology, faster economic growth and increasing prosperity, at times skewed, among nations.

Bangladesh, too, has also been marginally affected by these global phenomena -- political parties have gained prominence over civil-military bureaucratic regimes, narrowing of ideological differences between major political parties, surge of private wealth due to impressive growth of the export-orientated industry, influx of people from the rural to urban areas, an unprecedented increase in flow of information by way of multiplication of electronic media and telephony, and finally a steady rise in expectation of improved state of governance within Bangladesh.

Over the same period Bangladesh has gradually found itself in international limelight, again due to other forces of globalization. Whether it is the level of foreign direct investment or the extent of child labour in the workforce or the level of corruption in the public and private sectors or the kind of treatment meted out to its journalists or the number of girls attending pri-

mary schools or the efficiency of its ports, Bangladesh has found itself ranked with countries in various indices.

Sadly the message from these indices has been rather dismal. Despite some favourable social indicators (women have become the silent entrepreneurs, more girls are enrolled in primary schools than boys, the fertility, mortality and morbidity rates have fallen, and the list is not exhaustive) the definite feeling (or the dreaded word "perception") among the populace has been rather negative. This "feel-bad" factor brings me back to the "means and end" dilemma.

In terms of means, the citizens of Bangladesh have struggled and died to secure the restoration of democracy, argued and supported the constitutional changes to ensure a neutral administration to oversee the election process, voted maturely and tactically to give the major political parties the opportunity to form majority governments every five years, and despite financial allurements the voters have thrown out well-known corrupt Members of Parliament at successive elections.

But the common complaint on the lips of many Bangladeshis has been that despite repeated attempts to get the country on the track of greater accountability and general prosperity the opposite has hap-

pened -- a few have become extremely wealthy by unfair and corrupt means at the expense of poor infrastructure, deteriorating public service, weakening institutions, falling public standards and values, and undermining of rule of law. To rub salt into the collective national wound the culprits have accomplished such misdeeds in the name of people, democracy or development and with total impunity.

So, the conundrum is that whatever the changes (means) the result (end) remains the same -- repeated brazen misuse. It seems that the corrupt and hypocritical politicians have the last laugh at the expense of millions of poor but enterprising men and women. As the next elections approach there is a feeling of *deja vu*. As a nation we have traveled this path before -- the euphemistic lover's garden path.

It is in this context that I find the findings and analysis of Mr NK Choudhury (DS Oct 6) refreshing and regenerating. What I take from his erudite piece is as follows: (i) the major political parties have failed to deliver their promises despite clear mandate from their constituents, (ii) the major political parties have exhausted their "goodwill" -- the so-called vote-bank, (iii) the minor political parties are inconsequential on their own -- this is further reinforced by the "first-past-the-post" electoral system that we have in operation in Bangladesh, (iv) a large chunk (over 50%) of voters are "sitting on the fence" not knowing which way to jump, (v) the major political parties (or, for that matter the minor ones too) are staring at a life-time opportunity to woo the fence-sitters with bold departures, and finally, other things being equal (that is, elections taking place and under free and fair conditions), (vi) a

hung parliament is a distinct possibility.

This brings me to my concluding thoughts. The window of opportunity (over 50% floating voters) that Mr Choudhury has alluded to fits in well with another provocative idea, and the main exponent of this is none other than our Nobel Laureate, Professor Mohammed Yunus. A few months back Professor Yunus declared his dream -- his vision of honest and clean men and women coming forward to be counted. He threw a challenge to the political parties to nominate such candidates and to give the electorate an opportunity to elect Members of Parliament who will put the national interest first. Professor Yunus echoed a national yearning for change -- a change in terms of personalities and policies, attitude and approach, content and character, reconciliation and reflection, forward-looking, and foresight -- qualities that Bangladeshis have in abundance. History is unequivocal on this point -- nations have moved forward primarily due to enlightened leadership.

So is leadership the missing puzzle in the "means and end" conundrum? Since 1971 Bangladesh has experimented with different types of government -- civilian, military, bureaucratic, democratic -- but they have failed to deliver either accountable government or good governance. The politicians have been given many opportunities but they have let the people down.

In Asia many countries, which used to at par with Bangladesh, have long since overtaken us and have moved into the middle-income league. As a nation this is a suicidal course -- pre-meditated action on the part of a few to cripple the nation forever. This is not unknown as

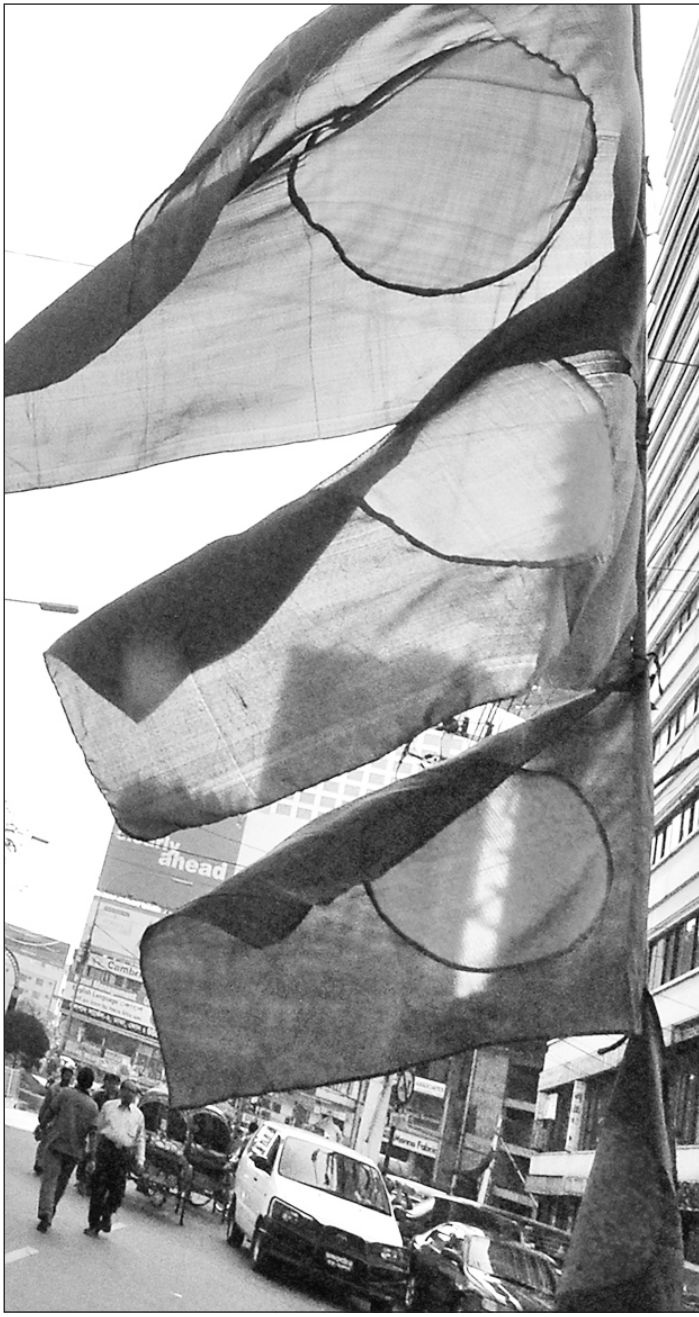
many countries are suffering from such poor political leadership but it is not a permanent phenomenon. Yews, Mahathirs, Mandelas, Pings are also to be found. The question is: "Do we have them in Bangladesh?"

As we approach another general election a window is ajar letting through a ray of hope. Professor Yunus and his likes, who have brought much goodwill and fame to an otherwise wretched Bangladesh, are enticing the nation with another simple but dangerous idea -- similar to his groundbreaking concept of micro-finance.

Over the last thirty years, micro-finance has achieved a silent revolution in the countryside of Bangladesh. The wretched women have become respectable and powerful. They have become the beacon of hope. The call for clean candidates can be another simple solution for Bangladesh to address the intractable issue of governance. The means of free and fair elections together with clean candidates could ultimately deliver the kind of government that could result in good governance.

Finally a winning formula! Good governance, I feel, is a function of clean candidates plus free and fair elections over time. Therefore

Manzoor Hasan is Director, Centre for Governance Studies, Brac University.



Bangladesh in the Next Eleven

MAMUN RASHID

BANGLADESH, with the sheer power of its large population and sustained GDP growth, could become one of the largest economies in the world. No, this is not passionate and wishful thinking of an emotionally biased patriotic citizen of this country, something which could have happened to any one of us after Professor Yunus and his Grameen Bank received for the Nobel Prize.

This was foreseen by one of the most respected and largest investment banks in the world, the venerable Goldman Sachs. In its Global Economics Paper, issue number 134 published on December 1, 2005, Goldman Sachs economic researchers have placed Bangladesh among the "Next 11" countries after Brazil, Russia, India, and China (BRIC), which have the potential to be substantial economies in the next decades.

If Bangladesh remains on track in economic reforms it could become the 22nd largest economy in the world in the year 2025, less than 20 years from now. The objective of this article is to share the content and lesson of this exciting Goldman Sachs research report with the inquisitive audience of Bangladesh.

In analyzing other countries that might have BRIC-like potential

Goldman Sachs focused on demographic profiles which drive much of the research. Without a substantial population, even a successful growth story is unlikely to have a global impact. Hong Kong will never be a global power, nor Luxembourg, despite the very high levels of income and living standards that they have achieved. Goldman Sachs calls this larger developing-country set the Next Eleven (N-11), though whether they will emerge is still an open question for many. This group shows broad representation by region and includes Bangladesh, Egypt, Indonesia, Iran, Korea, Mexico, Nigeria, Pakistan, Philippines, Turkey, and Vietnam.

Goldman Sachs ran projections of US Dollar GDP, real GDP growth, income per capita, incremental demand and exchange rate paths for each of these economies. The composite projections reveal that, by 2050, the largest economies in US Dollar terms will look very different from today. China would become the largest economy, followed by the US, India, Japan, and Brazil. Mexico becomes the sixth-largest economy, slightly ahead of Russia, though Russia still emerges as the wealthiest BRIC nation in terms of GDP per capita. Indonesia, Nigeria and Korea could overtake Italy and Canada by 2050, but the other N-11 members do not catch up with

the current G7 group. The rise of the N-11 will potentially be significant in absolute terms. Bangladesh ranks as the 22nd largest economy in the world by 2025.

In terms of income per capita, the picture is slightly different. By 2025, most of the BRICs and N-11 would be entering (or would have crossed) the US Dollars 3,000 threshold, a crucial sweet spot for consumption. By 2050, all of the BRICs and seven of the N-11 (Egypt, Iran, Korea, Mexico, Philippines, Turkey, and Vietnam) cross the high-income US Dollars 15,000 threshold. At the end of the period, Bangladesh's income remains by far the lowest of the entire group, at US Dollars 4,500. For the N-11 ex-Korea and Mexico, the productivity catch-up potential is even more important, as their demographics alone will not allow growth of BRIC-type proportions.

Deciding how plausible it is for a country like Bangladesh in the N-11 to be a candidate for a BRIC-type story, or somewhere close, highlights the importance of getting growth conditions right. A country's growth performance is a combination of its potential and its conditions. In general, developed countries have lower potential (they are already developed), but the chances of meeting that modest potential are good. Developing countries have much higher poten-

tial for rapid growth, but the difficulty is to achieve and sustain the conditions that allow that potential to be realized.

In order to rank countries' abilities to meet their growth potential, Goldman Sachs has developed a Growth Environment Score (GES) that aims to summarize the overall environment in an economy, emphasizing the dimensions that are important to economic growth. Relying on the large body of research on the determinants of economic growth, GES was constructed using 13 sub-indices, which can be divided into five basic areas:

- Macroeconomic stability: Inflation; government deficit; external debt.
  - Macroeconomic conditions: Investment rates; openness of the economy.
  - Technological capabilities: Penetration of PCs; phones; Internet.
  - Human capital: Education; life expectancy.
  - Political conditions: Political stability; rule of law; corruption.
- The basic notion is that strong growth is best achieved with a stable and open economy, healthy investment, high rate of technology adoption, a healthy and well-educated workforce, and a secure and rule-based political environment. The GES shows that some of the N-11 are quite well-placed.

Korea stands out as a better performer than the rest of the group. But Mexico and Vietnam (and to a lesser extent Iran, Egypt, and Philippines) also score relatively well currently in terms of growth conditions. At the other end of the spectrum, Nigeria, Bangladesh, and Pakistan all score relatively poorly. Turkey and Indonesia lie somewhere in between.

The Goldman Sachs report gives attention to two vital aspects. On the one hand, it talks about the tremendous potential Bangladesh holds to become one of the respectable economies of the world in the not-so-distant future. On the other hand, it also demystifies the growth conditions that need to exist for our economy to reach its full potential.

On the Growth Environment Score, Bangladesh stands among the group of the lower-performing countries. However, it is not the end of the story for Bangladesh. The tremendous amount of determination and resilience this country has shown in the past only reinforces the fact that it is also capable of substantially improving its growth conditions.

Bangladesh has already achieved remarkable success in developing human capital in terms of higher literacy rates, life expectancy, empowerment of women, etc. Technological capabilities have improved from the past but

still lags behind some of its other South Asia counterparts. Penetration of PCs, phones and internet into the villages of Bangladesh should be ensured through policy mandates. The macroeconomic stability factors in terms of inflation, government deficit, unemployment and external debt management have relatively been well-managed in Bangladesh.

This country has also opened itself up to the world faster than its immediate neighbours and has started to see the benefits through increased flow of foreign capital. However, the critical growth environment where we have to make major improvement is political conditions in terms of stability, rule of law, and corruption.

Prolonged fighting and division between the major political parties could cost the country the possibility of reaching the position of respectability in world economy, denying the expert forecasts of Goldman Sachs.

Mamun Rashid is a banker.

IN MEMORIAM

MM Rezaul Karim in London, 1971

ASFA HUSSAIN

IT was the summer of 1971. A year of uncertainty for all of us. The brick-faced apartment building in the leafy Kensington Park Gardens in the fashionable suburbs in the west end of London was buzzing with the then East Pakistanis waiting to greet and have a glimpse of M M Rezaul Karim who had just defected from the Pakistan High Commission in London for the cause of an independent Bangladesh.

They were there seeking leadership from an official to intensify the freedom movement and to lead them on in London. He pledged his allegiance to the Mujibnagar government and straight away set to work with proficiency and skill, establishing contacts and lobbying with different governments, oppositions parties in parliaments in different European capitals, organizations, and individuals.

At the time of defection, he was a Counselor in the Pakistan High Commission. Reza Bhai defected two days after the grand rally at Trafalgar Square which was also addressed by liberal party MP Peter Shore and other British community leaders. He was constantly in the media, projecting and advocating his arguments for nothing short of a free and independent Bangladesh and that a genocide in the eastern province of Pakistan was taking place. Reza Bhai was interviewed by David Frost on Panorama.

Justice Abu Sayeed Chowhury was the Special Envoy of the Mujibnagar government and was in London from time to time, he along with Reza Bhai, Mrs Lulu Bilquis Banu, Mrs Munni Rahman, Barrister Shahjahan, and others were a team to put forth their ideologies into action.

Reza Bhai worked relentlessly to pursue other East Pakistanis in the Pakistan Foreign Ministry to defect in favour of Bangladesh. It was indeed a difficult task to convince. He very adeptly with masterful negotiating skills did succeed in convincing many to follow suit.

Bangladesh became independent on December 16, 1971. Our green and red coloured flag was hoisted by Reza Bhai at the Bangladesh Chancery in Pembroke Gardens and he was the first Head of Chancery to head the Bangladesh Mission in London. It was a proud moment for us all.

On a cold, misty January morning of 1972, a blue and white British Royal Air Force aircraft carried the great freed leader of Bangladesh, Bangabandhu Sheikh Mujibur Rahman from the Pakistani prison to London en route to the youngest independent nation at that time. Rezaul Karim was there to receive the great leader and the father of our nation.

It was a historic moment and day in all our lives and especially for Reza Bhai. He accompanied Bangabandhu throughout his stay in London and shared many emotional and private moments with him. There were tears of joy and happiness for both of them.

After retirement, Reza Bhai chose to do social services in his ancestral home in Kushtia and take up writing for just causes and also to write his own memoirs. Somehow, he got involved in BNP politics and was an advisor in the present government. But he had courage enough to call a spade a spade.

In his home he had portraits of both Bangabandhu and President Ziaur Rahman on the same table. President Ziaur Rahman was a friend of the family and gave each of our husbands a share in what they deserved. I have known both the leaders since childhood and seen them visit our parents' home in Kolkata and Dhaka.

Reza Bhai divided his last publication into two parts, one paying tribute and stating his experiences working with Bangabandhu as prime minister and the latter to President Ziaur Rahman. The balance drawn in doing so was masterly in diplomacy. He did it with courage and fortitude.

It was often said to me and my husband by one late foreign minister of the previous government and others that, with his contribution in the Liberation War, he perhaps would be a lawmaker if he had chosen their side. Perhaps they are right.

He deserved better in the BNP as I know how laboriously and meticulously he did all their paperwork during the last elections in 2001. I am glad that in death the nation gave him the recognition of a patriot and a freedom fighter.

Asfa Hussain, freelance poet and writer, is MM Rezaul Karim's sister in law.

Ruling alliance report card

ABMS ZAHUR

IT is certainly heartening to know that: (i) Bangladesh is no longer a bottomless basket, (ii) she is more successful than India in certain areas of social developments such as infant mortality, child vaccination, and employment of women, (iii) her growth rate has reached 6.5%, and (iv) her school enrolment is at par with India and completions even higher.

Whatever the foreign media say about our growth or development, we should try to understand ourselves the actual situation on the basis of government statements in regard to following areas of human development during 2001-2006:

**Primary education:** The government claims that the present rate of literacy is 63%. International donor agencies have not yet accepted it. Despite increase in coverage (5.5 million) stipend for primary education, the impact is not yet clearly known. How far the increase in recruitment of female teachers has really benefited the educated female in general remains unclear because of

politicisation in recruitment. Recruitment remained controversial and quality of recruits questionable.

**Secondary and higher education:** No doubt there has been an increase in budgetary allocation for the ministry of education from an average of 15% to 19%, construction of 580 schools, 619 colleges, and 1,582 madrasas during the last five years. Despite this increased allocation and infrastructural development, there is no indication for improvement in the quality of the education. It is little puzzling that no proper attention has been given to modernise the madrasa education.

**Health services:** Despite addition of 6,525 beds, providing 288 ambulances and 285 X-ray machines it is not understandable as to how much the health service for common people has been improved. Health, nutrition, and population sector program has been implemented. Benefit to be accrued has not yet been evaluated. As such no comments can be made at this stage. However it appears that progress in the health

sector has not been satisfactory.

**Labour welfare:** A total of 266,338 labourers received free medical care, 201,000 received family planning consultancy and services and 902,668 got various entertainment services. 10,000 child labourers were inducted to non-formal education and skill development training. These achievements may not be considered as spectacular. However, they are worth mentioning because government could not be very generous in allocating resources to the ministry of labour;

**Social welfare:** Decision like increase in coverage (from 415,000 to 1.6 million) and amount of befit for each recipient (from Tk 100 to Tk 200) for the old people is commendable. Increase in amount of allowance to widow and abandoned women is also praiseworthy. Similarly, introduction of allowance to distressed freedom fighters may be regarded as a show of respect to President Zia. Increasing the number of completely disabled persons receiving living support assistance by 60,000 is praiseworthy.

**Empowerment of women and children:** No mentionable achievements. Progress may be considered as poor.

**Elimination of poverty and creation of employment:** As real impact due to increase in resource allocation is not known it may be premature to offer any comments at this stage. How far expansion of administration was justifiable is a moot question. In fact, ignoring the necessity for downsizing or rightsizing the administration may be regarded as a failure.

Some achievements may be noted in overseas employment such as revalidation of work permits of 13,000 expatriate workers in Malaysia for 5 years, raising of employment quota from 5,500 to 8,800 in South Korea.

Whatever claim for success may be made by the alliance government its performance cannot be accepted as satisfactory though specter of success may be traced in some cases. True, it is a bit difficult to work under an alliance government as compared to a government under a single party because of the need for accommo-

dating diverse opinions. Furthermore, a jumbo-size cabinet may be acceptable politically but it becomes unmanageable at times. The present government has proved the point. Lack of coordination and groupings among members of the cabinet were serious problems.

With more than two-thirds majority in the parliament this government should have started well if judicious choice of ministers could have been made. On the contrary, the ministries of home affairs, energy, and commerce could not function properly mainly due to wrong placement of ministers.

The role of the opposition is not acceptable. With only 58 seats in the parliament it is not clearly understood as to why they should opt for movements to force out the government holding more than two-thirds majority. Instead of street marchings or hartal they should have attended the parliament sessions despite non-cooperative attitude of the parties in power.

Even the suggestion for dissoci-

ation of BNP with JI is not very mature -- because if the members of the JI can be full citizens of Bangladesh why they should not be permitted to sit with AL in discussing national problems. Moreover, JI is a partner of alliance government. Such attitude of AL creates political restlessness.

The following factors may be identified for failure of the alliance government:

- Inefficient bureaucracy.
- Cabinet consists of mainly inexperienced and inefficient politicians.
- Lack of coordination in the cabinet.
- Concentration of too much of power in the PMO.
- Lack of cooperation from the opposition parties.

The alliance government has failed to achieve balance between development and extending benefits to the common people. Thus their overall performance may not be considered as satisfactory.

ABMS Zahur is a former Joint Secretary.