

Soul-searching in BNP welcome

Wholesale reform only way to save the beleaguered party

FIRST it was former education minister Osman Faruq who took issue with Begum Khaleda Zia's appointing her brother Saeed Iskander Vice-President of the BNP executive committee. With the murmur continuing against it, BNP chief is considering to retract and ask her brother to resign the post.

Then Dhaka Mayor Sadeq Hossain Khoka took a strident line suggesting reduction in the party chief's powers to take unilateral decisions. And now we have the most veteran BNP leader, former finance and planning minister Saifur Rahman voicing the need for ending family-centric politics and changing the party constitution to democratise the internal structure of BNP.

There has also been an open admission of mis-takes committed in the most crucial phase of our na-tional politics in the recent months. The recital of fol-lies included extension of the retirement age of judges, refusal to accept justice Mahmudul Amin as the chief of caretaker government, appointment of president lazuddin to head the caretaker government (CG) anti-thetical as it was to the very CG concept given that he was basically a party man and the appointment of jus-tice Aziz as CEC. The BNP's hell-bent insistence on pushing ahead with an election sans opposition par-ticipation knelt a death blow to any prospect for de-mocratic reconciliation.

One couldn't agree more with Saifur Rahman's pinpointing the extension of judges' retirement age as the cardinal mistake because of the regressive chain of events it triggered. Even so, there were opportuni-ties presented to make a way out but none of these were availed of

So the circumstances have forced a serious intro-spection in the BNP which if it had come about earlier on could have perhaps stemmed the tide of degener-acy the party fell pell-mell into. No voice of dissent was heard within the party in time to pull back from any impending mistake. So the detractors have their share of blame.

Essentially though there was a horrendous con-centration of power in one single person and despica-ble type of myopic irres-ponsibility characterising the exercise of that power. Little won-der, the admission of mistakes has come by way of a post-mortem. Now the BNP should be united in its resolve to reorganise the party along fully democratic lines to survive.

Violence in Karachi

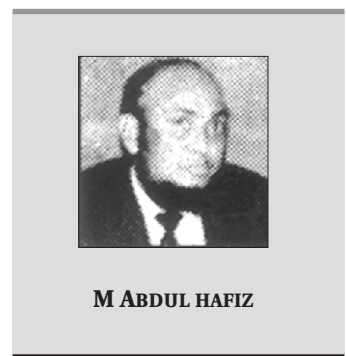
Musharraf must read the writing on the wall

THERE is a clear need for President Pervez Musharraf to step back from the brink. After the violence which claimed no fewer than thirty four lives in Karachi on Saturday, it has become obvious how the military ruler and his supporters have pushed Pakistan to a crisis that can only add to the many afflictions it already suf-fers from. Among those afflictions is the absence of a democratic order, a situation brought about by Gen-eral Musharraf's coup of October 1999. In these past eight years, he has hung on to office through a resort to various measures, including of course the time worn method of influencing shifty politicians on to his side. A faction of the Muslim League holds power but by his leave. And now it appears that the ethnic-based Muttahida Qaumi Mahaz, people brought together by their common status as descendants of Urdu-speaking immigrants in the post-partition period, has taken to supporting Musharraf's cause, whatever that cause may be. It was the MQM which unleashed its followers on the roads of Karachi on fans of dismissed Chief Justice Iftekhar Muhammad Chaudhry.

The bloodletting on Saturday will be seen, for all the right reasons, as a further decline in the fortunes of Pakistan's military ruler. There is already a widely accepted sentiment that Musharraf dismissed Chaudhry out of fear that the judge would block his moves for a fresh period in presidential office. On top of that, the persistent refusal by the president to doff his military uniform has continued to ruffle feelings in Pakistan, to a point where people believe that his con-stituency remains the army and not the politicians who back him. That belief is not without reason. But far more important than the base on which General Musharraf operates is the fact that he refuses either to give up power or create the conditions which will lib-eralise the narrow parameters of politics he has put in place, clearly for his own benefit. In these past many weeks, increasing levels of authoritarianism have been demonstrated by the president, in marked contrast to the liberal, modern image he originally conveyed when he first seized power from a corrupt Nawaz Sharif government. He has gone after his opponents with frenzy. His move against the chief justice was a blatant attempt at creating a pliant judiciary.

It is time for President Musharraf to read the writ-ing on the wall. The history of the rise and fall of mili-tary rulers in Pakistan ought to be a guide to what he can do to help himself and his country out of the pre-sent crisis.

The ensuing race for White House



M ABDUL HAFIZ

THE campaign for the 2008 US presidential election has begun. And it's going to be perhaps the longest campaign for the race to the White House in US history. A weird electoral phenom-enon has been taking place in United States over almost the last two decades with regard to the date for launching the race. This has gradu-ally moved backwards, making the race unusually lengthy.

This time the trend has resulted in the ridiculous spectacle of the candidates already assembling at the starting line -- literally the day after the elections for the US Congress was held last November. By now, the leading candidates for both the Republican and Democratic parties are actively fund-raising, forming election com-mittees, and even going out on

PERSPECTIVES

Sadly, the election process in the United States has been corrupted by big money. Whoever pays the piper, calls the tune -- the saying goes. Although there are strict campaign finance laws in the books, the corporations and rich people always find ways around them. However, the election in the US is tainted by only one M -- money power, unlike in our clime where two Ms -- money and muscle power -- dominate the election.

campaign trails. There seems to be a long, long road ahead for all of them.

One obvious reason for the hurry is, of course, money. It is estimated that each candidate will spend \$1billion on the presidential elec-tion this time. To raise this huge amount of money in order to stay in the race, one needs to do it better and quicker than others.

So, in the race to get in touch with the right people to get money, each of the candidates is desperately trying to outdo the others. It doesn't end there. Also, the quicker a candi-date gets his or her act together, the brighter are the chances for media coverage -- another indispensable ingredient for success.

On the Democrat side, the sup-posed frontrunner for getting the party's nomination is New York Senator, Hillary Clinton. If she gets the nod, every presidential election since 1980 will have had either a Clinton or a Bush as a presidential or vice-presidential candidate: George Bush senior, Bill Clinton, George W Bush and then Bill's better half (yet only South Asian politics is characterised or stigma-tised as dynastic politics by Western commentators!).

Hillary is in the bizarre situation of having both, the advantage of having an incredibly famous and politically savvy hubby and the disadvantage of being associated with a controversial personality who is responsible for the prolifera-tion of some of the raging problems, particularly in the Middle East.

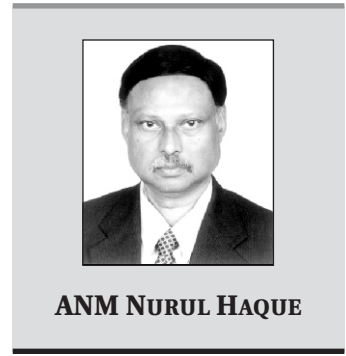
One can also mention her draco-nian sanction in Iraq, and the undoi-ing of the Oslo process through infamous second Camp David. In addition, a lot of people find Hillary herself harsh and cold. She is, how-ever, a formidable candidate, and in a recent opinion poll she was ahead of other candidates.

But Illinois Senator Barack Obama, an African-American, may make Hillary's path difficult. Obama's assets are his unique back-ground of having a Kenyan father and white American mother, his charisma and, interestingly, his comparative lack of political experi-ence.

If either Hillary or Obama wins the nomination, and subsequently the election, it will be historic. Because neither a woman nor an African-American has been ever elected to the highest office in the US.

Other candidates are trying to catch up with the duo, notably former North Carolina Senator, and John Kerry's 2004 vice-presidential running mate, John Edwards. He displayed a bit of the Kennedy touch in the election.

Some home truths on two ladies



ANM NURUL HAQUE

BNP chairperson and former prime minister Khaleda Zia, surprising everybody, welcomed officially the homecoming of her arch political rival AL president Sheikh Hasina, setting a rare example in the country's political history of the recent past. Sheikh Hasina finally returned home on May 7, after an eventful episode, following the interim government's move forcing her to stay abroad.

The two top political leaders of the country, Sheikh Hasina and Khaleda Zia, attended a reception program together, at Senakunja on November 21 on the occasion of Armed Forces Day, after a long time. The photojournalists and reporters kept a sharp watch on them to see whether the two leaders exchanged smiles or pleasantries, which would have been a bit of a relief for the nation in the on-going political stalemate.

Though the two leaders sat in opposite aisles, facing each other under a canopy, and the distance between them was hardly 15 yards, they did not even exchange looks. When asked by the journalists for a comment on why the two major political figures did not exchange even a word, the BNP chief said that

BY THE NUMBERS

If anything in the last five years put all of us to shame, it was the personal animosity and rivalry of these two ladies, whom the media across the world branded as the "Battling Begums." Very few people will disagree that we essentially need upright and uplifting leadership for getting out of the morass we are now in. The two ladies, who ruled the country successively for the past fifteen years, have had their chance in the musical chairs around the seat of power. Qualitative change in the leadership, a demand very close to everybody's heart, will remain a far cry if we miss the opportunity to cleanse politics.

she talked to all the guests. The AL chief, however, said that she was happy to be at the event, as she had been barred from it for the last five years. Both the leaders were found greeting other party leaders and exchanging pleasantries with them, while constantly avoiding each other.

Both, the former prime minister Khaleda Zia and leader of the opposition Sheikh Hasina, spent ten-sion-free days in foreign lands when the nation was groaning in agony caused by the political stale-mate over the electoral reform issue. The people took it as cruel time. The photojournalists and reporters kept a sharp watch on them to see whether the two leaders exchanged smiles or pleasantries, which would have been a bit of a relief for the nation in the on-going political stalemate.

Though the two leaders sat in opposite aisles, facing each other under a canopy, and the distance between them was hardly 15 yards, they did not even exchange looks. When asked by the journalists for a comment on why the two major political figures did not exchange even a word, the BNP chief said that

On the Republican side, there are two very interesting figures. Arizona Senator John McCain is a Vietnam veteran who spent more than five years in a Vietnamese prison. Thanks to his maverick political stance, he is more popular with the public than with the Republicans.

His main challenger is former New York city mayor, Rudolph Giuliani, whose major claim to fame is that he was in charge during the 9/11 Twin Tower disaster, and managed to convey an image of steadfastness and decisiveness. His arrogant disposition, however, neutralises these attributes.

Sadly, the election process in the United States has been corrupted by big money. Whoever pays the piper, calls the tune -- the saying goes. Although there are strict campaign finance laws in the books, the cor-porations and rich people always find ways around them. However, the election in the US is tainted by only one M -- money power, unlike in our clime where two Ms -- money and muscle power -- dominate the election.

As a result, in the US the cam-paigns are often rapid, antiseptic exercises that are distinctly issue-free, with the 1996 Clinton-Bob Dole presidential face-off perhaps being the best recent example. On

gladesh: State of Denial" in its June 18, 2005 issue, with a cartoon of Khaleda Zia and Sheikh Hasina, suggesting a brawl between them. It is, in fact, the manifestation of the belligerent behaviour of our two supreme political leaders that has put the nation to lots of shame. But ironically, the leaders concerned are yet to sense this.

We find a strong tradition of tolerance, compromise and consensus among political rivals across the world. Like in Bangladesh, US politics has also been dominated by two major parties -- the Democrats and the Republicans. Since 1790s, the US has been run by one of these two major parties.

In the 2004 US presidential election, John Kerry was defeated by George W. Bush by a very marginal difference in votes. Moreover, there was a strong allegation of vote rigging against Bush. Despite all these things, John Kerry congratulated Bush for becoming US presi-dent, and still they have a wonder-ful sense of national unity and political decorum.

Sonia Gandhi, the president of the Congress, chose not to become the prime minister of India, even after winning a stunning victory in election. "The post of prime minis-ter is not my aim," she said while humbly declining the post.

British Prime Minister Tony Blair has announced that he would resign on June 27, ending a tumultu-ous decade in power as one of the Britain's most successful leaders. Blair won three general elections, and originally promised to serve a full third term of office, which would have kept him in office till 2010. "I have been prime minister of this country for just over 10 years. In

this job, in the world today, I think that is long enough for me," said Blair while announcing his decision to resign. There are lots of things our two ladies may choose to learn from US and India.

We can also cite lots of examples of cordial relationship between political rivals in our country. Legendary leaders Bangabandu and Moulana Bhashani main-tained cordial relationship with political rivals all through their lives.

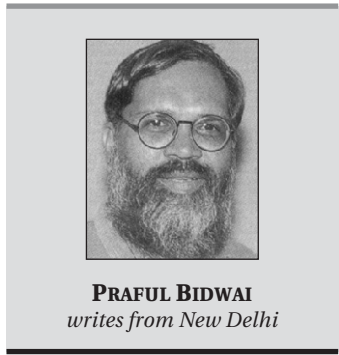
The intransigence of the two ladies makes matters worse in our conflicting democracy. Moreover, their oversized egos and quixotic whims virtually place them at daggers drawn. Eventually, it is the people who have to bear the brunt of their vindictiveness. Our politi-cal leaders also need to be remodel-ed, like political reforms.

If anything in the last five years put all of us to shame, it was the personal animosity and rivalry of these two ladies, whom the media across the world branded as the "Battling Begums." Very few peo-ple will disagree that we essentially need upright and uplifting leader-ship for getting out of the morass we are now in.

The two ladies, who ruled the country successively for the past fifteen years, have had their chance in the musical chairs around the seat of power. Qualitative change in the leader-ship, a demand very close to every-body's heart, will remain a far cry if we miss the opportunity to cleanse politics.

ANM Nurul Haque is a columnist of The Daily Star.

India's own "crony capitalism"



PRAFUL BIDWAI
writes from New Delhi

CRITICS of India's growth model here have long argued that it's based on a collusive business-government relationship and has produced terrible social imbalances.

On May Day, Prime Minister Manmohan Singh himself admitted this in an unusually reflective note. Speaking in Delhi, he said that he was "puzzled" by persistent regional imbalances and that most Indian businessmen operated in "oligopolistic markets and in sectors where the government (gives) them special privileges."

Dr. Singh asked: "Are we encour-aging crony capitalism? Is this a

Crony capitalism's success is starkly evident in the growth of India's "high net-worth" individuals, whose disposable income exceeds \$ 1 million. Their number grew from 61,000 to 83,000 between 2003 and 2005. More shamefully, India has, according to Forbes magazine, the world's fourth highest number of billionaires. The wealth of these 36 individuals equals one-fourth of India's GDP! India has 3 of the world's top 20 billionaires, compared to the US's 5.

necessary but transient phase in the development of modern capitalism? Are we doing enough to protect consumers and small businesses from its consequences?"

Dr. Singh's self-critical observa-tion is welcome. He's right in saying, "we cannot depend only on a few large industrial houses and capital-ists for driving our industrialis-ation..." His warning about "oligopolistic markets" is timely.

Yet, Dr. Singh seemed to be trying to pre-empt serious criticism of elitist policies, which would lead to their correction. His description of "cronyism" as a "necessary" phase in India's capitalist development gives it the ring of inevitability.

Cronyism has proved abiding for decades -- whether during the

much-maligned "licence-permit raj" of the 1970s, or its partial dis-mantling in the 1980s, or under full-throttle liberalisation launched by Dr. Singh himself in 1991.

Cronyism's forms have changed. Three decades ago, it meant grant-ing out-of-turn licences. In the early 1990s, cronyism consisted in tempo-rarily amending regulations to benefit certain magnates, and rewriting ground-rules of privatisation. This happened in basic telephony, when licensing fees were written off. Today, it means establishing Special Economic Zones, promoting hypermarkets, and allowing companies to borrow \$22 billion abroad at low interest.

Dr. Singh's criticism of cronyism was diluted further by his remarks

are Co. to transfer its mining lease to POSCO. This is cronyism with a vengeance. Dr. Singh's discourse about cronyism, then, is a half-apology, mixed with a little regret -- a mere shrug of the shoulders.

No less important, the "crony-ism" confession comes from a person who, with due respect, is himself a crony. Dr. Singh wouldn't have been appointed finance minister in 1991 without prior approval of international financial institutions (IFIs) like the World Bank and IMF.

Former Prime Minister, P.V. Narasimha Rao, an intelligent but deeply cynical man, decided to obey the IFIs. After the collapse of the Soviet Union, he felt, Non-Alignment had no future; India must play the only game left -- neo-liberalism.

Dr. Singh, a long-standing friend of the IFIs, zealously played the cronyism game -- not least by appointing other cronies like Mr. Montek Singh Ahluwalia and Mr. P. Chidambaram to key positions in 1991-95, and then again under the United Progressive Alliance in 2004.

Putting top bureaucrats dedi-

cated to neo-liberalism into key ministries was integral to the pro-cess. They included Messrs N.K. Singh, Vijay Kelkar, Rakesh Mohan, R. Vasudevan, R.V. Shahi, Anwarul Huda, Arvind Virmani, Ashok Desai, S. Narayan, Tejinder Khanna, Y. Venugopal Reddy, to mention only some.

Equally important were "revolv-ing doors:" former IFI employ-ees/consultants would join as secre-taries of ministries. Indian bureau-crats would also join the IFIs upon retirement or on deputation. At one time, 21 out of 27 economic bureau-crats passed through such "revolv-ing doors!"

This economic change was reflected in foreign policy, too. India moved closer to the United States. The process, begun by Rao, acquired momentum under the National Democratic Alliance. It's now peak-ing under the UPA, with the India-US nuclear agreement, and India's willingness to cut a deal in the World Trade Organisation behind the backs of other developing countries.

A glaring instance of today's cronyism is the appropriation of vast

powers by Planning Commission deputy chairman Ahluwalia, a hard-ened World Bank-IMF crony. The Commission has never been more powerful than it is today -- ironically, under anti-planning policies.

Mr. Ahluwalia decides everything -- whether the Northeast will develop or not, how many districts will Rural Employment Guarantee cover (without adequate funding), and whether primary schools will run.

Since 1991, the Indian state has mollycoddled business through massive tax breaks. Indian compa-nies pay just 17% tax on their profits, less than one-half the rate in the West. No wonder, cars and air condi-tioners cost less in absolute rupees than they did 10 years ago -- inflation notwithstanding.

Crony capitalism's success is starkly evident in the growth of India's "high net-worth" individu-als, whose disposable income exceeds \$ 1 million. Their number grew from 61,000 to 83,000 between 2003 and 2005.

More shamefully, India has, according to Forbes magazine, the

world's fourth highest number of billionaires. The wealth of these 36 individuals equals one-fourth of India's GDP! India has 3 of the world's top 20 billionaires, com-pared to the US's 5.

At the other pole, there is steady accumulation of destitution, aggrava-ted by dispossession and displace-ment. The neo-liberal years have seen the slowest rate of reduction in poverty. India's global human devel-opment rank is a miserable 126.

Indian growth is increasingly mal-distributed. Capitalism always builds on the best -- the most devel-oped regions. SEZs will further aggravate disparities. So it's com-pletely hypocritical of Dr. Singh to say he's "puzzled" by growing dis-parities. They follow directly from his own policies.

If he wants this to change, the UPA must tax the rich more, rein-force the death duty, and launch an incomes policy, which sets upper limits on salaries and bonuses. It must also promote public invest-ment in backward areas. Only then can cronyism be cured.

Praful Bidwai is an eminent Indian columnist.