

Energy crisis management

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THE present Caretaker Government (CG) has initiated a number of long overdue public actions, including power generation. However, all these actions do not necessarily appear to be well-thought out. Rushing to different size power plants, proposing import of electricity from India and Nepal, withdrawing subsidy from petroleum oil and lubricants (POL) without measures for substitution, and reconsidering coal policy, demonstrate the confusion and (again) the typical ad-hoc approach to crisis management while gas, for example, which is not yet in a crisis state but of strategic importance is benignly neglected. The other strategic flaw in energy policy and planning is the supply management approach to meet new challenges.

The CG has recently approved seven small independent power plants (IPPs), in expectation that implementation of these would be faster. The conditions on the ground suggest that commissioning of these IPPs is not possible (if, not impossible) by end-2008 as expected by the CG. On the other hand, the economics of IPP is not very encouraging. The issue is further compounded by international/national private sector participation. Lessons should be learned that private sector investment is efficient only when there is a regulatory regime which is adequate and efficient.

It is public information that India itself is an electricity deficit country, although there is some excess generation in the Northeast (not in West Bengal). Nepal and Bhutan have large hydropower potential, estimated at 83000 MW and 30000MW respectively, but none has any excess electricity that Bangladesh can import now.

India has recently agreed to finance a 3,000 MW hydropower project in Nepal. Implementation of this project will take at least five years. Besides, it is most unlikely that Nepal would export any electricity from this project to a third country, i.e. Bangladesh.

Bangladesh has some coal reserves, but it is not necessarily a resource. Resource is defined in terms of commercial viability. For example, North Sea oil will not be considered as a resource if international oil price falls below its production cost, which is six times higher compared to Middle-East.

The CG is reportedly reconsidering the coal policy. It would be a futile exercise unless "resource" is defined first. The new policy should also consider stopping coal production at Barapukuria, since the cost of production is \$90/MT while it costs \$50/MT only to import. The other key issue is the technology. Only 30% of deposits can be recovered by underground mining (e.g., Barupukuria) against 90% by open pit mining (e.g., Phulbaria) -- which is not however acceptable for land, resettlement and

environmental reasons.

Gas exploration in the country has been limited, although the finding rate is considered to be the highest in the world. Government estimates of current gas reserve vary between 8.4 TCF and 14 TCF while, according to an undisclosed study, it is as high as 103 TCF (1999). Increased international interest in Bangladesh's gas is indicative of this.

The US Department of Energy also acknowledges Bangladesh's becoming increasingly important in the international energy market. Bangladesh is perhaps floating on gas, but inadequate policy and hasty deals may subject the nation to exploitation. Nigeria is a classic example. A lesson should be also learned from Indonesia's management of oil resources, which has not been satisfactory, compared to neighbouring Malaysia.

The recent POL price hike in the international market encouraged rich and poor countries alike to develop alternative fuels, including bio-diesel for both economic and climate change reasons. This led to the formation of a forum early this year, of five countries, namely, USA, Brazil, South Africa, China and India, to promote bio-diesel (and, ethanol).

In India, there is a buzz everywhere about bio-diesel. The craze is further fueled by EU's offering 20% tax cut, and also 43 euros/hectare to farmers (under a minimum 10-year contract).

Success of the pilot projects is encouraging. However, it might not be so in the long run, given the magnitude of poverty, unemployment and malnutrition in India.

What would happen if all the wastelands are taken away for (Jatropha) plantation? What would happen if agricultural lands are also claimed in phases, compromising food for energy? Conditions in Bangladesh are more challenging. We are a chronic food deficit country. We have a small land area and hardly any wasteland. We have to think bio-diesel twice before its promotion.

The government must recognize that there is no short cut to energy security. The only option, which can generate immediate result is "negawatts." It focuses on using electricity efficiently, e.g., Australia recently banned tungsten bulbs to make room for energy saving bulbs. More efficient use is already America's biggest energy source -- not oil, gas, coal, or nuclear power.

By 2000, reduced "energy intensity" (compared with 1975) was providing 40% of all US energy services. It was 73% greater than US oil consumption, five times domestic oil production, three times total oil imports, and 13 times Persian Gulf oil imports. The lower intensity was mostly achieved by more productive use of energy (such as better-insulated houses, better-designed lights and motors, and cars that were safer, cleaner, more

powerful, and got more miles per gallon), partly by shifts in the economic mix, and only slightly by behavioural change.

Such energy efficiency programs can save large amounts of energy and money. Also, it has an added benefit of creating new employment opportunities. In the US, 2.1 jobs are created in negawatts compared to 1.0 job for an equivalent amount of BTUs in new energy production.

Regarding power crisis, it is misleading to say that the country has a 800-1000 MW deficit. What this actually means is the difference between installed capacity and production. Actual deficit, or need for power, is much higher. The Ministry of Energy, using old data, has recently prepared a demand projection for the next twenty years.

The government is also reportedly reconsidering the coal policy. All these initiatives look like desperate attempts to put the cart before the horse. What the government needs is the preparation of a comprehensive energy policy, not separate policies for electricity, coal and gas. The policy should be guided by a vision, e.g., what Bangladesh should look like in the year 2050 when population is likely to be stabilized at around 300 million.

The policy must foresee, in view of energy security, what should be the ideal energy-mix, and accordingly consider options including negawatts (immediate); imported coal for elec-



tricity generation (unless adequate carbon credit is provided by the developed countries); production sharing contract(s) with Nepal and Bhutan for hydropower (medium term); and, generation of nuclear power (long-term) to address new challenges.

In consideration that the country is currently in a power crisis and there is no short cut, the government should proactively pursue two actions which can be achieved in a relatively much shorter time. Firstly, megawatts -- based on the lessons learned from US, Australia and many other countries; and secondly, minimize dependence

on POL by increasing use of compressed natural gas (CNG).

Bangladesh meets all its POL demands through import. Diesel constitutes more than 80% of POL, of which 82% is consumed by the transport sector. According to Bangladesh Road Transport Authority (BRTA), more than 80% of the vehicles in the country are registered in Dhaka. This niche market should be served adequately and efficiently by CNG, which should not be an impossible task for the CG to achieve within next twelve months or less.

A recent study under the Air Quality Management Project (AQMP)

financed by the World Bank suggested huge indirect savings if the government distributed CNG refueling equipment, buses, kits and cylinders at no direct cost to the entrepreneurs.

The government should also give top priority to management of (sensitive) gas resources. A plan of action should be prepared to provide every household, manufacturing unit and service industry as applicable with access to gas. Savings will be much higher than gas export revenue incomes.

Getting serious about education (part 2)

MANZOOR AHMED

A strong presence of erstwhile senior decision-makers in the roundtable on education on April 28 generated a debate about what progress has been, or has not been, made in recent decades. However, interestingly, there was a substantial agreement on the areas that demanded urgent attention.

The large majority of the roundtable participants had little difficulty in agreeing on several critical concerns and the need for a new kind of government leadership that harnessed all of the capacities and assets in the nation, within and outside the public sector, to address the concerns.

Broad categories of actions were identified as the priorities related to expanding access, reversing inequities in opportunities and guaranteeing acceptable quality. These also included norms and practices in education governance, building capacities of teachers and managers, and reforms in the organizational structures and human resource management in the education system.

Ensuring minimum quality standards in all streams

The parallel streams of education at the primary and secondary stages -- represented by mainstream schools, madrasahs, and private English

medium schools -- symbolised the inequity in society and the education system. Moving towards minimum standards of quality in primary and secondary education in all the streams is an obvious priority.

The strategies for achieving common quality standards, most participants agreed, will include a core curricular framework and minimum criteria for facilities and teachers in all streams. Serious efforts have to be made to ensure bilingual proficiency in Bangla and English, with math, science and computer literacy for all. Expanding early childhood opportunities, especially for children from disadvantaged groups, would help in establishing a common level of preparedness for formal education.

Major decentralisation

Highly centralised management of the public education system has been identified as an obstacle to reforms in education, but rhetoric galore about it has not been translated into concrete measures. Taking steps towards major decentralisation, local planning and greater school level authority with accountability constitute essential measures for improving quality and equity and fulfilling the right to education.

To ensure success in this effort, it

would be necessary to undertake piloting in each division for school, upazila and district planning, decision-making and devolution of authority with accountability. This initiative has to involve NGOs and academic institutions in piloting, research and development.

Information for good education governance

Lack of information about plans and budgets in government projects at national and local levels contributes to corruption and waste. Updated information on websites, regular public discussion and reporting about plans, progress and spending in development activities at school, union, upazila, and district levels can be the means of better monitoring and public participation in educational development, especially in the context of decentralised management.

Resources for education

Inadequacy of resources for essential quality inputs in primary and secondary education, the criteria and rationale for allocation of public resources and their effective utilization are all problem areas. Apart from substantially increasing public resources, serious consideration needs to be given to allocations on the basis of child population in each upazila, and

utilizing these, together with non-public resources, to achieve quality and equity objectives based on local, decentralized and school-level plan-

ning.

Relevant vocational/technical skills and



lifelong learning

This has been a neglected area. A new programme needs to be initiated to expand vocational/technical skills at the basic level through a network of community and NGO-managed multipurpose learning centres, and at a higher level, through institutions with authority to offer flexible courses according to market needs, in partnership with employers and the private sector.

Professional capacity building

Management of human resources in the education system has remained archaic, without regard to the need for professionalisation of specialised functions. To achieve the necessary changes in personnel policies and practices, a ten-year plan is necessary to encourage professionalism with greater authority in key operational and support agencies, such as, the Directorates, Boards of Education, Nape, Naem, Curriculum Authorities etc., along with general devolution of authority to local and school levels.

A permanent national education commission

"Adhocism," lack of transparency, and scant follow-up of recommendations have been the characteristics of the education policymaking process and

policy recommendations. The solution that has been adopted in many countries, including India, Thailand and Indonesia, is a statutory permanent National Education Commission, or a similar body (answerable to the Parliament), to guide, monitor and assess on a continuing basis major reforms and changes that government has to embark on.

One National Ministry of Education

The well-intentioned separation of primary and mass education from the Ministry of Education and its placement in the prime minister's office led to a higher degree of politicisation of education decisions and created problems of coordination and articulation.

A National Ministry of Education, with responsibility for all education, to ensure continuity in curriculum, teacher training and assessment of learning, and to achieve educational reforms and human resources goals in an integrated manner, must considered.

Each of these areas of priority action calls for a serious step-by-step process of deliberation, planning and implementation. Some organisational changes, such as a national Ministry of Education and a statutory National Commission on Education, may have

to await decisions by a future elected government. But pragmatic and interim solutions can be found.

Under the present caretaker government, one adviser, in any event, is in charge of the entire education sector. An interim body can be appointed anticipating a statutory National Commission in the future.

The ongoing education development programmes and projects need to be re-examined in the light of the priorities outlined above. The mid-term review of PEDP II, planned for October this year, offers an opportunity in this respect. The major challenge is to find new modalities of partnership between the government and NGOs and the academic and research institutions so that all experiences and capacities in the country can be put to use fully to achieve the national goals.

In other cases, such as the secondary education and non-formal education projects assisted by external funding, the development partners are likely to be supportive of any serious effort by the government to plan actions and their effective implementation with a clearer articulation of priorities.

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A president's ultimate test

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WHEN friends heard that I was writing a book on presidential courage, some of them turned snarky: "Was there ever such a thing?" they would ask. They presumed that all of our presidents have been versions of what seems to be the modern politician -- obsessed by polls, focus groups and fund-raising, chasing the holy grail of popularity.

But, in fact, if you explore American history you will find that at crucial moments we have been startlingly dependent on having a chief executive who demonstrates what I call presidential courage -- the bravery and wisdom to risk his popularity, even his life, for a vital, larger cause.

In tranquil times we have survived presidents like Warren G. Harding, whose supreme ambition was to stay popular. But these times aren't tranquil. Our soldiers are fighting in Afghanistan and Iraq. We face the specter of a nuclear North Korea and Iran, and worldwide terrorists.

During the next president's term, there may be one blinding moment when we desperately need a president to make the same kind of self-sacrificing decision that courageous predecessors did.

America would be a very different place without presidential courage. If Andrew Jackson had not halted the increasingly powerful, corrupt Bank of the United States and its vengeful chief, Nicholas Biddle, in 1832, we might be governed today not from Washington but by an omnipotent, un-elected Philadelphia banker.

In August 1864, Abraham Lincoln's

campaign managers told him he had no chance to win a second term that November. Many Northern voters were willing to keep fighting the Civil War to bring the South back into the Union -- but not to free the slaves. Lincoln was grimly advised to renounce his 1863 Emancipation Proclamation.

Though briefly tempted to weasel away from the proclamation, Lincoln looked into his soul and decided, in the words of his old Kentucky hero Henry Clay, that: "I'd rather be right than be president." As it happened, with an assist from Gen. William Tecumseh Sherman's well-timed conquest of Atlanta in September, Lincoln won his second term. He got to be both, right -- and president. But he could not escape assassination by someone who hated him for liberating the slaves.

When Franklin D. Roosevelt in 1940 prepared to ask Americans for a stronger defense against the danger of Adolf Hitler, his handlers reminded him that the country was isolationist and such boldness would jeopardize his third-term campaign.

Roosevelt overrode that advice. He presided over American history's first peacetime draft call -- a week before the 1940 election. His isolationist ambassador to London, Joseph Kennedy, bluntly told him: "You will go down either as the greatest in history -- greater than Washington or Lincoln -- or the greatest horse's ass." FDR replied that there was "a third alternative": if he didn't strengthen America's defenses, Roosevelt said, Hitler could rule the world and "I may go down as the president of an unimportant country."

For his first two and a half years in

the Oval Office, John F. Kennedy was afraid to send a major civil-rights bill to Congress. But by May 1963, as riots engulfed Birmingham, Ala., Attorney General Robert Kennedy flatly warned his brother that other American cities -- especially in the North -- would burn unless he acted soon.

JFK responded by sending Congress the greatest civil-rights bill in a century. That instantly cost him the backing of millions of white Southern voters who had narrowly elected him in 1960. JFK told Bobby he might "lose the next election because of this," but maintained, "If we're going to go down, let's go down on a matter of principle."

None of these presidents was a saint. The leaders I've written about were all anxious, self-protective, tormented politicians who tried to avoid walking through fire. But without Lincoln's brand of presidential courage, it might have been the end for the United States of America: without FDR's, the country might not have survived the perils of Hitler and imperial Japan, and minus Kennedy's, the civil-rights revolution could have torn the country asunder.

For America's first century and a half, presidents were buffered from political pressures by the absence of instant polling, cable TV, e-mail, and the need to raise oceans of money. Presidential nominations were granted by party leaders who could attest, usually from decade-long relationships, that their nominees had the character not to be ruled by what was popular.

In today's front-loaded, sound-bite-oriented nominating process, the burden is more than ever on voters to decide whether a candidate, if elected,

will be likely to face down political pressures at a critical moment in the way these earlier, brave presidents did. How can we tell?

You can't predict for certain how a human being might behave once elected president. But one clue is whether there are aspects to a candidate's life that are more important than holding on to the presidency at almost any cost.

Family could be one of them. On Election Day 1904, while biting his nails over the outcome, Theodore Roosevelt told his wife: "It makes no difference how it goes. I have had a vision -- and it was of you and the children. Nothing matters as long as we are well and content with each other." (Roosevelt won.)

Another indicator is whether the candidate has some deeply held faith that is larger than politics. That faith might be religious. Theodore grounded himself by reading his Bible every night, often weeping. Lincoln relentlessly tried to discover "God's purpose." In a note found in his desk after his death, he marveled that if God actually backed either the North or South in the Civil War, "he could give the final victory to either side any day. Yet the contest proceeds." Or it might be faith in the wisdom gleaned from predecessors. Harry Truman said he could never have functioned had he not read his eyes out about leaders who came before him.

Strongly held philosophies are also telling. FDR loved being president, but he loved protecting freedom more. Ronald Reagan long insisted he would bargain with any Soviet leader who really wanted to end the cold war. When he vouched for Mikhail

Gorbachev as a genuine seeker of peace he was perfectly content to infuriate his most hard-line supporters, who denounced their ex-hero as a sentimental "idiot."

The way we choose presidents now can penalize the courageous. As early as 1955, Sen. John F. Kennedy complained that politics had become "so expensive, so mechanized and so dominated by professional politicians and public-relations men" that "any unpopular or unorthodox course arouses a storm of protests."

This was long before presidential candidates were compelled to show their seriousness by raising \$50 million or \$100 million each. It is hard to imagine Andrew Jackson going after Biddle's bank if he had to raise that kind of money to become president.

For a leader's decision to meet the standard of presidential courage, most Americans 20 or 30 years later must agree, with hindsight, that the decision was not only daring but historically wise. When Richard Nixon expanded the Vietnam war into Cambodia in 1970, he boasted that he had overruled the doubts of his top advisers.

We know now that Nixon's action prolonged a hopeless war and opened the way for Pol Pot's genocide -- hardly an act of courage. George W. Bush's most controversial decision as president may suffer the same fate. Even the most diehard Bush supporters will not deny that future generations may agree with today's majority of Americans that his Iraq war was a tragic mistake.

Bush has insisted that, when making important decisions like going to war in Iraq, he does not fret about their impact on his popularity. However, his critics will cite, for example, the advice

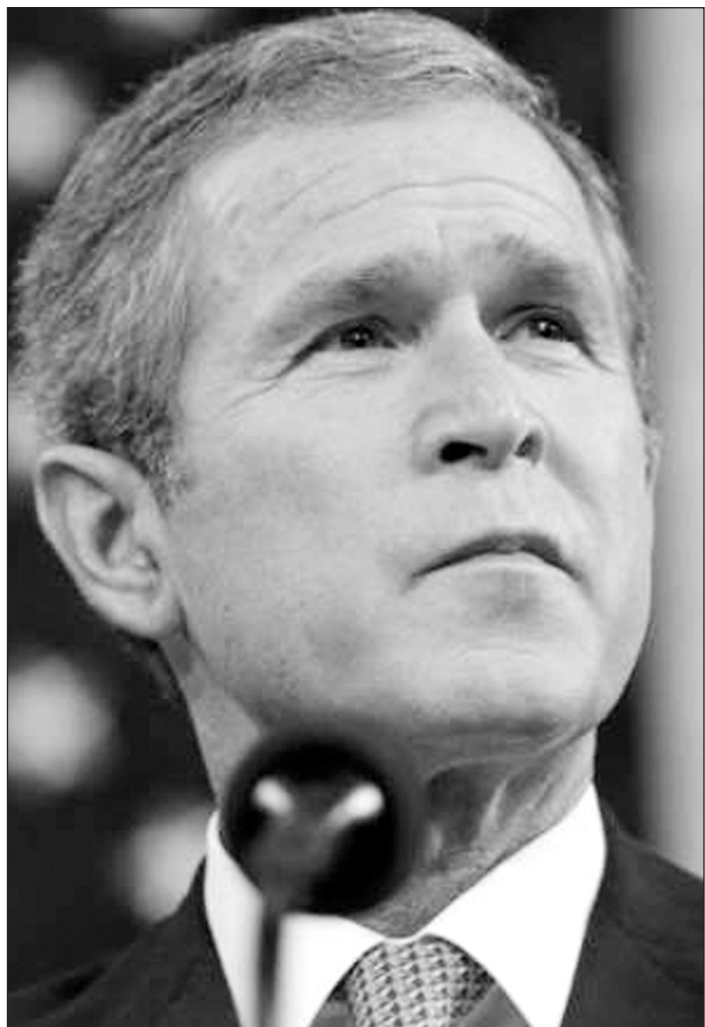
to Republican candidates found on Karl Rove's misplaced 2002 diskette to "focus on the war" for political advantage. (John Adams had the Bush-Iraq experience almost in reverse.)

In 1800, Adams incensed his Federalist Party leaders by refusing their demands for war with France. In response, they let Adams be thrown out "like polluted water" on Election Day. He went home to Massachusetts deeply depressed, but knowing he had avoided a ruinous conflict. In words that will resonate with many Americans today, Adams declared: "Great is the guilt of an unnecessary war."

Nothing in the Constitution says we have to elect a leader capable of presidential courage. That expectation was established by George Washington. In 1795, the old hero worried that the British would strangle his new nation in the cradle by escalating war on the Atlantic and inciting the Indians against new American settlers. To stop the danger, he sent John Jay to London to negotiate a peace treaty.

Many Americans found the concessions in Jay's treaty humiliating. On his return, Jay said he could walk the length of the United States at night by the light of his effigies burning. Some Americans demanded Washington's impeachment -- or even assassination. Even in his beloved Virginia, Revolutionary veterans who had served under him cried: "A speedy death to General Washington!"

Washington retired in 1797, suffering from a public contempt he had never before experienced. Martha Washington thought the ordeal hastened her husband's death two years later. But Washington knew that



everything he did as president would create a tradition for later presidents.

He hoped his courageous defense of Jay's treaty would signal that his successors should not be afraid. This country received no greater gift. We must always struggle to choose presi-

dents capable of Washington's kind of presidential courage.