

## Bangladesh through global eyes

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**B**ANGLADESH has been receiving much attention from the world at large. The letter of the 15 influential US senators to the chief of the caretaker government of Bangladesh was a significant development. The international concern on the botched-up decision to block former prime minister Sheikh Hasina's return, and the Economist story, indicate a growing interest on the part of the international community in the developments in Bangladesh. In a sense it is good news. Bangladesh has changed from being the poster child of poverty to an embattled democracy.

One of the consequences

of living in a globalized world is receiving such attention -- due or undue. Rather than displaying knee-jerk reactions, it would be wiser to take the evaluations of Bangladesh by the rest of the world in stride. In the past, the elected governments would take a predictable line: they would deny it first, and then criticize the critics.

However, when Bangladesh was occasionally praised, they would use the positive evaluation as a badge of honour. Such a contradictory position vis-à-vis the international community's evaluations often went ignored. Whenever the evaluations were negative (but true) the government of the day would take all kinds of measures, from banning the particular issue of the magazine, suing the maga-

zine, and arresting or barring the correspondent, in addition to issuing the routine denials.

Remember when Bertil Linter wrote that "cocoon of terror" article in the Far Eastern Economic Review (April 4, 2002), or the Time magazine (October 14, 2002) article by Alex Perry. How did the BNP-led coalition government react? Another example was the response to Transparency International's rating of Bangladesh as the most corrupt country insofar as public perception was concerned.

The Senators' letter called for lifting emergency in Bangladesh and a return to democracy. These demands are reasonable. Yet the letter, despite its due praise for the CTG, fails to show a clear

understanding of the circumstances that led to the declaration of the emergency.

The response to the letter of the US politicians, first by veteran diplomat Farooq Sobhan and later by Dr. Iftekhar Chowdhury the advisor in charge of foreign affairs, marked a sharp departure from the past. Their responses were steady, diplomatic and astute, reflecting the sophistication of the present caretaker government. Rather than taking an unrealistically hyper-nationalist and defensive position, the high caliber Bangladeshi diplomats took a decent, pragmatic and positive stance.

The Economist's story (Asia, May 12), "Hasina Resurgent," seems to suggest that Hasina is going to be the next prime minister of

Bangladesh, but a closer reading indicates that the story, rather than praising her, vilifies her. Is it not puzzling that international pressure (which came from respected politicians, EU representatives, and so on) should be applied on behalf of someone who is presumably unworthy?

Hasina, a former prime minister and the leader of the 14-Party alliance, was successful in galvanizing popular support and leading movement against the government of Begum Zia to foil the scheme of a rigged election. Regrettably, the agitation, when challenged by rival parties, turned violent.

The so-called murder charge against her was not initiated by the present administration headed by Dr. Fakruddin Ahmed, who is reputed to be a man of integrity. A citizen filed the

alliance, which paved the way for the emergence of a new administration backed by the military.

Hasina, along with members of the grand alliance, attended the inauguration of the new administration on January 11. The new administration took quick, decisive, and popular actions to fight corruption, which netted people across the political spectrum, including some party men of Hasina as well. Yet, she promised to ratify all the actions of the present administration if her party won the next election.

The decision of the present administration to prevent her return from abroad, according to many analysts, was misguided, and gave

case on the sad and brutal death of a person that resulted from the violence that marked the mass upheaval on October 28, 2006.

On that day Prime Minister Khaleda Zia's tenure ended, and the fourteen-party alliance organized a mass rally to protest the attempted rigging of the next election. On the same day, the retiring government also organized a huge rally of its supporters. The violence on that day was almost predictable. Whether such a mob action can be attributed to a political leader is something for the court to judge.

What is unfortunate is not the gaze of the international community, but that often the comments are based on superficial understanding of the political developments in Bangladesh. This aspect, perhaps a sad legacy of orientalism, needs amendment.

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## A model bank?

ASIF ANWAR

**2**30 pm, Thursday afternoon. I am on the way to my bank in Dhamondi to get some end of week transactions done. The car is barely moving through the rush hour traffic of Karwan Bazaar. To speed things up I take control of the wheels, and Michael Schumacher style driving got me at the bank just in time, or so I think.

I look at my watch, 2:59 pm. I jump out of the car and run to grab the handle to the front door. I ignore an old man in an oversized security uniform, barely able to hold onto his WW II sanctioned weapon, shaking his head to indicate that I am too late. He is right -- I find the doors to be electronically locked.

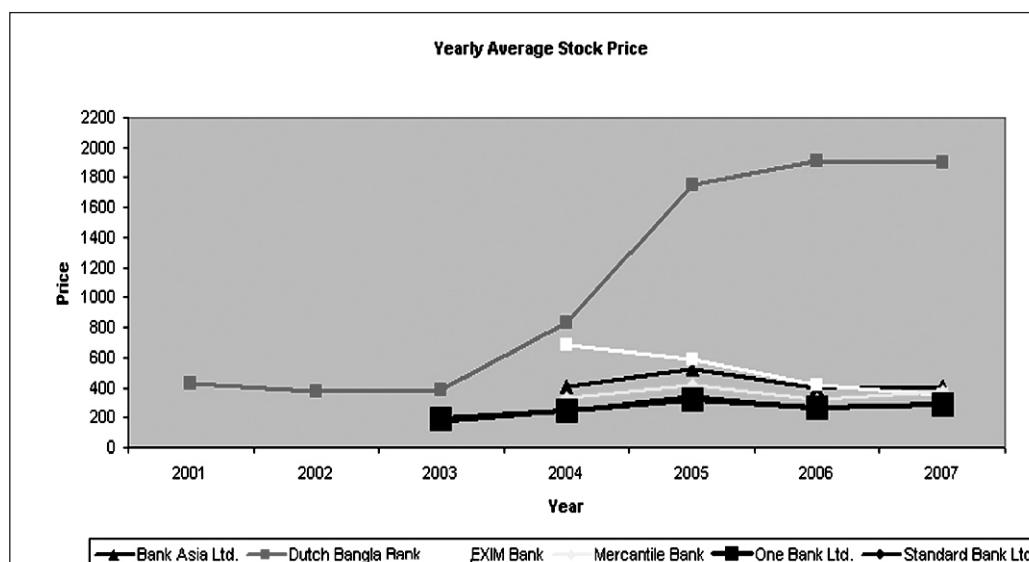
The old man declines to be of any assistance when I plead as he remains safely planted in his seat. I can see through the massive glass doors and marble columns, sharply-dressed bank employees buzzing

with activities in their centrally air-conditioned office, as I search for an automated teller machine (ATM). As luck would have it, the only ATM at the branch is out of order.

I return the keys to my driver, and sit in the backseat to take comfort of an AC. I start cursing at everyone at the bank as soon as all the windows are fully rolled up, and the AC switched on. I vow to find an alternative and avoid the inconvenience of doing business with my existing bank. I regret even attempting to go to the bank as the car returns to the week-end traffic jam.

To make the most of this useless trip, I plan a little research to find an alternative, and decide to occupy myself by counting ATMs and branches of banks from Dhamondi to my destination in Gulshan.

Enroute, I pass many lavish and massive branches of different banks (local and foreign) occupying expensive real estate with luxury cars (mostly belonging to the bank man-



agement) parked in front of them. Most of these branches are equipped with one ATM machine, and the queue in front of it at 3.30 pm, Thursday, could easily be mistaken for a bus queue at rush hour.

I also notice quite a few stand-

alone (non-branch) ATM booths at convenient locations. I cannot confirm the number of ATMs or branches I pass as I may have missed a few due to my limited vision to one side at a time, but nonetheless, I come upon something very interesting.

Almost 7 out of 10 stand-alone ATMs belong to a joint-venture bank. What is more interesting, some of its booths are located within the branch of another bank. The operator of these ATMs or mini-

banks, as these machines are equipped to handle most banking transactions, is Dutch Bangla Bank Limited or DBBL (a Bangladesh and Netherlands joint venture financial institution).

The future of retail banking is centred around the convenience of the customer which is achieved and delivered by the use of Information Technology (IT) through convenient ATM locations, internet or on-line banking, tele-banking, credit/debit cards, 24 hour customer service via on-site and/or remote call-centers, etc.

It is a great convenience to the customer and a major cost-saver for the bank since deployment of service through IT eliminates the need for operating a branch office. Given the current real-estate scenario of Bangladesh, particularly Dhaka, the cost of establishing a branch can easily reach nine digits whilst operating cost can run over seven digits a month. I can under-

stand why some banks spend even more on branches and perks, but that's another story.

I have come across DBBL in the articles of local newspapers many times, but unlike other financial institutions, they mostly made the headlines for services rendered to the society. They have been active in medical, educational, and environmental charity as part of their Corporate Social Responsibility (CSR). As recognition, DBBL was awarded the Daily Star/DHL award for CSR in 2006.

It is encouraging to see that a financial institution, stigmatized to be greedy profit-oriented organizations, has taken CSR to new heights without compromising its main goal: creation of shareholder value.

DBBL enjoys the highest market premium over face value than any other third-generation banks by a large margin (Chart 1). It has attracted the attention of some serious players in recent days as

evident by the agreement with Citibank NA for retail banking, and with Standard Chartered Bank for ATM-related services.

I would not be surprised to see more such agreements in the future and even a buy-out at a very high premium to the market considering the limited float of DBBL in the stock exchanges. If I were a shareholder of DBBL, I would be very happy with the management as they put the emphasis on creating value rather than paying dividends, a policy that is largely responsible for the more than 2000% gain (as of 20/05/2007) over face-value since listing.

Most importantly, I would feel a lot better knowing a part of the return on my investment is going for the betterment of our society, not for the LCD TV and leather sofa for the manager's room. I would be a proud shareholder of DBBL.

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Chart courtesy of IDLC Securities.

## Remembering Syed Shamim Ahsan

ZIAUDDIN CHAUDHURY

**S**YED Shamim Ahsan has passed away. A man who represented the quintessence of amiability, good manners, culture, and impeccable professionalism has abruptly left us. There are not many of his kind going around anymore.

Among the qualities that he will be remembered for were his ability to work with people at all levels, irrespective of age, rank or social standing, and his commitment and dedication to the people he worked with. Perhaps the most important of all this was the professionalism with which he carried himself, his political neutral-

ity and above-board integrity, which should be the hallmarks of a civil servant.

A senior colleague in government service, I first came to know of Shamim Ahsan as a probationer in the civil service at Jessor in 1970. He and I met accidentally in the border outpost of Benapole, where he had gone to see-off his mother traveling to India, and I to see-off a relative.

Shamim Ahsan was going through a rather bad patch at that time. A few months earlier his name was included in the list of officials put under investigation by the new martial law regime. He was employed as Secretary to the

Governor prior to that time.

Contrary to my expectation that I would see a dejected Shamim Ahsan because of the malignant action, I was struck by the cheerfulness and optimism that he exhibited at a moment when the likes of us would meet people with our heads down. He not only seemed not bothered by the government action, he was positive that the cloud over him would soon disappear, and he would be back in his job with honour.

His faith in God and in himself was unshakable. As I recall, Syed Shamim Ahsan was one of the very few civil servants who were honorably reinstated in service

within a couple of months.

I did not meet Shamim Ahsan, at least officially, until after liberation, when he had joined the newly formed Ministry of Relief and Rehabilitation, first as deputy secretary and later as joint secretary. He persuaded me to move from my job at the prime minister's office and join the new ministry as private secretary to minister Kamaruzzaman, a man whom I did not know.

Little did I know at that time that the job would be one of the most fulfilling in my rather short civil service career. In one job I came to know two of the finest minds -- Shamim Ahsan and

Kamaruzzaman.

Along with a sharp mind and intellect, Shamim Ahsan gave the full weight of his energy and effort toward the rebuilding effort that was the primary occupation of the ministry. He was responsible for coordination of all external relief efforts, and storage and distribution of relief goods country-wide, in the crucial first few months in 1972.

In amazement I would watch him work hours at his desk, conferring with a horde of foreign aid agencies, UNHCR, International Red Cross, local agencies, relief seekers, above all political workers, who would be routinely chan-

neled to him by the minister. He dealt with the foreign aid agencies adroitly and skillfully; very politely and patiently with the rather aggressive lot of relief seekers and political workers.

Throughout the entire workday and evening he endured his ordeal on copious amounts of tea. We had a secretary to the ministry, but to minister Kamaruzzaman, Syed Shamim Ahsan was his Mushkil Asan -- the solver of complex problems.

I worked in close association with Shamim Ahsan for another year only, but I would observe with fascination in the later years, from afar, his ability to work with,

and earn the trust and confidence of, subsequent political and non-political bosses.

In more than the three decades he worked for the government his dedication had been only to his profession, not to the political environment that he worked within. His motto all his life had been to prize his profession above everything else, to work with dedication, and earn the trust and love of all he worked with.

In life, particularly in government work, it is near to impossible not to alienate people or earn animosity of some. It is the nature of the work itself that leads to such unwanted outcomes.

Shamim Ahsan had been one of the rare civil servants that I knew who elicited love and respect from one and all that he came across.

In a remark to Shamim Ahsan in my presence in 1972, late J.N. Dixit, Deputy High Commissioner of India at Dhaka that time (the later was Indian foreign secretary, and national security advisor) said: "Shamim, you are the quintessential gentleman."

In paying respect to his departed soul I only wish there were more of the kind of Syed Shamim Ahsan in today's civil bureaucracy.

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## The Palestinian struggle continues

MAHMOOD HASAN

**W**ell all are more or less familiar with the facts of the Palestinian-Israeli conflict. The death of Yasser Arafat in late 2004 and the rise of Hamas in January 2006 have added an important dimension to this 60-year old struggle for nationhood. Yasser Arafat died under mysterious circumstances on November 11, 2004. He died a broken man. His life-long struggle to establish a free, viable and independent nation for the Palestinians remained so near, yet so far.

The results of the Palestinian Legislative Council (PLC) elections of January 25, 2006, came as a shocking surprise for many. Fatah, which had so far dominated the PLC, obtained only 45 seats. The militant group Hamas secured 74 seats out of a total of 132 seats. Thirteen seats went to independent and other candidates.

Militant Hamas, which firmly believed in armed struggle to gain independence from Israeli occupation, suddenly decided to take part in the Legislative elections of January

2006. Arafat's towering personality and intuitive ability to control divergent Palestinian factions disappeared on November 11, 2004.

With no able successor in the Fatah faction, the leadership went to Mahmoud Abbas -- once prime minister under Arafat. Mahmoud Abbas's grip over the political situation slackened due to allegations of massive corruption within the PA, and lack of any progress on the much-hyped up Road Map as enunciated by US President George Bush.

While Israel went on with its targeted missile attacks, the wretched Palestinians became thoroughly disillusioned. Frustration over Fatah's inability to secure any concessions from the Israelis or the US drove common Palestinians towards the stronger Hamas group.

The Western powers, particularly the US and the EU, were quick to impose sanctions on the new PA on the grounds that Hamas was a terrorist organisation. The duplicity of the West came to the fore once again. While they had strongly demanded that the elections be free, fair and

transparent, they refused to accept or recognise the Hamas-led PA as the legitimate government of the Palestinians on purely prejudiced political reasoning.

The stalemate accentuated the rivalry between the two factions. The Western powers and Israel supported Abbas in this confrontation. After a two-month long bickering, the Hamas cabinet led by Ismail Haniyeh was approved by the PLC on March 28, 2004. The next day, Mahmoud Abbas had to swear-in Haniyeh as the new prime minister of the PA.

The US-Israeli sanctions imposed on the new PA wreaked havoc amongst the Palestinians. International aid of around \$2.8 billion per annum (2001) has literally stopped. By December 2006, unemployment rose from 23 % to 60 %, and two-thirds of the people now live below the poverty line. 160,000 civil service workers have not received their salaries since March 2004.

Gaza, compared to the West Bank, is in a desperate situation. With a total area of 360 sq km, it huddles together 1.4 million people sandwiched between the powerful tanks of Israel

to the East and the Mediterranean Sea to the West. It is an open-air prison. Ismail Haniyeh has his back to the wall now, which has led to frequent outbursts of violence against the supporters of Fatah.

Many fear that full-scale civil war in the occupied territories is only a matter of time if the living conditions do not improve. The latest violence erupted on May 12, when Hamas militants attacked the supporters of Abbas, killing two and wounding several others.

To keep a lid on the fratricidal war, King Abdullah of Saudi Arabia invited both the factions to Makkah in February this year. The agreement, signed on February 8, stipulated that the two factions would bury the hatchet and form a "Unity" government. But, despite sighs of relief from common Palestinians, the violence did not abate. The latest ceasefire agreement of May 19 failed to last, as both sides blamed each other for violations.

Israel, meanwhile, plunged into the chaos to intensify its violent agenda. It has killed several Hamas leaders in its guided missiles.

It is a pity that even after 60 years of struggle and immense sacrifices the Palestinians have not been able to secure their homeland. The double standards of the Western powers have laid waste the land of an ancient civilization and three major revealed religions.