

## Bangladesh's image and country rating

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**B**ANGLADESH has a mixed image in the eyes of the international community. In 1971, the nation surprised the world with its fighting spirit against a well-equipped and organized Pakistan army. Coups, counter-coups, and political violence during the 1970s raised questions about the future of the newly born nation.

The gradual transition to democracy in the 1990s improved that image, and the world perceived Bangladesh as a democratic, moderate Muslim country. Right now, the world community is closely watching the outcome of the search for democracy under a caretaker government.

We definitely need to pay attention to our international image in a globalised world. A favourable rating or image should help us in trade, business, investment and tourism. It is related to national and international events (for example, the winning of the Nobel Peace Prize and the intermittent success of the national cricket team positively contribute to our image), our political system, international relations, economic growth, government policies, entrepreneurship, privatisation, literacy, and international trade and travel. It is also affected by flooding, cyclones and natural

calamities, political violence, and corruption.

Country ratings, conducted annually by various international institutions, affect the image of a nation. Despite their bias and methodological problems, they are useful indicators for "marketing a nation" to the world. Governments, international organisations, and multi-nationals use them for environmental scanning, segmentation, entry strategy, market development, business investment, and policy purposes.

The primary purpose of this article is to raise awareness about our international image, and also to point out that it is affected by our country ratings. In a table, Bangladesh is compared with five other countries on the basis of six international ratings. There are many other ratings; these six are chosen as examples. Policy suggestions are also provided. GDP per capita and population are added in the table for comparison purposes.

**Political Freedom and Civil Liberties Index**

Freedom House, a conservative think-tank based in Washington, D.C., evaluates political freedom and civil liberties on a 7-point scale, with 1 representing most free and 7 representing least free. Countries are rated as free (1-2.5), partly free (3.0-5.0) and not free (5.0-7.0).

Bangladesh is rated as a partly free country, and is behind Turkey and India. With curtailed political activities, and over 50,000 people behind bars under the current caretaker regime, we are not likely to do well in this rating. Lifting of emergency and re-introduction of democracy will improve our image.

**Economic Freedom Rating**

Heritage Foundation and Fraser Institute evaluate countries of the world on the basis of citizen's economic freedom. Their methodologies differ, but their findings correlate well. Only Heritage Foundation's ratings are reported in the table.

We rank the lowest among the six countries in terms of economic freedom. We definitely need to improve our economic freedom rating by paying attention to the ten dimensions of freedom. They are: business, trade, monetary, price stability, government, fiscal policy, property rights, investment, finance, corruption, and labour. Overall, business and entrepreneurship must be upheld.

**Global competitiveness index**

GCI is a comprehensive index indicating the level of productivity and economic growth of a country. The World Economic Forum determines the global competitiveness index of 125 countries on the basis of nine factors. They are:

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Ratings	Bangladesh	India	Malaysia	Pakistan	Thailand	Turkey
Political Freedom and Civil Liberties Index (2007)	4.4, PF	2.3, F	4.4, PF	6.5, NF	7.4, NF	3.3, PF
Economic Freedom Rating (2007)	47.8	56.6	65.8	58.8	65.6	59.3
Global Competitiveness Rating (2006)	3.46(99th)	4.44(43rd)	5.11(26th)	3.66(91st)	4.58(35th)	4.14(59th)
Corruption Perception Index (2006)	58	61	19	56	45	57
Human Development Index (2004)	2.0(156th)	3.3(70th)	5.0(44th)	2.2(142nd)	3.3(63rd)	3.8(60th)
Population (millions) (2007)	150	1,129	25	165	65	71
Per capita GDP \$PPP (2006)	2,200	3,700	12,700	2,600	9,100	8,900

institutions, infrastructure, macro-economy, health and primary education, higher education and training, market efficiency, technological readiness, and business sophistication and innovation.

Again, we score lowest on this, and are far away from our peers except Pakistan. Our competitiveness could be increased by paying attention to the nine factors defining GCI.

**Globalisation Index**

Globalisation is an umbrella term that refers to global connectivity and interdependence. The A.T. Kearney/Foreign Policy Globalisation Index assesses

countries in terms of economic integration, personal contact, technological connectivity, and political engagement. In 2006, out of 62 countries Bangladesh ranked 58th. Among our peers, Malaysia (19) is the most globalised country and can be a good role model for us to follow.

**Corruption Perception Index**

This is probably the most known index in Bangladesh. Transparency International rates countries of the world on a 10 point scale, where a high score indicates low corruption. TI has labeled Bangladesh as one of the most corrupt countries in the

world. The rating has hurt our image in international forums and undermined governance. In 2006, TI surveyed 163 countries of the world, and we ranked 156th. Our current drive against corruption should improve that score in the future.

**Human Development Index**

The United Nations Development Program determines the Human Development Index of the countries of the world annually. HDI is a composite of per capita income, education, and life expectancy at birth. It indicates how well a country is doing with respect to economic as well as

non-economic qualitative aspects of development.

In 2004, out of 177 countries Bangladesh ranked 137th. In the table, Bangladesh has the lowest score and is close to Pakistan. Without substantial improvement in economic growth, literacy and health, we are not likely to do better on this index.

Bangladesh is behind her peers in almost all ratings. Conceived government policy interventions, with help from business, media, advocacy groups and citizens would be required to improve them.

The ratings are highly correlated. For example, political freedom ratings are highly correlated with economic freedom and GCI. On the other hand, CPI is negatively correlated to competitiveness and freedom. It also increases the risk of doing business in a country. HDI improves if a country shows material economic gains. The relationship among different ratings calls for careful policy interventions.

Country ratings guide the "branding of a country" to the world. Thailand, Malaysia, Singapore, South Africa, Botswana, and Poland have taken "proactive" country branding strategies to change their international image. Bangladesh could learn from them to (re)define our international image and develop her own integrated marketing communication (IMC) campaigns. For

the sake of brevity, I refrain from discussing this in the article.

On a policy level, we may consider establishing a "monitoring cell," with representation from government, academia, business, media, and private citizens, to evaluate our international image. The cell could evaluate Bangladesh with respect to her neighbours (SAARC nations), competitors (countries that we compete with), and aspirants (countries that could be our role models).

The cell could also offer policy suggestions to improve our image through proactive country branding strategies.

Concepts like international image, country risk rating, country branding, or destination competitiveness have been around for a long time. As mentioned, many emerging and developing countries have deliberated on them, and have taken measures to better their image and national standing. We need to begin such discussions in Bangladesh. The sooner we begin, the better it will be for our international image in a globalised world.

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## Sacrificial wolf

NAOMI KLEIN

**T**IS not the act itself, it's the hypocrisy. That's the line on Paul Wolfowitz, coming from editorial pages around the world. It's neither: not the act (disregarding the rules to get his girlfriend a pay raise) nor the hypocrisy (the fact that Wolfowitz's mission as World Bank president is fighting for "good governance").

The truth is that the bank's credibility was fatally compromised when it forced school fees on students in Ghana in exchange for a loan; when it demanded that Tanzania privatise its water system; when it made telecom privatisation a condition of aid for Hurricane Mitch; when it demanded labor "flexibility" in the aftermath of the Asian tsunami in Sri Lanka; when it pushed for eliminating food subsidies in post-invasion Iraq.

Ecuadoreans care little about Wolfowitz's girlfriend; more pressing is that in 2005, the Bank withheld a promised \$100 million after the country dared to spend a portion of its oil revenues on health and education. Some anti-poverty organization.

But the area where the World Bank has the most tenuous claim to moral authority is in the fight against corruption. Almost everywhere that mass state pillage has taken place over the past four decades, the Bank and the IMF have been first on the scene of the crime. And no, they have not been looking the other way



as the locals lined their pockets; they have been writing the ground rules for the theft and yelling: "Faster, please!" — a process known as rapid-fire shock therapy.

Russia under the leadership of the recently departed Boris Yeltsin was a case in point. Beginning in 1990, the Bank led the charge for the former Soviet Union to impose immediately what it called "radical reform." When

Mikhail Gorbachev refused to go along, Yeltsin stepped up. This bulldozer of a man would not let anything or anyone stand in the way of the Washington-authored program, including Russia's elected politicians. After he ordered army tanks to open fire on demonstrators in October 1993, killing hundreds and leaving the Parliament blackened by flames, the stage was set for the fire-sale

privatisations of Russia's most precious state assets to the so-called oligarchs. Of course, the Bank was there. Of the democracy-free law-making frenzy that followed Yeltsin's coup, Charles Blitzer, the World Bank's chief economist on Russia, told the *Wall Street Journal*: "I've never had so much fun in my life."

When Yeltsin left office, his family had become inexplicably wealthy, while several of his deputies were enmeshed in bribery scandals. These incidents were reported on in the West, as they always are, as unfortunate local embellishments on an otherwise ethical economic modernisation project. In fact, corruption was embedded in the very idea of shock therapy. The whirlwind speed of change was crucial to overcoming the widespread rejection of the reforms, but it also meant that by definition there could be no oversight.

Moreover, the payoffs for local officials were an indispensable incentive for Russia's apparatchiks to create the wide-open market Washington was demanding. The bottom line is that there is good reason that corruption has never been a high priority for the Bank and the IMF: Its officials understand that when enlisting politicians to advance an economic agenda guaranteed to win them furious enemies at home, there generally has to be a little in it for those politicians in bank accounts abroad.

The three main institutions at the heart of that crusade are in crisis — not because of the small hypocrisies but because of the big ones. The WTO cannot get back on track, the IMF is going broke, displaced by Venezuela and China. And now the Bank is going down.

The Financial Times reports that when World Bank managers dispensed advice, "they were now laughing at." Perhaps we should all laugh at the Bank. What we should absolutely not do, however, is participate in the effort to cleanse the Bank's ruinous history by repeating the absurd narrative that the reputation of an otherwise laudable anti-poverty organization has been sullied by one man. The Bank understandably was keen to throw Wolfowitz overboard. I say, Let the ship go down with the captain.

Courtesy: The Nation.

women's reserved seats.

While most of the other thirty members remained on the back benches, Nurjehan Apa spoke out about the need to recognise the survivors of war rape, and to support them. Many of us found her statements in Parliament very courageous and forthright.

I lost touch with Nurjehan Apa, as she went away to Poland when her husband was appointed an ambassador, and we left for Oxford in the mid-seventies. But later on, after our return in the eighties, I found that she had started yet another magazine, this time in Bangla. It was registered under the name of *Edesh Ekai*.

Once again she was able to draw many leading writers to contribute analytical critiques on social, economic and political issues. I wrote for it two or three times, and it was a pity that the journal was short-lived because of its many financial and managerial problems. Many of its articles were very provocative and stimulated discussion.

Nurjehan Apa was such a person. When I first met her in the sixties she was living in a modest Dhaka University apartment that had been allocated to her husband, Dr. Khan Sarwar Murshed, a professor of English. Both of them were engaged in editing, and published *New Values*, a journal of literary and managerial problems. Many of its articles were very provocative and stimulated discussion.

But Nurjehan Apa was not merely a critic. She felt for people. This is probably why she became associated with Bangladesh Mahila Parishad and actively supported the struggle for women's rights. In 1966, when some of us got together and decided to form Ain o Salish Kendra (ASK) whose aim was to offer legal support so that the disenfranchised could access justice, and we had no place to function from, it was Nurjehan Apa who offered two rooms above the garage of her house in Satmasjid Road.

She never asked to become a member of ASK, or to demand recognition for what she had done, but in her own quiet way she gave us the leadership to start our work. The lawyers who went to work at her place were always inspired by her active interest in what they were doing, and the sympathy she demonstrated for those who sought their help.

She was interested not merely in welfare but in changing people's lives, in giving them the strength to struggle, just as presumably she had found the strength to struggle herself. Such leadership is rare indeed.

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## Nuclear power with feet of clay?

HUSAIN HAQQANI

**B**ACKED by nuclear weapons and the seventh largest standing army in the world, Pakistan has the ability to project its power externally, but lacks the strength of an effective state at home.

The recently released video of the Taliban using a young boy, believed to be 12 years old, to behead a man amid cries of "Allahu Akbar" is only one of several troubling images emanating from Pakistan. Attacks by armed supporters of a pro-government militia on opposition activists in the port city of Karachi and frequent terrorist bombings revive fears about Pakistan's future. The country faces increasing demands from religious extremists, and doubts are growing among Pakistan's Western allies about the military regime's ability to handle these pressures.

Paradoxically, Pakistan has turned out to be a hot destination for investors from the Gulf, encouraged by business-friendly government policies and annual GDP growth rates of 7 percent over the last four years. Pakistan's privatisation program is considered a regional success. Government economists cite increasing mobile phone use and expanding sales of motorcycles and cars as signs of progress.

Pakistan's elite now drive

around in Porsches, more of which have sold in the city of Lahore alone than the car's manufacturer had envisaged for the entire country. The pace of construction for new country clubs, golf clubs and luxury hotels also reflects growing prosperity of a select few.

That this strife-ridden country with a booming economy seems precariously balanced between chaos and growth should not, however, be a source of comfort. Given widespread anti-Americanism and signs of rising support for Islamist sentiment in the military, Washington cannot count on the military to keep the balance. If Pakistan falls from its shaky perch, the consequences for the region and the US could be dire.

Pakistan is viewed as a critical Western ally in the global war against terrorism. Relations with arch-rival India have improved markedly since four years ago, when the armies of the two nuclear-armed neighbors stood eyeball-to-eyeball. Pakistan reveals multiple realities, and the temptation to let optimism prevail is great. But, in essence, Pakistan has become a dysfunctional state, a tinderbox that may not light up for years, but could also go up in flames in an instant.

At least 1,471 people were reported killed in terrorist incidents in Pakistan during 2006, up from 648 terrorism-related fatalities during the preceding year. Of

these, 608 were civilians, 325 security personnel, and 538 accused terrorists. The rising fatalities of security forces indicate the growing strength of armed non-state actors, especially extremists.

An army, largely recruited from one of the country's four ethnically diverse provinces, has traditionally maintained order in Pakistan. The military's ability to keep a lid on dissent has diminished with the emergence of well-armed militias, both Islamist and secular, in various parts of Pakistan.

Vast parts of Balochistan, the sparsely populated southwestern province bordering Afghanistan and Iran, are virtually ungoverned. A secular, tribal insurgency in Balochistan has been overshadowed by the resurgence of the Taliban in the province's north.

The brutal beheading involving the 12-year-old took place in Balochistan and involved the ethnic Pashtun Taliban punishing an ethnic Baloch for allegedly spying on behalf of the Americans and their allies. The Taliban also control the generally uncontrolled tribal areas in the Northwest Frontier province (NWFP) and gradually expand their influence into the adjoining non-tribal settled districts.

Amid widespread disorder and the emboldening of insurgents and terrorist groups, Pakistan successfully tested the latest version of its long-range nuclear-capable missile, in February. The Hatf VI (Shaheen II) ballistic missile, launched from an undisclosed location, is said to have a range of 2,000 kilometers and has the capability to hit major cities in India.

According to Pakistan's military, the overwhelming influence of the army has accentuated militarism at the expense of civilian institutions. Many Pakistanis view the US as the army's principal benefactor and by extension partly responsible for weakening civil institutions. The three periods of

significant flow of US aid to Pakistan have all coincided with military rule in Pakistan.

The disproportionate focus of the Pakistani state on ideology, military capability and external alliances since Pakistan's independence in 1947 has weakened the nation internally. Pakistan spends a greater proportion of its GDP on defense and still cannot match the conventional forces of India, which outspends Pakistan 3 to 1 while allocating a smaller percentage of its burgeoning GDP to military spending. The country's institutions — ranging from schools and universities to political parties and the judiciary — are in a state of general decline.

Much of the analysis on Pakistan in the West since 9/11 has focused on Musharraf's ability to remain in power and keep up the juggling act between alliance with the US and controlling various domestic constituencies, including the Pakistani military and Islamist militants. Pakistan's problems, however, run deeper. It is time the world set aside its immediate preoccupation with Musharraf's future to examine the fundamental conditions of the Pakistani state.

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