

Economy at watershed

BB annual report highlights challenges

THE Bangladesh Bank annual report for fiscal 2006-07 pinpoints stabilising the inflation rate as a major challenge for the policy makers drawing upon the experience of the last year and the outlook for the new year. The increases in wage rates in manufacturing, agriculture, fishery and construction sectors which are slender compared with those of FY06 kept below the rates of consumer price inflation of 7.2 percent in FY07. In other words, real income fell as purchasing power eroded.

Back-to-back flooding and cyclone Sidr drastically decreased productivity which flared up inflation accompanied by rising international commodity and oil prices that pushed the inflation further on an upward spiral. Bangladesh Bank recommends an automatic adjustment of prices of petroleum products in the domestic market with some mechanisms to protect the poor from hardships. Food and agricultural input subsidies would be unavoidable. To go back to pre-flood and Sidr stage, when our food productivity matched most of our requirement, a massive agricultural rehabilitation programme must be implemented within the next six months.

Infrastructure constraints in terms of port facilities have eased somewhat but power and transports sectors need radical improvement.

Anti-corruption and anti-hoarding drives have caused interruptions in business activities. While admitting this, BB report expresses a hope that economic activities will be further geared up when 'the ongoing reform programmes are successfully implemented'. The focus should have been on the necessity for immediate further steps to free up the business environment from the panic mode it has gone into. We suggest the Better Business Forum meet at brief intervals rather than sparsely to thrash out matters with businessmen.

A redeeming feature of FY07 was strong performance of the external sector with growth in exports and imports and increased flow of workers' remittances from abroad. This helped overcome the trade deficit. The growth in the industry sector and continued buoyancy in the services sector offset lower growth in agriculture sector. With compensatory agriculture picking up, the annual report of Bangladesh Bank projects economic growth at between 6.2 and 6.5 percent in the current fiscal FY08. On that rather positive note, we have to say that all efforts must be made to keep inflation tolerable, employ more people and raise levels of productivity through investments.

Ayub Quadri's dignified move

A thorough investigation into the scandal must go on

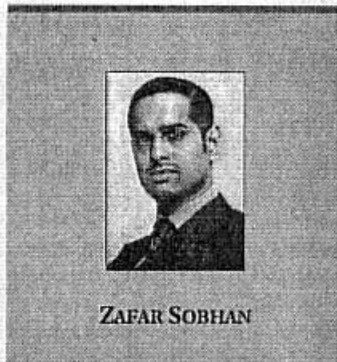
THE resignation of Education and Culture Adviser Ayub Quadri in the face of an outcry over the theft of two archaeological artefacts from ZIA is surely a welcome response to public sentiment. By acknowledging his overall responsibility, as the man at the top of the culture ministry, for the scandal and deciding to send in his resignation to the president, Quadri has done a commendable deed. In a country where voluntary resignation from high office is a rare occurrence, indeed where individuals in positions of power and privilege are generally all too ready to pass the buck on to someone else; Quadri's decision to quit reinforces our belief in the ability and moral courage of some, if not all, of our influential men to act in the larger interest of the nation without any thought to their own short term welfare. There was dignity in his action.

We have now been informed that the Rapid Action Battalion has managed to track down the artefact thieves. The confessions of the men to the effect that they may have destroyed the antiques and dumped them at different spots only make us sadder. We hope that despite this bad news, efforts will be made to collect the fragments of the artefacts and return them to the national museum. The theft of the precious artefacts, so integral a part of Bangladesh's history, even before they were shipped to France as part of a cultural exhibition came as a rude shock to all of us. That should make the authorities bear in mind that despite the resignation of the adviser, who should have been more responsive to public concerns on the issue, it is extremely important that the investigation into the scandal go on. How the artefacts were registered as general cargo is a question to which we all need an answer. The parties involved should be taken to task. At the same time, the matter of lax security at the cargo park at ZIA, where the artefacts lay prior to their scheduled flight to Paris, quite boggles the mind.

It has now become obvious how precarious our administrative measures are regarding the security of historical artefacts. It is small wonder then that allegations of the theft of other artefacts in the past now appear to have much credibility about them, that indeed corruption has been instrumental in the smuggling out of such items.

Finally, we are constrained to say that the government did a bungling job of the whole affair. Of course, the deal on the Guimet exhibition was made by the previous government, but it was the responsibility of the incumbent administration to uphold public interests. It ought not to have sent off the first consignment of artefacts in what amounted to secrecy. This time round too, as has now become apparent, the authorities handled the matter in equal secrecy and so ended up in a bad mess. We trust a lesson has been learnt and that a thorough investigation will be held revealing how we came to this mess.

Treading water



ZAFAR SOBHAN

SOME years are transitional and some are transformational. I would like to argue that while 2007 falls into the former category that 2008 will fall into the latter one. But what does it mean to be a transitional year -- especially a year in which so much has transpired in Bangladesh. Especially for those who have suffered losses during the course of the year -- and there is no shortage of such unfortunates -- nothing is transitional, everything is transformational.

What I mean to say when I suggest that the year 2007 has in many ways been a year of transition is that it is not really possible to look at the events of the year in isolation in any meaningful way. It will only be at the end of 2008 that many of the stories that started rolling this year will have played themselves out to any kind of resolution, and that, looking back, we will have a full and final picture of what this year has signified.

Thus, it is only if and when elections are held (or not held) that we can conclude, with the benefit of hindsight, whether this year in the end turned out to be a good one or a bad one, whether the benefits outweighed the costs, whether what we gained outweighed what we lost, whether the various prices we had to pay along the way were

worth it or not, whether the year was a milestone towards a brighter future or a way station on the road back to darker days.

Many have made up their minds already, one way or the other. Many, confident in the bounty of the future, have decided that 2007 is an epochal year for Bangladesh, and that despite slip ups and wrong turns, that the nation is moving fundamentally in the right direction, and that we will emerge from the current emergency stronger than ever before.

On the other side, many have also already made up their minds that little or no good will eventually come of the extended non-democratic interregnum that has been the most salient feature of the year in Bangladesh. They point to the missteps of the interim government, not as an acceptable cost of the transition, but as an inevitable function of a non-democratic and non-transparent administration, and confidently predict that things can only deteriorate in the coming year.

But, I would argue that either assumption is still premature, that 2007 remains, for the most part, an unfinished story, and the resolution or conclusion, to the extent that there are ever resolutions or conclusions in the ever-unfolding drama of the planet and human life, are likely to come in 2008.



STRAIGHT TALK

I would argue that right now the most important thing to bear in mind is that the future is not written yet. Many people having already written the future for Bangladesh in 2008: either glowing encomiums or gloomy obituaries -- but both are off the mark. The truth is that the future is ours to make and the future will be what we make of it, nothing more and nothing less.

It is true that history never ends and that no matter what transpires in the coming year, that new crises will open up and new issues will need resolution, and that nothing is ever, really resolved or concluded. This is a simple truism.

Nevertheless, some years are more epochal than others: 1905, 1947, 1971, 1975, 1991 -- and in this line, I think, when the dust has settled, that we will find that 2007 was a more transitional year, but that 2008 will be a transformational one.

This time last year I wrote a piece entitled "The Fourth Republic, 1991-2006, R.I.P." in which I suggested that Bangladesh's political history could essentially be divided into four discrete republics: 1971-1975, 1975-1982, 1982-1991, and 1991 to the present, and that the latest of these four phases was perhaps coming to a close.

This prediction came true within a week of the piece's publication, but while there is no doubt that 1/11 signalled the end of the Fourth Republic, it still remains unclear what form the Fifth Republic will take, and when we can chart its beginning from.

This time last year, we were coming up on a general election, but the only thing that was certain was that we had run out of good options. Few held out much hope

that the elections originally scheduled for January 22 would be anything but fraudulent, but even fewer could predict what the outcome of such a fraud would be, and who would have the upper hand once the dust had settled.

Nevertheless, I do not think that anyone could have guessed that in a year's time that we would be where we are today. It is true that the more prescient of our political commentators suggested that there might be some kind of intervention by the armed forces, but I do not think that anyone predicted this kind of extended state of limbo that we now find ourselves in as a nation.

The more optimistic of our prognosticators were confidently predicting that the intervention would be conducted with clinical (dare one say military) precision, and that by this time we would be looking at a new parliament and government of enlightened democrats.

The more dour suggested the exact opposite: that the events of 1/11 were nothing more than a military coup in disguise and that it would not be long before the powers behind the throne removed their masks and stepped out of the shadows, and that by year's end we would be staring down the barrel of full-

fledged martial law.

Neither eventuality has transpired. Right now the nation waits and watches. We have never been here before. Both ex-prime ministers are incarcerated, along with dozens of other senior leaders and thousands of local leaders and grass-roots level workers.

But, specifically with respect to the ex-prime ministers, it remains unclear what is written in their futures. It is by no means a foregone conclusion that the current government can continue to keep them behind bars indefinitely, or that the cases against them will yield guilty verdicts, or, if they do, that this will make even the slightest bit of difference at the popular political level.

Nor, by extension, do we have any idea where the so-called reformation of the political parties they lead will end up. One hopes that these on-going dramas that have dominated the public consciousness over the past year will work their way towards some kind of resolution in the upcoming year, one way or another.

I think that one thing we can safely say is that Bangladesh can ill afford yet another transitional year, and that, for good or ill, these and other issues need to be, and will be, resolved, one way or another, before the end of this year.

There are so many questions that need to be answered, and that, unless I am much mistaken, will be answered, in the coming twelve months. I am not predicting this out of any particular sense of optimism (indeed, resolution could be worse than uncertainty, depending on

which way things go), but merely pointing out the obvious: that the current state of affairs is unsustainable beyond a certain time-frame, and that twelve additional months seems to be at the far end of this estimate.

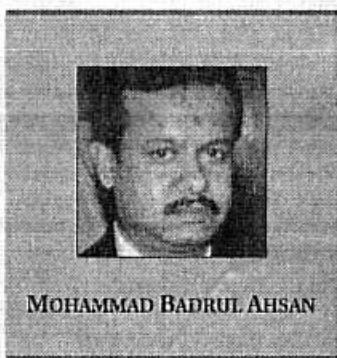
In fact, I expect to see the alliances, bargains, fictions, compromises, and consensuses that have held the current dispensation together for the past twelve months beginning to fray far sooner. The weight of events will force the country towards some kind of resolution. One cannot remain in limbo indefinitely, even if limbo turns out to be preferable to wherever one eventually ends up.

The crucial question is, has been, and will remain, the elections. Elections will need to be held at some point. One hopes next year. But, and again, this is a simple truism, elections will need to be held at some point, eventually. There is no conceivable future for the country that does not include representative elections at some point down the line. This is a point that anyone arguing against elections would do well to remember. At best, you can kick elections further down the line, postpone them, but you can never cancel them.

I would argue that right now the most important thing to bear in mind is that the future is not written yet. Many people having already written the future for Bangladesh in 2008: either glowing encomiums or gloomy obituaries -- but both are off the mark. The truth is that the future is ours to make and the future will be what we make of it, nothing more and nothing less.

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The tube of Babel



MOHAMMAD BADRUL AHSAN

THANKS to television, we can see where the sight doesn't reach. We can see people and places, and then, of course, put faces to names while listening to what they say. And this is how it works. The transmitter broadcasts signals over airwaves. These signals are electrical in nature and are transformed into radio waves, which are then picked up by receivers and processed back to audio and video electrical signals that are played on the television set. But somewhere there is a loss of quality in this transformation, because what is released on the screen may not accurately reflect what is captured at the scene.

Yes, television can play tricks on the eyes. It can sit like a wedge of illusion between ideal and real in our minds. And that illusion can be created through make-up and



CROSS TALK

Thanks again to television because it has the power to take us beyond the horizon. But it also has its hazards. If we don't choose the right people, they can shrink, not expand, that horizon for us. At last, television could become the tube of Babel, which would confuse everyone!

costume. Then, sets and cameras play their roles. But, believe me, nothing does it like word of mouth. People say a lot of things on television, but they don't always practice what they preach.

So it happens as it does. Television is mischievous when it creates the gap between actual and apparent. If you listen to people on television, mostly those who appear on talk shows, they say what others want to hear. They say all the right things and demonstrate high moral standards.

If we remember, a legal-eagle couple once spoke and sang on a television show and then ended up in jail for corruption. And then there was that series where powerful men and their children appeared in pairs. We listened to the spellbinding stories of how they had the enviable capacity to hold both public and private lives in an astounding balance!

Since then the reality has proved otherwise. Many of the fathers and some of their children are either in jail or on the lam. It is now obvious that they had either lied to each other, or acted in cahoots to lie to rest of us. I have already said it! Television can make it happen. It can fade out the ugly and focus on the pretty spot!

Lest we forget, television is a derivative of science, which is in the business of distributing art. It must entertain, and entertainment is about packaging like cooking is about seasoning. What matters is not nutrition, or the ingredients. The recipe doesn't work unless it makes an appeal to the taste buds.

This is where television does it well. It presents those who can speak with a straight face. If you listen to them, it leaves you amazed that if so many people know what is right, then why

should anything go wrong? And I plead with you. Pay attention when they speak next time. They know the questions, and they know the answers. They know the problems, and they even know the solutions.

Of course, this applies mostly to the talk shows. I mean songs are songs and dances are dances, and then television dramas also follow their scripts. But talk shows are scripted twice, once in the minds of directors and again in the minds of those who are directed, the speakers who say what they say, not because they mean it but because it makes sense.

Television is distant viewing of what is close to heart. There are differences of time and space between views and viewers, and while the video signals create glamour, the audio signals create geniality to convince our minds. One is meant to transmit beautiful faces, and another is meant to

transmit beautiful minds.

In so much as these beautiful things come to our homes, the time has come to be cautious. Time has come to assure quality before those faces and minds are loaded on the screen, because in their power to leaven us, they can lift us as well as put us down.

In the past months, some of the talk shows have been like late night parties at Stalin's home. Friends and admirers who sang and danced through the night were whisked off to jail by secret police at the strike of dawn. We have seen powerful people who landed in jail right after they had spoken to us on television about right and wrong.

And it happened because many of them, who said the right things in front of the camera, had done grievous wrongs behind it. That is why, I say, we must exercise caution. For example, we aren't going to like it if we have to take our families to those places where strangers speak foul language. Would we like to bring these places to our living rooms?

For all practical reasons, television is a device of double standard. It gives chance to those who speak to us to turn their two faces, one to the television screen and another to the real world.

There is this story of the Tower

of Babel, which is mentioned in the Old Testament. The people of the city of Babel, the Hebrew name for 'Babylon', decided to have a tower so immense that it would have its top in the heavens. The builders intended the tower to reach to heaven; their presumption, however, angered Jehovah, who interrupted construction by causing among them a previously unknown confusion of languages. Everybody spoke in the same language, but nobody could understand each other.

The moral of the story is loud and clear. People who talk to us on television create a clamor where thoughts clash and ideas collide, but most of all their intentions slide. Everybody says something, but what is said is often misleading. We may not always read their minds, but we must keep away those who are known for their past.

Thanks again to television because it has the power to take us beyond the horizon. But it also has its hazards. If we don't choose the right people, they can shrink, not expand, that horizon for us. At last, television could become the tube of Babel, which would confuse everyone!

Mohammad Badrul Ahsan is a banker.

The power of personality



FAREED ZAKARIA
writes from Washington

I never thought I'd be in this position. There's a debate taking place about what matters most when making judgments about foreign policy -- experience and expertise on the one hand, or personal identity on the other. And I find myself coming down on the side of identity.

Throughout the campaign, Barack Obama and Hillary Clinton have been squabbling over who has the better qualification to lead the world's only

But when I think about what is truly distinctive about the way I look at the world, about the advantage that I may have over others in understanding foreign affairs, it is that I know what it means not to be an American. I know intimately the attraction, the repulsion, the hopes, the disappointments that the other 95 percent of humanity feels when thinking about this country.

superpower.

Hillary's case is obvious and perfectly defensible. She's been involved in foreign policy for eight years in the White House (though in a sideways fashion as First Lady) and then seven years as a senator. Most of the Democratic Party's blue-chip foreign-policy advisers support her. Plus, she has Bill.

Obama's argument is about more than identity. He was intelligent and prescient about the costs of the Iraq War. But he says that his judgment was formed by his experience as a boy with a Kenyan father -- and

later an Indonesian stepfather -- who spent four years growing up in Indonesia, and who lived in the multicultural swirl of Hawaii.

I never thought I'd agree with Obama. I've spent my life acquiring formal expertise on foreign policy. I've got fancy degrees, have run research projects, taught in colleges and graduate schools, edited a foreign-affairs journal, advised politicians and businessmen, written columns and cover stories, and traveled hundreds of thousands of miles all over the world.

I've never thought of my identity as any kind of qualification. I've never written an article that contains the phrase "As an Indian-American ..." or "As a person of colour..."

But when I think about what is truly distinctive about the way I look at the world, about the advantage that I may have over others in understanding foreign affairs, it is that I know what it means not to be an American.

I know intimately the attraction, the repulsion, the hopes, the disappointments that the other 95 percent of humanity

feels when thinking about this country. I know it because for a good part of my life, I wasn't an American. I was the outsider, growing up 8,000 miles away from the centers of power, being shaped by forces over which my country had no control.

When I hear confident claims about liberty and democracy in the Third World, I always think about rural India, where I spent a great deal of time when I was young, and wonder what those peasants struggling to survive would make of the abstractions of the American Enterprise Institute.

When I read commentators fulminating about women wearing the burqa -- which I don't much like either -- I think about one of my aunts, who has always worn one, and of the many complex reasons she keeps it on, none of which involves approval of misogyny

or support for suicide bombers.

When I talk to people in a foreign country, no matter how strange, they are always, at some level, familiar to me.

I couldn't do my job well without the expertise. But any insights I have are thoroughly informed by the perspective and judgment that I've gained from being first a foreigner, then a foreign student, then an aspiring immigrant and now an American. My biography has helped me put my book learning in context, made for a richer interaction with foreigners and helped me see the world from many angles. So I understand what Obama means when he talks about his life and its lessons.

Look at the experiences of so many distinguished Americans in foreign policy. Zalmay Khalilzad was, by common consent, a superb ambassador

in Afghanistan and Iraq. Could that be in part because of his feel for those cultures? Most everyone regards Henry Kissinger as an enormously skilled negotiator. Could that be partly because as a Jew who grew up in Germany and then an immigrant in America, he has the ability to see things through several different prisms at once?

This might sound like an argument about intangibles, but it's been embraced by hard-nosed businessmen. Fourteen CEOs of Fortune 100 companies are foreign-born, a number that has grown by leaps in the past decade. Some of these companies have explicitly said that they chose CEOs who could penetrate foreign cultures and markets.

This understanding, mind you, comes not from extensive work experience in these coun-

tries. Executives like Vikram Pandit of Citigroup and Indra Nooyi of PepsiCo have spent most of their professional lives in the United States. But they have a powerful feel for the world beyond America.

We're moving into a very new world, one in which countries from Brazil to South Africa to India and China are getting richer, stronger and prouder. For America to thrive, we will have to develop a much deeper, richer, more intuitive understanding of them and their peoples.

There are many ways to attain this, but certainly being able to feel it in your bones is one powerful way. Trust me on this. As a PhD. in international relations, I know what I'm talking about.