

Keeping anti-women policy elements at bay

Women must enjoy equal rights for Bangladesh to prosper

THE tough stance adopted by the government on the extremists' response to the proposed national women development policy seemingly prevented any untoward incident on Friday. We only wish the government had acted thus sooner. But now that the extremist elements opposed to the policy have drawn back from the threats they made earlier about opposing the policy, we feel the government should keep up the pressure on them and see that they are no more able to disrupt social order in the name of religion. In the last few weeks, motivated controversy has been generated around the provisions of the proposed women policy. We note that despite reassurances by the government that none of the provisions goes against Koranic principles, a section of the religious right has continued to misguide the public.

We condemn such blatant attempts at creating chaos in the name of religion. Indeed, it is quite disturbing that while the authorities have been quick to keep every other social or political group in check through the emergency laws, they clearly chose to do nothing to prevent the clerics from violating those same laws. By now, of course, the adviser for home affairs has warned these elements that the emergency is there and we are happy that he has done so. But neither that nor the postponement of the protest programme on Friday does in any way solve the problem.

Just how mischievous the extremists' intentions are can be judged by the shocking proposals made by an ulama committee formed to review the national women development policy. It has asked for the removal of six provisions and changes in fifteen others in order for the policy to become acceptable to its frenzied opponents. One does not require much wisdom to understand that accepting the ulama committee's proposals will leave the entire policy dead. That said, the question we must now deal with is the status of the ulama committee itself. Those who took the initiative in setting it up have not been able to explain the legality of the move. And now, with all the archaic ideas the committee has just floated in the air, it is not hard to see that a concerted effort is well underway to deprive Bangladesh's women of the rights they have struggled so long and hard to achieve.

In clear terms, it is not only unwise and unjust but dangerous as well to deprive half the population of the country of their rights at a time when the rest of the world is fast moving ahead through a coalescing of activities by both men and women. Those who today advocate 'just' rights instead of equal rights for women are doing great disservice to this country, for their attitude is one of herding women into the backyard of society. Let us be emphatic about it: nothing must be done and no one must be allowed to prevent Bangladesh's women from enjoying equal and unfettered rights with men.

Using the boro crop to bring down prices

Calls for a well-thought-out strategy

HOW an intrinsic improvement in the projected output and availability of rice can start impacting positively on the staple market has been proven by the firm predictions of bumper boro crop. The private sector has begun releasing their old stocks. The wholesale prices are already tapering off even though any marked fall is yet to be reflected in the retail market.

The indications from different sources including from growers' level and government agriculture authority point to a record boro crop in prospect if the coming three weeks pass off without any big natural onslaught intervening.

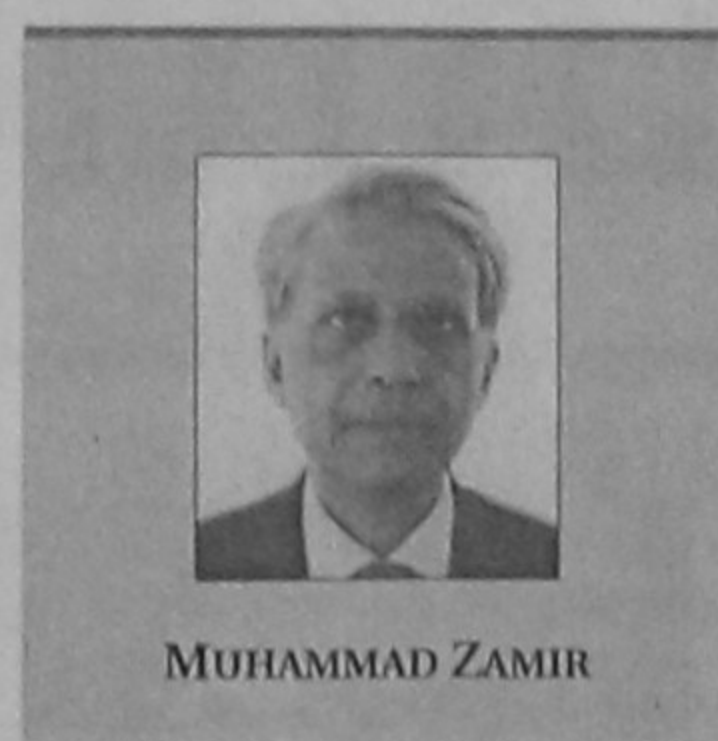
Given the size of yield per acre, we are talking of scaling up the boro production target to 18-20 million tonnes. There are some underlying messages of the boro crop success on which to model our future rice productivity drives. It is worthwhile to note that 4.9 million hectares of land came under boro plantation exceeding the target of 4.5 million hectares. The important feature is the record 1.03 million hectares of land brought under hybrid plan-tation, the output of which is more than four times that of the traditional strains. Hybrid plantation is being continuously researched on to keep the fertility of land un-harmed. There is a prospect for evolving plants that will keep above a certain height of water.

The farmers' determined perseverance to make up for Sidr and flood losses, supportive measures of the government through providing special irrigation connections and HYV seeds contributed to boro success.

Now what we do with good boro and wheat crops will largely determine how favourable supply-demand equations in the market and the government's capacity for intervention in the market will be. The government procurement drive for boro paddy at Tk 18 and rice at Tk 28 has already got underway. The cost price of producing one kg of rice is calculated to be Tk 21-22; so, the pro-curement price seems realistic. However, constant monitoring of market prices would be necessary for the sake of any upward adjustment of the procurement price.

Given the possibility of middlemen's intervention at various stages, there is a dire need for vigil on the entire procurement network just as in the case of distribution constant monitoring will be necessary.

Hidden hunger, anger, dreams and democracy



MUHAMMAD ZAMIR

SOME intellectuals from the western world have at times suggested that democracy, democratic norms and democratic behaviour are not always synonymous with Islam and Muslim countries. A few of these analysts have also pointed out that real democracy and associated freedom have really been enjoyed by Muslims more in non-Muslim environment rather than in typical Muslim states. In this context, they have referred to democratic rights enjoyed by Muslims within United States, in United Kingdom, in India, in Europe and even in Israel. They have compared such enjoyment of rights and the ability to seek functional legal redress with what has been happening in Pakistan and in almost all the Muslim countries in the Arab world and in Africa.

These observations, to say the least, would appear to be controversial. I know that many of the readers will immediately point out that equity and equality of opportunity are two fundamental aspects that characterise Islam. They will also note that democracy has been practiced in many Muslim countries. They will refer to Indonesia, to Bangladesh, to Turkey and also now to Pakistan. I will, of course, agree with them. However, at the same time, I will point out that our behaviour as a democratic country has not always followed the expected norms, mostly due to partisanship, absence of accountability, lack of transparency in decision-making and flouting of the due process of law (by political parties while in office). This has eventually led to corruption, abuse of power and inept governance.

I have always believed in self-

Despite evidence of "hidden-hunger" (or starvation, to put it bluntly), and economic inactivity and torpor, they have held themselves back. In this context, they, despite potential "hidden anger," have shown great maturity and deserve appreciation. I have talked to many in rural areas and almost all of them have remarked that there is need to wait to get a good "version" of democracy where their fundamental rights and opportunities will be ensured in the future, not gobbled up by unscrupulous politicians. In effect, they are referring to a "hidden dream" that they associate with a functioning democracy.

examination. This permits a person to be objective and discern faults that need to be addressed. This principle also applies in the case of a country, particularly a state like Bangladesh that is trying to re-discover the essential elements associated with democracy.

In terms of political science, our population of nearly 150 million is now living in a state of suspended non-political animation. We have had, since 1991, a turbulent fifteen years and odd months of parliamentary democracy, and are now passing through an interim administrative arrangement that is seeking to correct the parameters, strengthen the pillars required for a functional democratic edifice, and create a level playing field. It is generally agreed that these reforms are required so that a free, fair, credible and acceptable election can be held.

Bangladesh is presently passing through an interesting period. This political experiment is being carefully monitored both in the print media as well as in almost all the households both urban and rural. Every act of the Election Commission, any statement by the chief adviser, the chief election commissioner or the chief of army staff becomes the focal point of discussion. There are, subsequently, responses from different political parties. The electronic media participates in this exercise with great ardor, and "talk-shows", even though mostly "non-live" in character, analyse every aspect of any given situation. The continued detention and trial of the political leaders of the

Awami League and the BNP, the rise in prices of essentials, lack of water, gas and electricity--all juxtapose together to add to the media drama.

The whole nation is waiting for the forthcoming general election. Every month we follow with care numbers associated with voter registration or issue of ID cards. The common masses are also eager to find out when the emergency will be lifted and the election schedule announced. They want to know when political activity can emerge from the cold and resume in the open, at all levels, not just in Dhaka. They have been patient for a long time, longer than at any other time in the short history of our country. Despite evidence of "hidden-hunger" (or starvation, to put it bluntly), and economic inactivity and torpor, they have held themselves back.

In this context, they, despite potential "hidden anger," have shown great maturity and deserve appreciation. I have talked to many in rural areas and almost all of them have remarked that there is need to wait to get a good "version" of democracy where their fundamental rights and opportunities will be ensured in the future, not gobbled up by unscrupulous politicians. In effect, they are referring to a "hidden dream" that they associate with a functioning democracy.

One can only hope that our politicians understand that our ordinary people, this time round, not only want free and fair elections both at the local government and national levels, but also a future democratic

arrangement where their aspirations will be met and protected.

Defining democracy is very difficult. Robert Dahl has generally conceptualised it as the embodiment of the notions of equality, liberty and the rule of law through the combination of norms, institutions, procedures and/or outcomes. Michael Freedom, on the other hand, has described the democratic system as "normatively and philosophically desirable" and one that promotes human freedom and human rights, limits the arbitrary and dangerous power of the state, and arguably fosters more peaceful relation between states.

Democracy is also supposed to promote tolerance and economic growth, and create mechanisms for peaceful conflict resolution within state and within the region. A large measure of success in this regard, however, depends not only in the manner in which democracy is ushered into the state system (the nature of the election and the electoral process) but also on the role played by its principal stakeholders the political parties themselves.

Now, here is the rub (as Shakespeare would have put it) in the case of Bangladesh and its quest and dream of effective, functional democratic multi-party political governance. My concern is whether our political parties are ready to tackle all the issues that they will inherit after the election. Do they understand that after 1/11, as it is popularly known, the expectation threshold has climbed higher. The people have

observed how the mighty have fallen, been sentenced to prison and how many so-called leaders of the people have fled abroad to avoid incarceration.

I am afraid that our politicians are far too engrossed talking superficially about reforms, fighting amongst themselves and looking over their shoulders to see if they have been charge-sheeted on grounds of extortion/corruption. I wonder if think-tanks of political parties are spending sufficient time planning how to tackle, in the future, extremism, fundamentalism, terrorism; food shortages, budget deficits (due to enhanced prices of importing oil, commodities and capital machineries) and power shortages.

Our politicians have to understand today, there are great hopes interwoven with the democratic dream.

Democracy does not just mean winning an election and forming a government. There is also a broader and pragmatic picture to the electoral process. It deals with recalibrating the mind-set and getting rid of emotional partisan baggage. It is also the willingness to be accountable to other members within the Parliament and also to the common people who sent them there.

One anticipates that the political parties will, in the near future, be concentrating on the forthcoming election and organising their campaigns. However, one can only hope that an important part of this process will be the preparation of their respective manifestos. There is a lot of work to be done, and sitting in a dialogue with the government is not the most significant one. The political parties need to draft and finalise their anticipated courses of action with regard to how they intend to handle in the future, issues like due process of law, independence of the judiciary, implementation of reforms within the police and other law enforcement agencies, creation of a functional, autonomous National Human Rights Commission, and the appointment of a non-partisan, non-political Ombudsman.

The political parties also need to sit down and prepare blueprints as to the methods by which they will

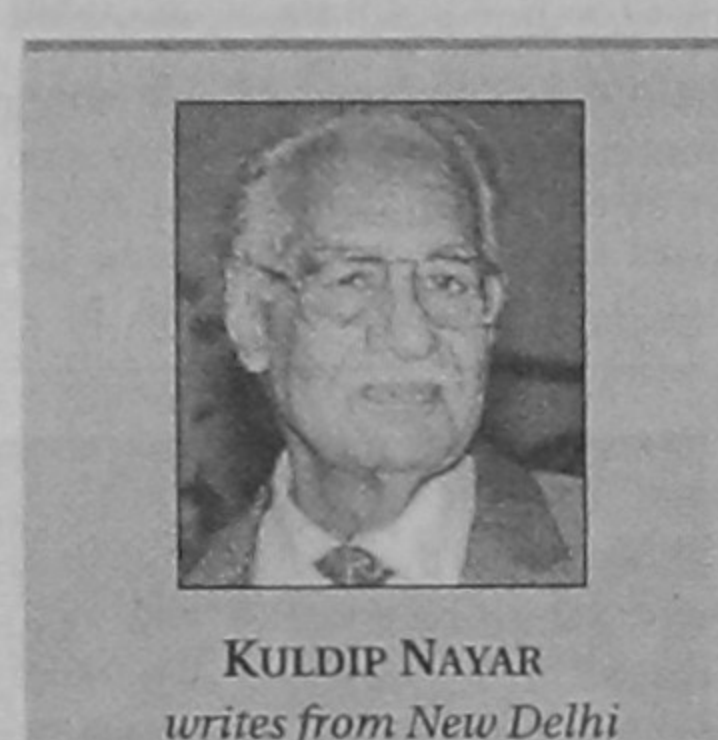
reduce poverty, increase rural employment and economic opportunities, arrange credit extension for the marginalised, better utilise growing remittances from our expatriates, provide wider healthcare for the rural community and those living in slums in the urban areas, ensure vocational training and functional education for those living in rural areas (thereby providing alternatives to mere learning of religious text by rote in madrasas), add to capacity in terms of infrastructure and encourage foreign direct investment.

Each political party must also join in the consensus of making the Parliament more functional through effective use of parliamentary sub-committees and participatory engagement. These committees can then act as "watch-dogs" and that, in turn, will improve governance, transparency and accountability. It might be useful in this regard to consider the revolutionary concept of nominating as chairman of each committee, a representative from the parties in the opposition in the Parliament. In similar vein, the speaker of the house could be selected from among the members in the Sangshad belonging to the largest party in the opposition. This will be interpreted as trust and act as a confidence building measure. This will also facilitate objective discussion of issues on the floor of the house, instead of significant controversial issues being swept under the carpet. We have already seen the harm that a partial speaker can do to democracy during the last tenure of government.

The political parties also have to understand that there are certain national issues that need to be treated on a bi-partisan basis. That should include important elements within the matrix of foreign policy (regarding national interests), water management and fighting terrorism. Democracy is not just the holding of an election. It is much more. It requires correct political will to be sustained.

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A lesson for South Asia



KULDIP NAYAR
writes from New Delhi

ELECTION results in Nepal should not come as a surprise to India when it first persists with kingship and then with a non-performing political party. New Delhi's failure is in not gauging the popular mood. This should be a point of concern because the span of thinking between India and Nepal turns out to be not a few months, but many years. People were changing and New Delhi was stuck in its wishful thinking of saving kingship and its old ally Nepal Congress. The king is as good as gone.

To say officially that India would deal with the government which emerged at Kathmandu was to admit that it did not want what had happened and, now that it had happened, it would accept it. What else is New Delhi's choice? People have returned the Communist Party of Nepal (Maoists) in the election. Who are we to comment on their choice?

In fact, the vote for Maoists is also the vote against India. Nepal is have

Nepal is, however, an example which can teach the South Asian region a lesson if it is willing to learn. No doubt, poverty gives birth to desperate remedies. Feudal order negates democracy. But what makes people revolt is their feeling of despondency and helplessness that their plight can never change. They revolt when they are convinced that they have no way to escape the oppressive order except through violence.

seen New Delhi's excessive involvement in their affairs. The Maoists raised the Big Brother attitude of India at their poll meeting. The treaty we have with Nepal is not to their liking. We should have scrapped it long ago. Why did we not do so is beyond me, if they ask for it? In the same way, I do not understand former President Carter's appeal to America to accept the change in Nepal. The most powerful democracy in the world as it is, the US should realise that however unpalatable, the outcome of the free and fair elections is final. It does not matter if one country does not like the government in the other. It is people's free will which counts and Carter, who supervised the polls, should know it better.

Still not many will understand or appreciate what the Nepalis have done. Theirs is a feudal society, which has lived for some 235 years under the concept that the king is God and in his rule rests democracy and prosperity. Disparities are so

entrenched in the country that any call to turn against the past finds a respondent chord. The hopes that their lot would improve begin to take shape. Maoist leader Prachanda has only utilised the atmosphere.

When the whole of Kathmandu came out in the streets in support of the demand for abolition of kingship two years ago, it was an expression of the suppressed society to set itself free. The promise to switch over to a republican setup gave them a hope of change. They have supported the change, pinning their faith in the betterment of people.

The Maoists have been returned, not because the voters are impressed by the Marxist ideology but because they trust that those who have promised a different economic order will get them out of poverty in which they have been stuck for centuries. True, the element of fear was there because the Maoists "ruled" the countryside for years through gun. And it is an open secret that the Maoists have not surrendered all the weapons as

agreed upon long before elections and have stacked them elsewhere. Yet, people had no alternative. They had rejected the king. They did not want to go back to the Nepali Congress, which they had tried again and again and had found it failing.

It was, however, amusing to see election posters showing a photo of Stalin along with the pictures of Karl Marx, Lenin and Engels. Stalin killed hundreds of thousands who dared to differ or speak out. But then Stalin's portrait hangs prominently also at the CPM headquarters in Kolkata. Still, the CPM is part of the mainstream and puts its faith in a democratic system. The Maoists in Nepal will do the same when they assume power. The disillusionment against them would begin, as has happened against the CPM in West Bengal, Kerala and Tripura, if and when they fail to deliver. Who knows that the Maoists in Nepal may also come to rationalise that the establishment of a welfare state was not possible in a capitalist system, as the CPM is doing.

I am vehemently opposed to what the Naxalites (also called Maoists) are doing in India, indulging in an orgy of bloodshed and crime. But then they make no secret of their opposition to the democratic system. They do not want to come into the mainstream because their faith is in coercion, not consensus. This is precisely the reason why the Maoists in Nepal and those in India may not join hands. One is a conformist and the other is against conformism. The Indian Maoists may support the radical group within the Maoists in Nepal to support the concept of a "red corridor" extending from "Pasupati to Thriupathi." Nepal is, however, an example which can teach the South Asian region a lesson if it is willing to learn. No doubt, poverty gives birth to desperate remedies. Feudal order negates democracy. But what makes people revolt is their feeling of despondency and helplessness that their plight can never change. They revolt when they are convinced that they have no way to escape the oppressive order except through violence.

Democracy gives people a peaceful option to vote against those who oppress or do not perform. The Nepalis have done that. The question which the Maoists have to answer is whether they have the ability and determination to improve the lot of the people. The polls at which the Maoists have won are for the formation of the

constituent assembly. The same people can throw them out if they do not see any promise in the constitution to be framed.

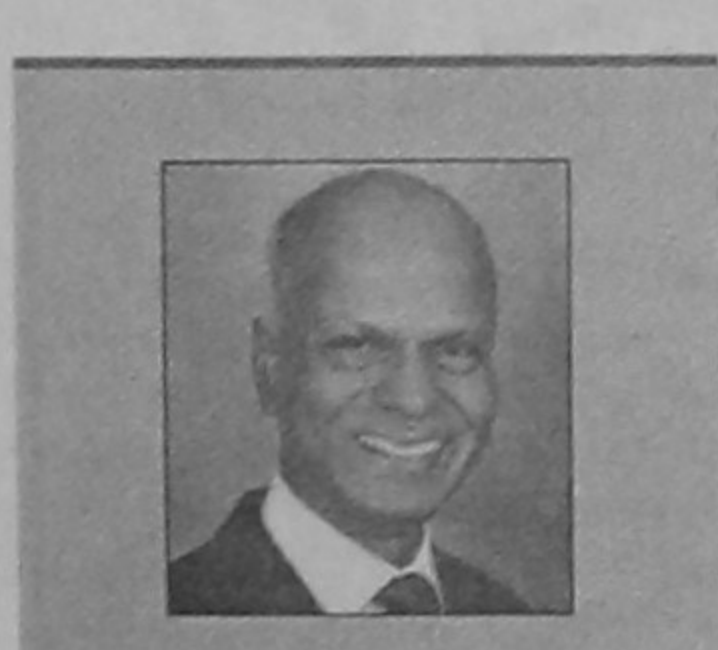
The Maoists have said they would not go back to arms. Not long ago, when I met some of their leaders at Kathmandu, they told me that even if they were defeated at the polls they would not pick up the gun again. This is how democracy functions. People change masters, masters do not change the people, as it happens in authoritarian and military-run states. I am not sure whether the Maoists who have emerged through violence can keep to their word once they feel that they may lose power.

This demands an unshakable faith in methods, Mahatma Gandhi emphasised that if means were vitiated, the ends were bound to be vitiated. India has not lived up to that advice, even though it won freedom through non-violence. Democracies, wherever they are, have to show their faith in the methods they employ. America gives the feeling increasingly that it has compromised with oppressive laws and violations of human rights.

In fact, the US of today has changed beyond recognition. Maoists in Nepal do not have to follow it even if it is a democracy. Their undertaking not to take to guns again will be watched with anxiety.

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Regulating the US financial market



CHAKLADER MAHBOOB-UL ALAM
writes from Madrid

THERE is no doubt that the recent sub-prime mortgage meltdown has led to a collective loss of faith in the way the United States financial system works. When the turmoil in the sub-prime market spread to other parts of the securities market it created a huge liquidity crisis, forcing the central banks on both sides of the Atlantic to pump billions of dollars into the system to create liquidity. Yet, in spite of these efforts, confidence in the credit

LETTER FROM EUROPE

All this has convinced many financial experts that in order to prevent other banks from falling into a similar situation, the government must increase its regulatory powers to control banks and financial institutions.

market has remained shaky. Financial institutions are still hesitant to extend new credits.

In the United States, this unwillingness to lend has affected not only corporate and personal loans but also municipal bonds, student loans, and even government-backed mortgages. Economic activity involving both consumer spending and corporate investment across the world continues to decelerate, causing unemployment to rise. Day by day, more countries are being sucked into this steadily spreading economic crisis.

When, on March 13, a major

investment bank on Wall Street, Bear Stearns, announced that it was facing imminent bankruptcy because of liquidity problem caused by its dodgy securities portfolio, it created a situation in which, according to the regulators, "the fate of the country's financial system hung in the balance."

In order to stave off the collapse of Bear Stearns and the financial system as a whole, the Fed intervened by giving a guarantee of \$30 billion credit line to subsidise its takeover by JPMorgan.

It was a significant failure on the part of the SEC to assume that, in an

emergency situation, investment banks like Bear Stearns could always borrow (between 93% and 97% of the value) against the securities they owned. So an investment bank's capacity to raise cash depended entirely on the valuation of its securities, which, unfortunately, was sub-contracted to bond-rating agencies like Moody's and Standard and Poor's, who often classified them as AAA, knowing jolly well that most of those mortgage-backed securities were worth nothing.

A few weeks ago, a co-president of Bear Stearns was forced to resign

when it became clear that the two Bear Stearns hedge funds that had invested heavily in securities backed by sub-prime mortgages were worth virtually nothing.

As reported by some analysts, the failure of New Century Financial, one of the largest lenders, about a year ago, started the sub-prime meltdown. According to an independent report commissioned by the US Justice Department, New Century Financial engaged in "significant improper and imprudent accounting practices" that were condoned by its auditors, KPMG. Some of these allegations remind us of Arthur Andersen after the sudden collapse of Enron in 2001. They also demonstrate that things have not improved much in this field.

No one underestimates the difficulties the auditors face in trying to verify the value of some of "these unregulated financial products that are traded in unregulated markets," Samuel DiPiazza Jr., the global chief

executive of Price Waterhouse Coopers, recently expressed concern about how "to determine the value of financial assets for which there is no real market."

All this has convinced many financial experts that in order to prevent other banks from falling into a similar situation, the government must increase its regulatory powers to control banks and financial institutions.

Unfortunately, the problem is that President Bush and his close collaborators headed by Alan Greenspan, former chairman of the Federal Reserve, are devoted to a free-market ideology and believe more in deregulation than in the need for a set of new regulations to control the financial market. They think that too much regulatory pressure would destroy innovation in the financial world (Remember, the collateralised debt obligations were once hailed as great innovative products), and that "market disci-

pline" would ensure proper functioning of the financial market.

They also feel that strict regulations would hamper the ability of American markets to compete with foreign rivals. So, how does one explain Paulson's recent plan to overhaul the regulatory apparatus that oversees the US financial system?

Actually, it is a public relations ploy to respond to "the circumstances of the day," that is to assuage the anger and frustration of the American public caused by the simultaneous bursting of the housing and credit bubbles. In the words of Professor Krugman of Princeton University: "It is all about creating the appearance of responding to the current crisis, without actually doing anything substantive."

According to the plan, hedge funds and private equity firms will, for the first time, be overseen by the federal government, albeit minimally. This oversight will be limited to collecting information "until a

wide-scale financial crisis has already occurred." It is only then that the government will take action.

It is almost unbelievable that Paulson's reform plan does not include any proposal to regulate complex derivatives like the CDOs and similar financial products linked to the current mortgage crisis.

In any case, by his own admission, Paulson does not expect his proposals to be considered by the lawmakers "until after the housing crisis is over," which means not before one year, by which time Bush will be out of office. Thus, the task of building a new regulatory structure for the US financial market of the 21st century with the purpose of controlling non-depository institutions like Bear Stearns will fall on the next president. Meanwhile, let us hope that the current crisis does not degenerate into a depression.

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