

Truth and Accountability Commission

It is losing credibility and should be wrapped up

THE Truth and Accountability Commission is now considering extending the deadline, for the second time, for individuals to voluntarily declare their ill-gotten wealth. If that says anything about the results obtained so far in its operations by the Tac, there is the more intriguing tale of how high officials, politicians and businessmen suspected of corruption have shrewdly stayed away from the body. What has happened, in the words of none other than the chairman of the commission, is that only lower ranking employees have been trekking to the commission and coming up with confessions. Obviously, that is not quite the kind of results the government had anticipated when the Tac was set up.

Which now takes one to the very important question of why the Truth and Accountability Commission was set up in the first place, given that the entire machinery of the government since January last year had been engaged in identifying corruption at various levels of society and bringing the bad elements to book. It is unbelievable but true nevertheless that no logical, credible rationale was offered to explain the formation of the Tac. There was absolutely no acceptable model upon which it was fashioned. Of course, it was given out by some of the votaries of the idea that the Tac was patterned on the Truth and Reconciliation Commission that was established in South Africa following the end of apartheid there. The reality about the South African body is that it was based on clear terms of reference and was underpinned by compelling moral reasons. In South Africa, the issue was one of turning a new page after decades of morally wrong politics based on racial discrimination. In Bangladesh, it has been a clear case of financial malfeasance that needed to be handled firmly.

What has been made obvious in the last few months is that the Truth and Accountability Commission has been petering out as a body. That was only to be expected, given the reasons cited above as also the large-scale cynicism that has regularly greeted its working, or an absence of it.

The Tac has been practically a non-starter. It has a tenure of six months, of which two months have already gone by. We now suggest that it deal swiftly with the cases it has in hand and then be wrapped up as early as possible, that indeed the law be permitted to take its course where dealing with corruption is concerned.

Toe to toe



ZAFAR SOBHAN

WE are entering the final stretch of the US presidential election, to be held on November 4. At the time of writing it wasn't clear whether the first debate that is scheduled for Friday night would be held as scheduled or not due to the suggestion of the McCain camp to postpone it (as well as all electioneering) due to the economic crisis that the US is currently facing.

Nevertheless, whether they have the debate tonight (tomorrow morning, Bangladesh time) or whether the first debate will now be held instead on October 7, it is clear that there is a lot riding on the three presidential debates, and, to a lesser extent, the one vice-presidential debate between Sarah Palin and Joe Biden.

There has been a lot of hand-wringing in liberal circles about the fact that Obama has not opened up as much of a lead as he should have given the state of the economy and the unpopularity of the incumbent Republican administration.

Various theories have been propounded as to why this is, from the fact that Obama is black, to his inability or disinclination to go for the jugular, to his lack of foreign policy credentials in increasingly anxious times, to

STRAIGHT TALK

McCain is running as the candidate of experience and sagacity and proven leadership. To make the case that Obama is unready to lead (the entire thrust of the McCain campaign thus far), it is McCain who will have to clearly outperform Obama and land a knock-out blow, and the chances of this happening seem slim.

the bounce enjoyed by the Republicans in the wake of the nomination of Sarah Palin for the vice-presidency.

These may all be factors, but the most over-riding one is simply that most American voters don't start paying much attention to the presidential race until the debates and the final month or so of the election campaign.

I have long predicted an Obama landslide, but the truth is that it is a little silly to make predictions so far from the time of the election. I may be right or I may be wrong, but the truth is that so much can happen between now and election day that such predictions are more or less meaningless.

Essentially, the election will ultimately be decided by factors that have not yet occurred or played out completely, such as what happens to the US economy between now and November 4, whether Osama bin Laden is captured in an "October surprise," and, most crucially, what happens in the debates.

I have always felt that once Americans start to pay attention that Obama would walk away with this thing, and I believe that the debates will be an important part of this process.

In US politics, each side can expect a base-line of some 40% of the vote. Even the hapless Walter Mondale bagged 41% of the

popular vote in 1984. The nadir in modern times for a major party candidate and the last time any candidate got below 40 per cent was when George McGovern limped home in 1972 with some 38% of the popular vote.

In other words, the swing vote is basically 20% of the electorate. In 2004, Bush defeated Kerry 52-48, indicating that Bush won the swing vote by a 2-1 margin. In the 2000 election, the popular vote, and by definition the swing vote, was split almost evenly.

Swing voters don't start to pay attention or decide who to vote for until the final days. In electioneering parlance, they are late breakers. So it is ridiculous to expect Obama to have a consistent 10 point advantage at this stage in the race.

But now with the US economy in freefall, voters paying close attention, and the debates around the corner, we should see some movement in the numbers. Some 60 million people watched the first debate between Bush and Kerry, and there is no doubt that the debates between Obama and McCain will top that.

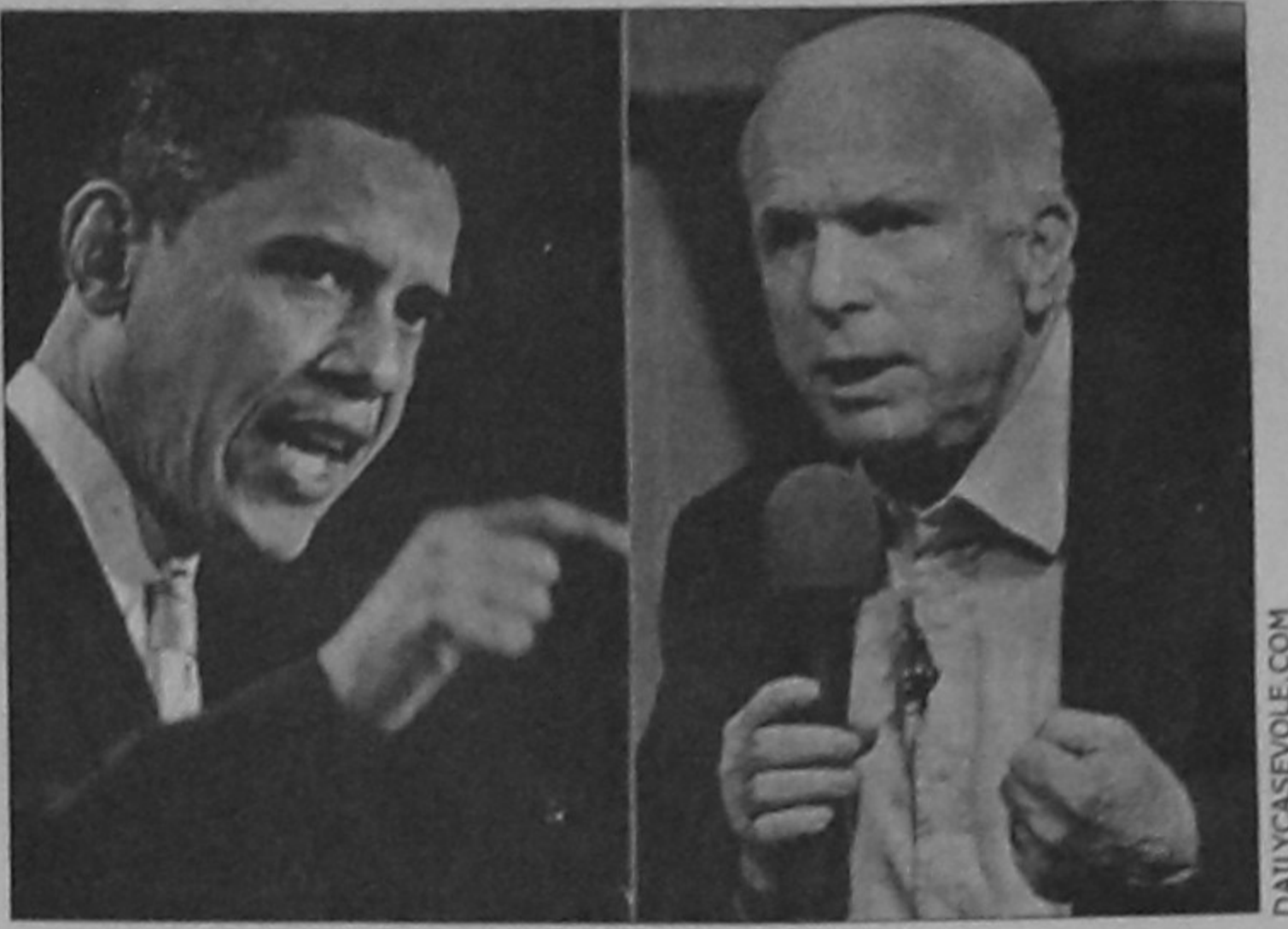
Skeptics point out that Obama is a poor debater (compared to his public speaking skills) and that Hillary Clinton routinely cleaned his clock during the primaries. However, this overlooks a couple of points.

The first is that McCain is no Hillary Clinton, who is indeed a fine and impressive debater. The second is that the debates between Obama and Hillary were not on policy (since there was so little difference between the two on policy), but on who would match up better against the Republicans. The coming debates will pit Obama's proposed policies against those of McCain, and this is an argument that Obama can and should win on the merits.

The expectations game will also work in favour of Obama. Whenever a young or relatively untested candidate goes up against someone who is more seasoned, what voters are looking for is to see whether he appears presidential and whether he is able to match his rival in terms of stature and gravitas.

Back in 1960, before Kennedy debated Nixon, the knock on him was that he was callow and untried. Thus, he didn't need to beat Nixon, he merely needed to demonstrate that he would be a plausible president and that he was on the same page as far as preparedness went. And this is what he managed to do.

Similarly, when Reagan faced off against Carter in 1980, the extractor only needed to convince Americans that he was a plausible president and that the gap



Ready to rumble?

between him and Carter in terms of grasp of the issues was not as great as had been surmised. Ditto for Bush against Gore in 2000.

In all these cases, the knock was that the candidate lacked stature or experience or was untested and not yet ready to be president. But when voters saw them more or less hold their own against the candidates who were meant to be more presidential and ready, that gave them a boost and allowed people to begin thinking of them in terms of the presidency.

Barring a catastrophe, this is what is likely to happen this year. As long as Obama shows that he is roughly McCain's equal in substance, then he will be fine. For many Americans it will be the first time they have seen him up close and under pressure, and if he appears confident and presidential, that is all they will really need to see.

Of course, I suspect and hope that he will do far better than that. I think that McCain, who is short-tempered, irascible, given

to looking confused, and not really up on the issues, will look decidedly un-presidential, and that Obama has a chance of really landing a knock-out blow.

Indeed I would not be surprised if Obama succeeds in goading McCain into melting down completely, like the Jack Nicholson character in the movie *A Few Good Men*.

But the thing is that he does not need to. Presidential debates are typically draws or a slight points victory for one of the candidates. The dynamics of the race and of how people view the two candidates are such that a draw will suit Obama just fine.

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More than half the council of advisers overseas!

High demand on their time at home

WE don't want to make too much about it but it has drawn our attention. At this point in time, as many as six advisers holding charge of 12 important ministries, are away on official tours abroad. We wish the simultaneous absence of so many advisers from the capital city could be explained away as some awkward coincidence. The very fact that such a big number of government functionaries thought alike to be in a jet-set mode leaving their desks for varying time spans at the end of their tenure may be construed as cavalier attitude. They may have had some compelling calls of duty to respond to, but in public perception, when half of the cabinet chooses to be on an odyssey, attention to governance and policy issues under their watch is likely to be affected.

Neither by definition, nor by commitment, nor in terms of responsibilities undertaken by them, the interim caretaker government at the final stages of its tenure can look upon itself as a lame duck government, far less act like one. In fact, the CTG is at the climatic phase of its tenure. Wide-ranging institutional reforms have got underway and this is the time to set the implementation processes on course. The world is moving forward and looking closely at how we are faring in meeting the MDGs. Then holding the government together in effective working conditions while the juggernaut of the elections start moving is an integral part of the transitional responsibilities the government must be in a position to fulfil.

While we are on the topic, let's point out that a single adviser has under his or her charge more than one ministry, so that not only has the person concerned been torn between ministries but predictably remained unfocused on the priorities of his or her tasks. Some important ministries have genuinely suffered from lack of leadership and a clear sense of direction. Now that an administrative shakeup is on across the board, it's all the more important that any laid-back attitude of advisers does not rock the boat of administration at this juncture.

Uniting a divided nation



MOHAMMAD BADRUL AHSAN

THE stick in the mud that he was, Robert Mugabe of Zimbabwe has changed his mind. Last week he agreed to share power with Morgan Tsvangirai. South Africa's president, Thabo Mbeki, who brokered this power sharing deal, resigned under pressure from his party.

Within the same week, a deadly bomb ripped through the Marriott Hotel in Islamabad, killing 53. For us, a country desperately seeking national reconciliation, these are three live examples, respectively, of what's good, bad and ugly in political history. Mugabe, of course, is the bad example, a leader who clutched power for 28 years, put his country and people through immeasurable miseries and then saw the wisdom at the end of his rope that it was more honourable to share power with an adversary.

Mbeki is the good example, a statesman who readily agreed to step down bowing to the verdict of his own party, sparing his

CROSS TALK

What is needed more to fix our problem is not unity but civility. It doesn't matter if we have significant and deep disagreements so long as we also have equal or more common ground to stand on as a nation. If our leaders don't like to sit at the same table, how will they sit under one roof inside the same parliament? Nothing will change unless first we can accomplish this simple task. The leaders should have a common interest to work out their differences.

people and country the pains of a power struggle.

The ugly scene in Islamabad is a stern warning that arrogance of power is a dangerous thing. The bomb, which was targeted at the top leadership of Pakistan, sent more splinters to damage the country's political fabric than it did to destroy lives. Its loud explosion reverberated that Pakistan might be in yet for another long innings of inter-cine politics.

We in Bangladesh are still privileged, like students who have a chance to improve before the final test. Whether all parties go to elections without further bickering, or the two leaders of the two leading parties sit down for power sharing, we still have enough rope of hope left before we hang ourselves.

It's absolutely the last chance to do the right thing before things precipitate and this country is sucked into the feeding frenzy of

a downward spiral of hatred and violence.

So if one or more party refuses to go to the election in December, or the leaders still stick to their guns, unwilling to talk amongst them, and the caretaker government wants a quick fix to wiggle out of a responsibility that looks increasingly complex, the end result could be disastrous. It might sound flimsy, but a potent danger nonetheless. This country will descend into chaos from which it might not recover in foreseeable times.

Pakistan is a case in point. The cracks in national solidarity offered dark and damp spots where mutants of animus grew deadly and strong. It can be blamed on al-Qaeda or home-grown religious fundamentalism, but the fact remains that, now, the country can't be ruled by a civilian government.

In spite of predominant mili-

tary presence, the government is struggling to keep its grip on a large part of North West Frontier Province.

This is a critical lesson for us, especially at a time when we are standing at the crossroads of national disorientation. What should we do? Should we learn from Mugabe's belated awakening, Mbeki's timely decision, or Pakistan's frightening consequences? In the run up to the upcoming election, these are the vital questions to ponder for our politicians.

Because, more than anything, what we are facing today is leadership failure. And, history is rife with examples that such failure, if continued unabated, throws a country into political turmoil. The United States of the 1850s is a perfect example.

The period was characterised as a decade of political failure in which the nation's leaders were unable to resolve, or even con-

tain, the divisive issue of slavery. The outcome was the American Civil War, which lasted 5 years, and altogether 680,000 soldiers and civilians, in a population of 31 million, perished.

Amongst a litany of other examples are those countries, which have been ravaged by civil wars. Somalia is a country where leadership failure has been most pronounced in recent times. Who constitutes the leadership of the country? Is it the Transitional Federal Government? Is it the Islamic Union leaders? Is it the business moguls? Or is it the educated elite or the traditional class?

In fact, similar questions are already arising in this country. If not quickly dealt with, these questions are going to acquire a life of their own, which means these questions are going to have moral ramifications, confusion supplanted by chaos, laying out a trail of moral mayhems when people are going to develop the mindset of children from broken homes.

They will learn to live without a government, each becoming a government unto himself, taking law in their hands, breaking this country into spheres of influence ruled by musclemen potentates.

It happens when the hardening of attitude takes place on both sides. Remember the civil strife in Sri Lanka? It started with disagreements between the Tamil and Sinhalese communities at the time of drawing up the

constitution. The Sinhalese tried to assert themselves on the Tamils and the Tamils resisted, which led to confrontational politics that escalated each time talks failed between them.

What is needed more to fix our problem is not unity but civility. It doesn't matter if we have significant and deep disagreements so long as we also have equal or more common ground to stand on as a nation.

If our leaders don't like to sit at the same table, how will they sit under one roof inside the same parliament? Nothing will change unless first we can accomplish this simple task. The leaders should have a common interest to work out their differences. This nation is fractured under its skin. In most cases a fractured bone is taken through a process called reduction. The broken bone is placed in a cast after a little pulling and tugging to achieve improved alignment. If reduction fails, then it might need surgery for fixing of the bone with pins, plates, screws or rods.

Al Pacino says in *Scent of a Woman* that there is no prosthesis for an amputated spirit. Likewise, there is no prophylactic for a divided nation but its undying willingness to stay united.

An urgent intervention is needed to avoid the risk of permanent disability.

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Big government to the rescue



FAREED ZAKARIA writes from Washington

IT seemed as if the global economy were headed for the kind of crash we haven't seen since 1929. All the elements for a great financial meltdown and economic depression were in place last week -- choked-off credit lines, massively leveraged firms, assets gone bad, sinking mortgages, panicked

By the middle of last week, fear was pervasive and no one was ready to lend money to anyone for any purpose. It turned out that only government intervention could change this psychological paralysis. The lesson of the almost 100 (smaller) financial crises of the past three decades is that only government intervention can stabilise the system when it chokes.

consumers and paralysed companies. "What is different," says Harvard economic historian Niall Ferguson, "is that then the federal government and the Federal Reserve did all the wrong things. Now they're mostly doing the right things."

As of this writing, we don't know the details of the plan that is being crafted by Henry Paulson and Ben Bernanke to restore confidence in the U.S.

financial markets. It is impossible to be certain that it will work. But the administration and the Federal Reserve were right to intervene in a large and systemic manner. Modern capitalism depends on credit, and credit depends on confidence.

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tion could change this psychological paralysis. The lesson of the almost 100 (smaller) financial crises of the past three decades is that only government intervention can stabilise the system when it chokes.

The first task remains to bolster confidence. The next is to devise a workable and flexible plan to dispose of the mountains of assets that the government is taking over. Then, after

some thought and analysis, should come the fixes needed to better structure America's massive and complex financial markets.

Some problems require more regulations. Firms that are deemed too large to fail should also be deemed too large to be leveraged at 35 to 1. Some problems require better regulations. For instance, the rule forcing financial institutions to mark their assets down to "market prices" -- even when these are distressed prices and firms do not intend to sell the assets any time soon -- created a crazy downward spiral. Still other problems require less state intervention. Why should the government insure Fannie Mae's risky profit-seeking

behaviour?

This crisis should put an end to false debates about government versus markets. Governments create markets, and markets can exist only with regulation. If you want to be truly free of regulation, try Haiti or Somalia. The real trick is to craft good regulations that allow markets to work well. No regulatory structure will be perfect, none will eliminate risk, nor should they. At best, they can tame the wildest gyrations of the market economy while maintaining its efficiency.

Washington may have come late to the rescue. Bernanke is a brilliant man, but more professor than activist in his temperament. Paulson was plainly uncomfortable with having the

government bailing out private firms. The Democrats in Congress were reluctant to put up taxpayer dollars. But to be fair, these were massive moves, not to be taken lightly. The government has now nationalised an investment bank, the world's largest insurer and 50 percent of the country's mortgage market, in addition to hundreds of billions of dollars' worth of bad financial assets. And without last week's meltdown there would have been no chance of any broad bailouts getting through Congress, whether led by Republicans or Democrats.

But having faced the abyss, the system has now clicked into high gear. In Paulson, America is extremely fortunate to have a man of tremendous intelli-

gence, drive and pragmatism, who will engage in "bold and persistent experimentation" until the job is done. Bernanke has the knowledge and wisdom that will be needed to plan the longer-range solutions. Congress is acting in a responsible and nonpartisan fashion. Barack Obama has thrown his support behind the Bush administration's efforts.

Often in the past year we have watched markets behave in ways that they were not supposed to, but last week we saw government behave as it should.

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