

Longing for Bangladeshi Obamas

Let's remember the simple calculus of hope. If you double a dream every hour, you will have more than a million dreams by the end of the day. Don't trust me? Just verify with a calculator. We have to double our hopes and halve our cynicism. That's how the infectious mathematics of optimism works.

FAISAL SALAHUDDIN

AMID a breezy fall campus night when old leaves were falling in the wind, new hopes rising and students cheering, I watched Obama moving America to tears as he gave his victory speech. We all have been moved by the poetry of his improbable journey and the melody of his symbolic victory.

Amid swelling inspiration, oddly enough, I felt a tinge of jealousy book-ended by sadness. Jealous of the Americans for having Obama's promise of inclusive tomorrow and sad for us Bangladeshis lacking recent leaders who have offered us such confidence.

In the wake of alternating emotions, I felt some premature longing for Bangladeshi Obamas -- young Bangladeshi leaders who can inspire our youth to believe that we all can live beyond us -- for each other and for the country.

No, I am not completely naive or delusional. I know the distance and the difference between the US and Bangladesh. In my own defense, I would just say that longing does no harm, cynicism does.

We have a very fertile cottage industry of cynicism, especially when it comes to politics. The ritual is to first get angry, then apathetic and finally cynical. But these often are just lazy emotions to support easy excuses for not getting involved.

Obama's victory raises an immediate but wishful question: How long will we have to wait for our political leaders to inspire and unite us and then govern the country?

A more introspective and responsible question is: What are our individual responsibilities to perfect our shared destiny as a

nation? How long should we harbour hope unbacked by action?

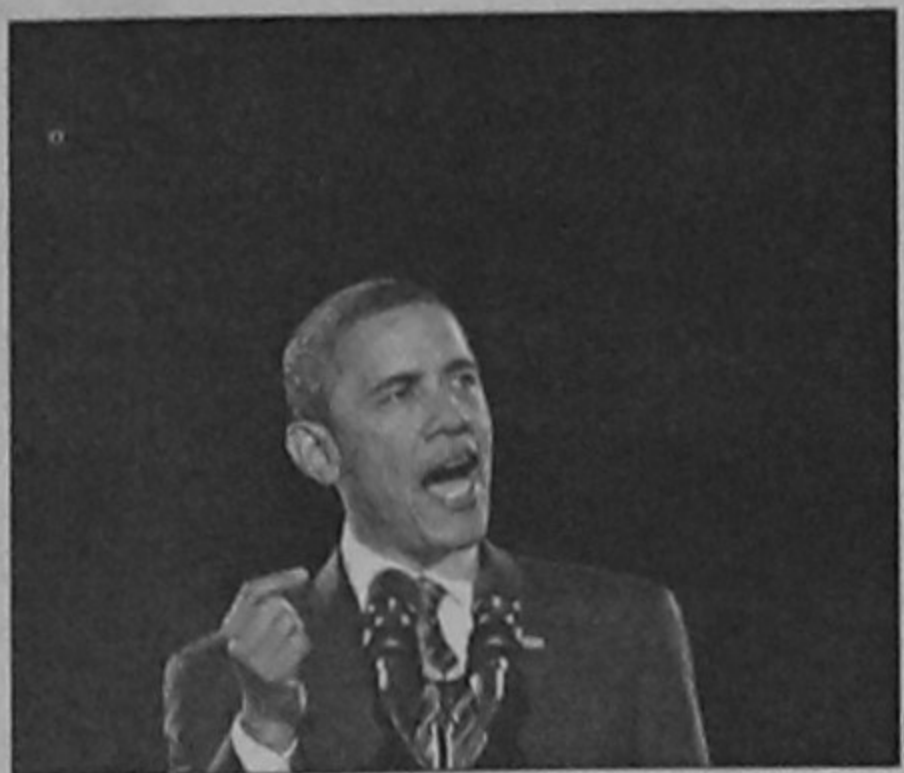
Obviously, I don't claim to know the answers, but I know that the choices facing our young generation are stark: to sit back, wait for Great God to come from the heavens (to paraphrase the late, great Bob Marley) to fix our politics or to get involved in our own small capacity both in and from wherever we can.

Alexis de Tocqueville once wrote: "Among democratic people, every generation is a new people." Since change takes place generationally, the burden of responsibilities is heavy on Generation Bangladesh who are born around the time of Independence and are 100 million strong. As someone who has not been very involved with the political process I acknowledge that responsibility with guilt.

Each generation has to take its responsibility. Our earlier generation did not have independence handed over to them. Independence was their dream and they snatched it from Pakistan. Power does not cede easily.

If our generation wants a different political culture, we have to participate in the culture. Not just hope or whine about it as passive onlookers. If our generation wants newer faces in politics, we need to stand up. Not hide behind the stale veil of excuses.

I argued in April 2008 Forum that we have some of the ingredients to have our own Obamas: a young, connected and politically aware demography in a society that is undergoing rapid urbanisation and industrialisation in today's globalised world. This group is tired of old politics and hungry for change.



True leadership.

True, political change takes time. We are not going to have one big Obama tomorrow. Many small ones for now will do. From the small ones, will emerge the bigger ones. That's how leaders should emerge -- not through the family-sponsored dynastic hatcheries, be at home or abroad.

What are some key highlights of the Obama phenomenon and lessons for us?

The Obama Phenomenon

Obama used several powerful instruments and harnessed several emerging trends in American society. He built a bottom-up grassroots movement using modern technology to form, organize, and fund his campaign. He started a political process that began with a smaller group of committed individuals. He gave people genuine hope and inspiration.

Lessons for our political parties

Groom young and bottom-up national leaders who have made (are making) it on their own and retained their integrity (no Picchi Hannan or Lomba Hazari please!)

Nominate young leaders. Given our demographic destiny, it is not only the right but also the smart thing to do. It will be a low-cost high-return winning strategy for the parties over the next 10 years.

Whoever comes to govern Bangladesh after December election should appoint some inspiring honest young leaders in the cabinet. I refuse to believe that the existence

of such leaders is nil.

Whoever loses the election should learn some grace from McCain's concession speech and the winner could learn some unity from Obama's victory speech. We are tired of seeing after elections greedy hands waving "It's all mine!" when they win and pouty lips whining "I don't want to play now!" when they lose.

Lessons for Generation Bangladesh

It may be a cheesy cliché but we need to believe that individuals can make a difference. A committed group of individuals together can make a big difference.

We need to be involved in our own village or community by leveraging modern technology. We need to go beyond the op-eds or concerts. We can now travel faster and look further than any earlier generations. It is now much easier to organize and contribute to any movement from home or abroad.

Let's remember the simple calculus of hope. If you double a dream every hour, you will have more than a million dreams by the end of the day. Don't trust me? Just verify with a calculator. We have to double our hopes and halve our cynicism. That's how the infectious mathematics of optimism works.

We also have to remind ourselves that politics always and everywhere in the world is messy because life is. As in life, when moderates avoid politics, it gets only messier. The best way to clean dirty politics to get all of our hands dirty in it. Many hands make the work light and clean.

We need to be hopeful but remain patient. Both life and hope share the same rhythm and they need work. The journey of life begins in a single cell in mother's womb. The journey of hope begins in small increments in our soul when we share a common faith in our future wrapped in individual sense of responsibility.

Only then we can bend time, shape culture, and compose our own generational history.

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TALKING POLLS AND BEYOND

'The best of times has become the worst of times'

Former adviser to the caretaker government in 2001, **Hafizuddin Khan** was born in Sirajganj in 1939. He obtained BA (hons) and MA degree in political science from Dhaka University in 1960 and 1961 respectively. He was additional secretary in the Prime Minister's Office and secretary of ministry of disaster management and relief, and posts and telecommunications, before retiring as the controller and auditor general in 1999. Among other senior posts, he has been a director of several banks and is currently chairman of Bangladesh NGO Foundation, a trustee and treasurer of Transparency International Bangladesh, and vice-chairman of Shujan. **Shamim Ashraf** took the interview.

How much has been done since 1/11?

Judiciary separation, reforming the EC and PSC, voter list with photographs. But in doing these, the CTG has broadened the canvas, leaving many things incomplete and some things back-fired. These decreased the government's popularity and could not bring the expected change in politics and change politicians' mindset. I am frustrated at the overall outcome.

Would you explain what back-fired?

Some steps were very wrong. For example, cases were filed against the politicians without much thought. There's no doubt that the politicians and bureaucrats are involved in corruption. But without collecting necessary evidence first, the government arrested them, which appeared not as a fight against corruption but against individuals.

It also tried to divide political parties by creating reformist and non-reformist groups and by trying to minus top leaders. These badly harmed the image of the government. The government and the EC didn't amend the RPO and electoral rules timely, and now have to relax the conditions to convince the political parties to join the election.

It's a major failure. Expected political reforms couldn't be brought about for this reason. It started with evicting hawkers from the street, demolishing small illegal structures, etc. There could be solace if the CTG went after big encroachers like those who captured public lands in Bhawal Forest.

What would the proper approach have been?

It could be better for all had the government kept its functions limited to taking steps for democratic progress like amending the RPO and electoral conduct rules in a timely fashion. These should have been done much earlier when the government was in a dominating position. We've never seen true democracy and what we have is elected dictatorship. We sought to be rid of it and wanted to see better democracy and honest people to lead us. Without working to this end, the CTG took a lot of tasks in hand, digressing from key objective and losing sense of direction. There are many problems in our country and it is not possible to solve them all. The best of times has become the worst of times.

Would you explain it?

If the political parties now behave properly, nominate leaders and candidates on the basis of grassroots leaders maintaining the RPO provisions, and stop nomination business, and if the voters exercise their voting rights conscientiously, it would be best of times for all.

Did you see voters practicing their rights properly in the local elections?

No. It's because they didn't have alternative candidates and got very short time to judge the candidates, and there was confusion whether the election would be held at all. The political parties were opposing the election for quite a time. The EC even failed to properly scrutinise the candidates' information and has admitted that many ineligible candidates contested the elections.

Why did the EC fail?

They didn't have enough time and lacked experience. Many laws were also new. That's why we civil society members met the EC and asked them to prepare the schedule in a way that people can have clear idea about the candidates.

Did the EC put too many conditions for registration?

We wanted putting the minimum conditions of ensuring democracy and transparency inside the parties. They are now relaxing those, but only after getting pressure.

Is the EC going to make public candidates' eight-point disclosure?

The EC has promised the civil society of disclosing the information in a way that people get necessary time to see those.

What if any candidate submits false information?

We've asked the EC to introduce provisions for "no vote" and also for counter-affidavit so that anyone can challenge a candidate if he suppresses any information or submits false information.

What will be the way for EC information dissemination?

Five copies of the information will be displayed on the board of Election Commission office in each constituency and people will be able to photocopy those. We've demanded making public the information also in newspapers before withdrawal of nomination papers. Shujan displayed candidate information for people during the last municipality election and will do it again this time.

What's the mechanism to inform a poor and illiterate person who can't read or photocopy those?

Citizens groups have to play a role in such cases and we're contacting local non-party NGOs for this.

What will happen if we can't make the best of times?

If we can't bring any qualitative change to our political and democratic culture, we'll have to go back to square one and see again violence and intolerance among political parties, arrogance by the winners, and election result boycott by the losers.

What have the people got in two years since 1/11?

Though the CTG is an unelected government, people accepted its sticking to power for two years as a law of necessity, being frustrated at the activities of the political parties. People also agreed to undergo emergency with a hope to see change in political culture and politicians' behaviour. But we see no sign. Though changes have been brought to the RPO and candidates conduct rules, there is question whether the EC would be effective during the parliamentary elections because it failed to show effectiveness during the local polls.

How do you see EC's compromise with RPO procedures?

It is one of the major failures of the EC and the govern-



Hafizuddin Khan

ment, which are now doing everything to bring the parties to election. The way they are now compromising, accepting the parties' conditions, and withdrawing cases go against the people's expectation and the cause for lengthening the CTG tenure to two years. An unelected government's getting such immense support from people was a record -- but it is now gone. Do you see any uncertainty before election? BNP's demand for allowing the convicted leaders and going back to 1972 RPO, and Khaleda Zia's demand for resignation of the election commissioners is creating confusion and uncertainty.

Do you think the culture of violence would surface again? We are already witnessing the signs if we recall the violence at the news of Tarique Rahman's slipping on the floor.

Why is the government on the back-foot?

It is due to political inexperience and lack of concept about how to deal with the situation. The people who are now in the government never attempted to address their inefficiency or talked with those who have it, and rather had close-door operation. They also didn't show any sensitivity to the suggestions that came from different discussions, seminars, talk shows, and dialogues.

How do you see government's attitude towards political parties in the first year?

The government distanced itself from the parties and did not want to sit with them at the beginning, officially or unofficially. Now, the advisers are rushing to their house, trying to woo them to election and sitting in secret meetings. The subject and results of the secret meetings are not even disclosed to the people. The steps it has taken regarding politics are non-transparent and have created doubt among people about the motive of the government. The government didn't talk with the people, civil society members and professionals, and didn't even move to know about their mistakes.

How do you see the attempt of Minus-2 formula?

It was ridiculous and cannot be supported at all. Besides, there is no law that can bar any citizen from entering the country as the government did with Sheikh Hasina.

How do you evaluate the anti-corruption drive?

Without collecting evidence, some were arrested, some shown arrested for minor reasons like keeping alcohol at home. There were many mistakes. They might identify some exemplary cases and pursue those to the end after collecting evidence.

Do you think the ACC will be able to work independently after emergency is withdrawn?

If the next elected government interferes with the ACC, it will be very harmful for the country, the anti-corruption drive will be dealt a strong blow.

What lesson does 1/11 teach politicians?

Some politicians are now saying they won't allow corruption. The government has succeeded to break the myth of impunity and shake those who thought they were beyond law. If the parties now cooperate with the government in holding the election, the situation will be much better.

How do you see BNP's demand of allowing all its convicted leaders to contest in the elections?

It's ridiculous, it means undoing all the reform exercises over two years. It'll be very harmful for the country and no action can be taken against corruption and Bangladesh will turn into a failed state.

Do you think withdrawing emergency will let such convicts contest in the election?

Those convicted under emergency rules will not be eligible for election even pending appeal against the verdict. So they are demanding withdrawal. I don't think withdrawing emergency totally would be appropriate. How can the alleged corrupts be kept from elections? The parties should discard such people since they are harming party image, and the people at the same time should be sensitised not to elect them even if they contest in the elections.

How do you see political parties' opposition to abolish front organisations?

The EC should have been firm on the issue. There will be no qualitative change in politics unless it can be done. The front organisations turned educational institutions into battlefields and used to manipulate decisions at different offices.

The madrassa case

If one student appears for 100 marks in English and another one appears for 200 marks, and then both of them take an admission test of the same standard and the former outperforms the latter, who is comparatively better?

LUBAIN CHOWDHURY MASUM

BEING a former madrassa student who later studied at Dhaka University, I feel a moral obligation to write a few words on the controversy over admission of madrassa students to Dhaka University. Ever since the row began, the media has been writing about the madrassa students, portraying them as violent and irrational, without giving the rationale for the demands from their point of view.

For years, students from madrassa background have been studying general subjects at Dhaka University, and performing well both in their studies and later in their careers. So, let us first determine what prompted the departmental authorities to impose the requirement for appearing in exams for 200 marks each in English and Bangla at the higher secondary level. Did the authorities conduct any survey among the madrassa-educated students that showed that they could not cope with the pace of mainstream education?

I asked a teacher at the university whether he felt that madrassa students were performing poorly because they had appeared for 100 marks in English at Alim (HSC) level. The answer was a simple no. The fact is that many teachers of my department deliver lecture in Bangla and most students, irrespective of the backgrounds, write their answers in Bangla. If the teachers feel that the department requires students to be more proficient in English they can set a requirement of higher scores in the admission test, which will not discriminate among the students and serve the purpose.

Poor English proficiency is not related to whether the students studied for 100 or 200 marks in English, it indicates lack of quality education. If one student appears for 100 marks in English and another one appears for 200 marks, and then both of them take an admission test of the same standard and the former outperforms the latter, who is comparatively better (just for the sake of argument)?

When a madrassa student gets admitted to Dhaka University, he actually does so by outpacing the students who appeared for 200 marks. It is not the mercy of the admission authorities that enrolls madrassa students, rather they struggle really hard to enter the mainstream higher education.

There are many madrassa-background students who studied at Dhaka University and now work in important government and non-government organisations, United Nations and other international bodies, public and private universities, prominent English and Bangla dailies, banks and non-banking financial institutions, embassies of western countries, multi-national companies, renowned business organisations, etc.

Appearing for 100 marks in English and Bangla instead of 200 did not bar them from

going places in their professional life, just like getting 6.5 or 5.5 in in-course or tutorials do not matter. Interestingly, the Institute of Business Administration (IBA) of Dhaka University, considered the most prestigious educational institute of the country, does not require 200 marks in English at the HSC/Alim level, making way for one of my closest madrassa friends to study MBA at the IBA, although studying here entails proficiency in English.

We cannot expect that madrassa education will be modernised overnight. Because the government recognises the madrassa education system, a department of a university cannot impose conditions that affect graduates of a government approved education. If these departments really want to impose such conditions, they can inform the education ministry of their concerns and the changes they would like to make so that the ministry can act accordingly. Imposing conditions with immediate effect shatters the dream of those students who studied in madrassas to acquire religious knowledge with an aim to go for higher studies in general subjects at Dhaka University, so it is unfair and unjust.

Everything is politicised in our country, and so is education. Madrassa students are equated with a certain political party although they have nothing to do with that party. Madrassa students enroll in the country's premier institution with the ambition to rise life, not to spoil their life in dirty politics. Preventing them from achieving these goals on political grounds will only bring misfortune and backwardness to the nation.

Some people fear that increasing the number of madrassa-educated students at Dhaka University may threaten the secular atmosphere of the country's highest educational body. But the fact is that most madrassa students come to the university with open minds and a receptive attitude, and adapt their lives with the mainstream.

Actually, madrassa students are the bridge between the religious and secular communities. For the sake of cohesion, integration and long-term benefit of the country, the mainstream education should embrace such pupils who are eager to enter the mainstream and contribute to the society positively. If we discriminate against them and alienate them because of our narrowness and lack of foresight, they will lag behind and indulge in activities that the mainstream may not like. We should not forget that these students are children of this nation and part of this country. We cannot just segregate them from the society and relegate them to second-class citizens. So if we can engage them, it will produce better outcome not just for the students, but for Bangladesh as well.

If you have a comment, query or disagreement, please feel free to write to the author at lubainmasum@gmail.com. Views expressed here are my own, not necessarily those of the organisation I work with.

Easy come, easy go

While tight money was the main cause of the Depression, easy money was at the centrepiece of the financial crisis of 2008. A lack of financial intelligence, of course, has aggravated the crisis to a critical extent.

BIRU PAKSHA PAUL

THE US is currently experiencing a severe credit crunch, which is the gravest financial crisis since the Great Depression of the 1930s. The crisis has already spread out to Europe and Asia, and is expected to be global soon. Many economists believe that the US economy has entered a recession that might be longer than usual, sending the whole world into a slowdown. Here, I attempt to address the question of how the US financial system got there.

First, I would like to define "financial crisis." Since finance is the study of cash flows, every financial crisis is associated with the problem of cash flows, which we call a credit crunch or a liquidity crisis. In all previous financial crises, the problem started with the asset side of companies' balance sheets. We know that subtracting liabilities from assets gives us the net worth of a company. A precipitous depletion of assets can make the net worth of the firm zero, or even negative, sending the firm into bankruptcy.

Say, the assets of a company heavily depend on housing prices. Now, a collapse of housing prices can ruin the asset side of the company's balance sheet and throw the firm out of business. A quick injection of cash can save the firm from bankruptcy. Now, if this becomes a common problem across the board, liquidity shortage turns into a full-scale financial crisis. This is the case with the US financial crisis of 2008.

To find the main causes of the financial crisis, we immediately point to sub-prime mortgages, aggressive lending, mortgage securitisation, and credit default swap. These reasons, however, only form the surface of the problem. If we dig deeper, we find that the cheap money policy during the Greenspan era caused many of these problems.

While the effective Federal funds rate (henceforth the Fed rate) was in the vicinity of 12-18 percent in the early 1980s, it has recently come down to about 2 percent. Despite the fluctuations, the Fed rate has been showing a downward trend since 1982 when Paul Volcker, the Fed chair, raised interest rates to curb hyperinflation. The Fed rate has remained steadily low, in the 1-5 percent range, since 2001. The country has never experienced such low interest rates for a couple of years in a row since the regime of President Nixon.

Low interest rates made mortgages inexpensive, created an artificial demand for houses, sent housing prices high, encouraged aggressive lending, made mortgage backed securitisation very attractive and, thereby, created a bubble in the housing market. The bubble burst in August 2007,

and began to deflate the asset side of companies like Fannie Mae, Freddie Mac, JP Morgan, AIG, and so on. None of this would have happened had the US monetary authority not engineered the cheap money policy in the first place.

The second cause was the lack of prudent supervision, particularly of the newly developed synthetic financial products such as derivatives like options, swaps, and futures. Credit default swaps (CDS), which were invented by Wall Street in the late 1990s, are financial instruments that are intended to cover losses to banks and bondholders when a particular bond or security goes into default.

The market for the CDS grew enormously. Since 2000, it has ballooned from \$900 billion to more than \$45.5 trillion -- roughly twice the size of the entire US stock market, and thrice the size of the US economy. Also, in sharp contrast to traditional insurance, the swaps are totally unregulated. Sub-prime mortgages were \$35 billion in 1994 and they grew to \$1 trillion in 2007.

Why did the regulatory bodies overlook their abnormal growth? Because they thought that the new products were great for their business. No problem. However, there is always a problem when anything grows too fast. This fact is a lesson from history and, unfortunately, we keep on forgetting it. The great lesson of this financial crisis is that we must ensure prudent supervision of any newly developed synthetic products. Greenspan calls it counter-party surveillance.

The share of manufacturing in the US GDP was three times higher than that of finance in 1950. Now, finance is double the amount of manufacturing. However, supervision of finance has not progressed in tandem. Treasury Secretary Henry Paulson admitted that the US financial regulatory structure has become outdated.

Greed and deregulation were the main causes of the financial crisis according to the two US political parties. While greed as a cause of this crisis is hard to quantify, deregulation as a cause of this crisis is hard to justify. The US economy reaped the golden harvests of deregulation for the last 25 years. The country enjoyed the longest boom in history because of deregulation. Even communist China does not want to abandon deregulation and free market economy. Both China and India embarked on liberalisation, and registered spectacular growth in the last two decades.

While tight money was the main cause of the Depression, easy money was at the centrepiece of the financial crisis of 2008. A lack of financial intelligence, of course, has aggravated the crisis to a critical extent.

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