

## The rush for rescheduling bank loans

It is the default culture that must be tackled headlong

A flurry of moves has of late been made by loan defaulting political individuals seeking election to qualify for nomination through a rescheduling of their bank loans by November 13. Many of them have already begun the process of repaying or rescheduling the payment of their loans, while others are getting ready to do the same.

We realise, of course, that the relaxed date for a rescheduling of bank loans has been set in order to facilitate a broad-based participation of candidates at the upcoming general election. It is indeed a matter of sorrow though that a culture has grown in the country where unless compulsion comes in, few loan takers are willing to cough up the money they have taken from banks in order to promote or develop their business interests.

Our pointer, therefore, is towards the default culture itself. It will be clear, if one goes through media reports in the last few days, that the amount of loans owed to the banks by former lawmakers and other politicians had reached staggering heights. Former Members of Parliament, belonging to all sides of the spectrum, have even had arrears pending against them in terms of unpaid telephone and other bills. It is indeed difficult to accept the idea that lawmakers, in fact politicians across the board, could so easily get away with everything they did. Even more amazing is the truth that many of the former lawmakers against whom there is a record of unreturned loans are individuals who have been sermonising to the country on the need for rule of law and good governance. Much as hypocrisy was at work, so was the incompetence or lack of integrity on the part of banks.

We think the time has come to separate out willful defaulters from the non-habitual ones on the basis of their track-records and if loans must be given to them, the manner of their recovery must follow standard rules that they cannot skirt around or override through using political influence or intimidation. The question is whether there is a guarantee that the portions of the loans that will remain pending will eventually be paid by these parliamentary aspirants. The latest loan reschedule bid clearly needs follow up action to ensure full repayment of loans.

One must not forget that a serious issue is involved here. And it is that we need to have in place a political culture which incorporates an abiding respect for financial and economic discipline, especially on the part of the lawmakers and other elected public representatives.

## Maritime issue with Myanmar

The government must act with speed to resolve it

We are glad to note that a potential conflict situation with Myanmar has been averted. The situation had stemmed from Myanmar's illegal conduct of exploration activity in our territorial waters. It is on record that Bangladesh had, through an act of parliament, defined its various territorial limits in the Bay of Bengal as long back as in 1974, which is in consonance with the international laws and regulations.

What is of importance here is that for Bangladesh the cut off year is 2011 for it to complete the delimitation of its claims and send that to the UN for acceptance as per UNCLOS III, which was approved in 1982 and came into effect as a law in 1994. But before that it will need to sit with the other two littoral states, India and Myanmar.

One is baffled at the fact that there has been very little movement in this regard in the last 20 years, and the diplomatic slumber is quite inexplicable, given the fact that our territorial waters have been encroached upon from time to time. The fact that we sat down for dialogue with Myanmar for the first time after almost 20 years, in early 2008, suggests that the issue had been given very little priority by successive governments. We know of no public debate in this regard nor are we aware of any policy position on the ways that governments wanted to address the issue. And that begs the question. All successive governments are to take the blame for the laid back attitude on a matter that has to do with establishing our sovereign right on our territorial waters.

Government should have kept the nation informed of the developments in this regard, particularly the position of India and Myanmar, and how that impinges on our right to the EEZ and the Continental Shelf, a right that is accorded by the law of the sea.

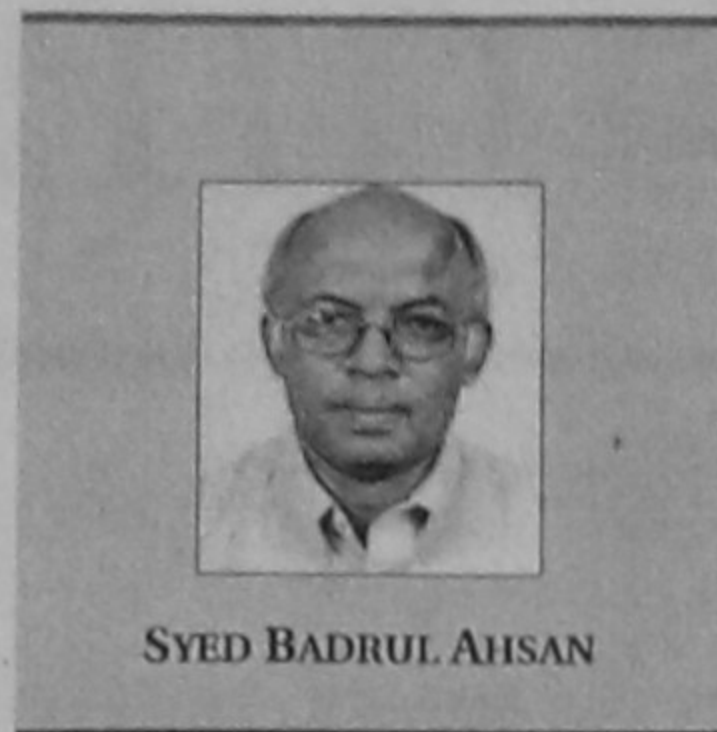
As for the recent Myanmar encroachment inside our territorial waters, we understand that the area was leased out to the Korean company in 2005 by Myanmar, which had conducted initial survey of the area before the recent move was initiated. We cannot believe that the foreign office was not aware of these facts. That being so, it is either that we were lacking in projecting our position robustly, or that the Myanmar authorities had taken us for granted. Both are matters that cause us concern.

There are two matters that the Bangladesh government must address urgently in view of 2011. First, rev up the expert group on delimitation and prepare all relevant data that will help back up our claims. Secondly, involve the other parties in meaningful dialogue, which has not taken place for a long time, and resolve the issue equitably.

# Obama... and all those faltering American presidents

## GROUND REALITIES

Americans will expect him to turn the economy around, a job that Bill Clinton did marvelously well in his time. Abroad, most people are powered by the idea of Barack Obama turning the world into a planet of happiness. That expectation will turn out to have been hollow, for the simple reason that presidents of the United States have never diverged from the foreign policy so carefully crafted at the end of the Second World War.



SYED BADRUL AHSAN

AFTER the euphoria of the election, it is now time for Barack Obama to prepare to govern. For a man who has held no executive office, who has been a senator for only four years, Obama will need to climb a mountain. That is no hint, though, that he will falter, that he might stumble and, indeed, will not be able to live up to the high hopes he has aroused in all Americans.

The beauty of democracy is that people who reach high positions often grow in office. Theodore Roosevelt is one president you can cite off the top of your head.

Even Harry Truman, so manifestly unprepared to be president, went on to do a rather good job after Franklin Delano Roosevelt's death in April 1945. There was little of the charismatic in him; and he was a little known senator from Missouri when FDR chose him as his vice-president.

Once in the White House, Truman was ridiculed by many and by the time 1948 came round, the conviction had set in that New York governor Thomas Dewey would drum him out of the presidency. In the event, Truman caused one of the biggest electoral upsets in American history when he managed to beat Dewey, who had gone to bed on election night convinced that the next morning he would be president.

But, of course, Obama is a whole lot more cerebral than Truman. A man who has been editor of the Harvard Law Review is not to be trifled with. Then, too, there is the matter of his oratorical skills.

Add to that the discipline and the strategic planning that helped him smash the mighty Clinton machine into so many heart-breaking pieces. This is a man who ought to be a good president, despite that absence of experience.

You could even suggest that the absence of experience is sometimes a boon, for it means the candidate for high office comes with no baggage. And, yet, there is the record that Jimmy Carter has left behind. He was a fresh-faced former governor of Georgia when he beat Gerald Ford to the White House in 1976.

After the inauguration in January 1977, he and his wife walked from the Capitol to the White House. It was an early demonstration of the accessible presidency that Carter planned to have in place, after years of what men like Richard Nixon had done to promote an imperial presidency. But Carter then faltered.

A brilliant man, he nevertheless lost precious time going over the minutiae of administration. He stunned Americans, generally used

to the inspirational coming from their presidents, when he spoke of a malaise afflicting the country. And then Iran came in, determined to humiliate him.

Edward Kennedy mounted a doomed campaign for the Democratic presidential nomination in 1980, leaving the Carter presidency doomed in the process. Ronald Reagan then walked all over him.

So these gleaming instances of good, intelligent presidents eventually collapsing in failure are aplenty in America. By any measure, Richard Nixon should have made a great president. He understood geopolitics, knew which way the winds of the future would blow, and he went to China in February 1972. That was when history was made.

With the Soviet Union, he set détente in motion. Given a second term, he was clearly headed for greater things. But then came Watergate -- and all the good that Nixon had done in the White House suddenly did not seem to matter anymore.

It is amazing that a president as potentially intellectual as Nixon should have committed the monstrosity of a scandal that would bring him down. With Carter and

Bill Clinton, he was looked upon as one of the three most brilliant presidents of the United States in the twentieth century.

The brilliance, though, came to be lost in unseemly banalities that bore the dark footmarks of Richard Nixon. And when you think of his predecessor Lyndon Johnson, you remember that in the senate LBJ had been a masterful legislator. As president, following the assassination of John F. Kennedy, he made sure that civil rights for America's blacks was ensured. He devised and implemented his Great Society programs.

But all of that was to no avail. Vietnam ruined him, not least because Johnson had in 1964 influenced the senate into passing the Tonkin Resolution, on the basis of a lie, thereby increasing the president's powers to wage war.

It remains an irony that having castigated Barry Goldwater as a warmonger at the 1964 election, Johnson went on to wage a vicious war in Vietnam against the communist Viet Cong and the North Vietnamese. It was a war that would destroy his presidency.

Barack Obama surely understands all these truths of history. And because he does, he should be

able to give his presidency a transformative character, something that was expected of John Kennedy once he had defeated Richard Nixon at the presidential election of 1960.

Kennedy was young and vibrant, had a glamorous wife and offered Americans shining hope after the tedium of the Eisenhower years. But he soon proved that expectations often do not match realities. He went to see Nikita Khrushchev in Vienna and was shaken by the patent condescension of the Soviet leader toward him. His administration committed a fiasco over the Bay of Pigs.

In broad measure, the idealism that Kennedy embodied before his election to the White House did not translate into presidential action on the ground. He was in no way a cerebral man, which is why the history of his presidency, for all the eulogies showered on him by his fans, has been one of empty space where ideas should have been.

When you reflect on Ronald Reagan, you recall the sunny optimism he personified after the gloom of the Carter years. But it was vacuous optimism, seeing that Reagan had little to offer in terms of policy depth and substance. He bombed the Gulf of Sidra to punish Muammar Gaddafi; and he sent troops into Grenada.

In the end, for all its seeming vitality, the Reagan presidency was a waste, a point where the United States commenced its lurch to the conservative right. In time, Newt Gingrich and then George W. Bush would complete the disturbing journey. Good men like Al Gore and John Kerry would fall by the wayside.

With all his sense of history, Obama should be treading the path carefully. As one of the most unprepared of presidents in modern times, he knows he will be under

intense scrutiny. Americans will expect him to turn the economy around, a job that Bill Clinton did marvelously well in his time.

Abroad, most people are powered by the idea of Barack Obama turning the world into a planet of happiness. That expectation will turn out to have been hollow, for the simple reason that presidents of the United States have never diverged from the foreign policy so carefully crafted at the end of the Second World War.

Obama has already sent panic into the hearts of Pakistanis with his tough talk about the Taliban and al-Qaeda. And he has been making loud noises about what Iran must do to make Washington happy. Like any other American running for high office -- and attaining it -- Obama has informed Israel that his administration will stand firm in its defence. The point?

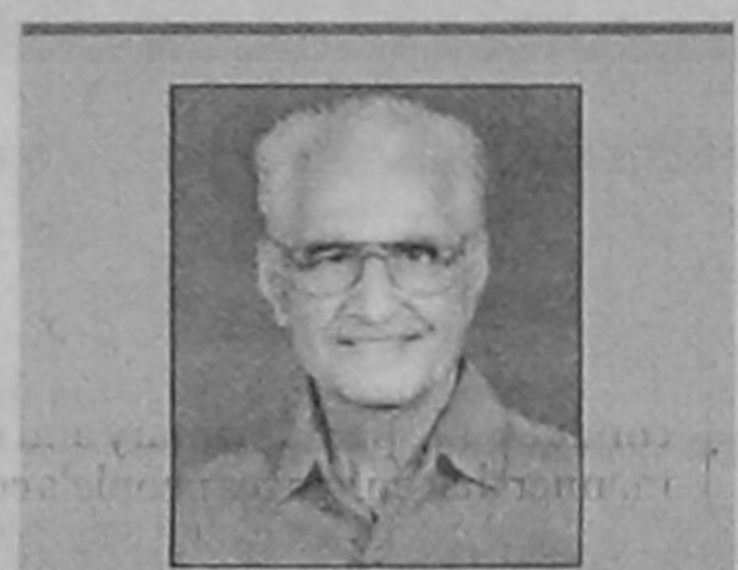
It is a pretty simple one: do not expect the first African-American president in United States history to stray from the set pattern of foreign policy. The last time a president tried doing things differently, he was destroyed. Remember Carter's human rights-based foreign policy?

That said, it is still hope that Obama instills in people everywhere. He needs to rebuild what Bush-Cheney have so cheerfully destroyed in these past eight years. That America is a place where the content of character and not the colour of skin, as Martin Luther King, Jr. would say, is the cornerstone of life has been proved through Obama's triumph. The new president must now convince the rest of the world that, for America, there is life after the Bushmen, that there is in it that capacity for the renewal men call idealism.

Barack Obama need not be a shooting star.

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## Outsider hopes



M.B. NAQVI  
writes from Karachi

OBAMA'S ascent to power in the US is an occasion where the use of clichés cannot be avoided. It is a historic occasion. He has successfully crossed many divides in American politics: there were racial and economic disparities and, of course, partisanship. He is the best president that America can have according to most other nations, including those in South Asia.

Secondly, he climbed to power with a message of change. He represents, primarily, the youth of America: white, black, Hispanic and those with origins in Latin America and Asia. It is now clear that the white, young and well-to-do people voted for him despite his colour and the clear-cut message that he would increase taxes for the rich so as to compensate the less-well-to-do and the poor in various ways. This is some change; Americans were sick and tired of what the Republican administration under George W. Bush had achieved.

No one can forget that he was the favoured candidate of most non-Americans also. Europe was raving for him. His success has been heartily welcomed in Africa, from where his father had originated.

Many, if not most, Asians are not behind the others. This is pertinent against the background of various external challenges that will beset the new Obama government from outside. These are galore. There are the ongoing Iraq and Afghanistan wars. There are the questions concerning relationship with Russia and China in both Europe and Asia, and much else.

But let's not forget that he is a president of, and primarily for, the people living in the US. He has to take along the people of America in all his initiatives. He cannot say or do anything that is shockingly new or unacceptable to the majority of Americans. Local traditions and, of course, well-organised local pressures will bear down mercilessly on him and his government-to-be.

The wider challenges include climate change and food shortages, as also the expected shortages of many of the requirements of modern civilisation in days to come such as petroleum products: their sources being finite and the demand for oil growing steadily. This is going to pose problems for the whole world, just as food shortages will in the context of growing population all over the world.

Europe and Russia may be exceptions, with static or declining populations. But the rest of the world is growing and climate change is making things difficult. Nevertheless, the president of the US has to tackle America's economic troubles first, and he has to deliver on his all promises. His promises were premised on a less clearly adumbrated commitment to social justice, such as providing healthcare to all Americans and improving the quality of primary and secondary education in the government-run schools.

But, above all, the question of unemployment has to be tackled, while Obama also has to not only restore the health of the financial system -- a challenging job in itself -- but also ensure that the American economy continues to produce ever more jobs so that the scourge of unemployment can be overcome.

These domestic challenges, it must be remembered, take priority over foreign policy. Not that foreign policy is less important. Foreign policies are a natural extension of the overall design of domestic, economic and political policies.

That embedding of American foreign policy in Obama's domestic needs and requirements cannot be the determining factor for future American foreign policies. One has already enumerated the challenges that the Bush administration had not been able to adequately tackle and, in many cases, had aggravated.

This concerns the relationship with Iran, and its supposedly dangerous nuclear program. The Arab street is angry and does not love America any more. American policies have been mortgaged, insofar as Arabs are concerned, to Israel and its security.

Israel's security is like a Cheshire cat's grin; it is uncertain where it begins and where it ends. Indeed, Israel has no firm borders to defend but wants the US help to defend them. This is one side of the picture.

The other side is that the Arabs had been dealt a very bad hand. They were dealt by British imperialism through creation of a Jewish homeland in Palestine rather than elsewhere. The Americans have, by championing the Israelis, neglected, and indeed betrayed, their many alliances with, and assurances to, the Arabs.

## PLAIN WORDS

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one, and is likely to remain so. Although the two-state solution has finally been accepted by the Palestinians, if only tentatively and reluctantly, it cannot keep American attention riveted to the Palestinian question. The need for the US to be even-handed in this Arab-Israeli dispute continues to pose a big challenge.

Indeed, what the Arabs notice is the Israelis' ability to recycle a chunk of American aid to buy a growing leverage in American policies. It does seem to be the case of the tail wagging the dog.

The Americans also have to help rebuild the international financial and monetary order. The Bretton Woods-created system has by now outlived its usefulness and is in tatters. It requires a replacement, even if some of its elements or institutions might be refashioned. Along with it is the question of world economic order, particularly the growing poverty of very large number of people in Africa, Asia and South America.

A new economic order is needed, which would need an appropriate financial and monetary order. This is a huge challenge, though not for America alone. It will have to cooperate with the rest of the world, and give them sincere cooperation.

The economic aims that Mrs. Margaret Thatcher and President Ronald Reagan had set through free world trade and a liberalised financial system, and its accompanying economic order, has also more or less failed to meet the requirements of the modern world. The current disparity between the prosperity of a small minority of people and dire poverty of very large numbers of people with

darker skin colours will have to be taken into account.

Along with that, there is the need for giving a close, hard look at the UN. The US governments, particularly Reagan's and the two stints of Bush, have manipulated the UN in the way that the League of Nations had been by the great powers in the 1930s.

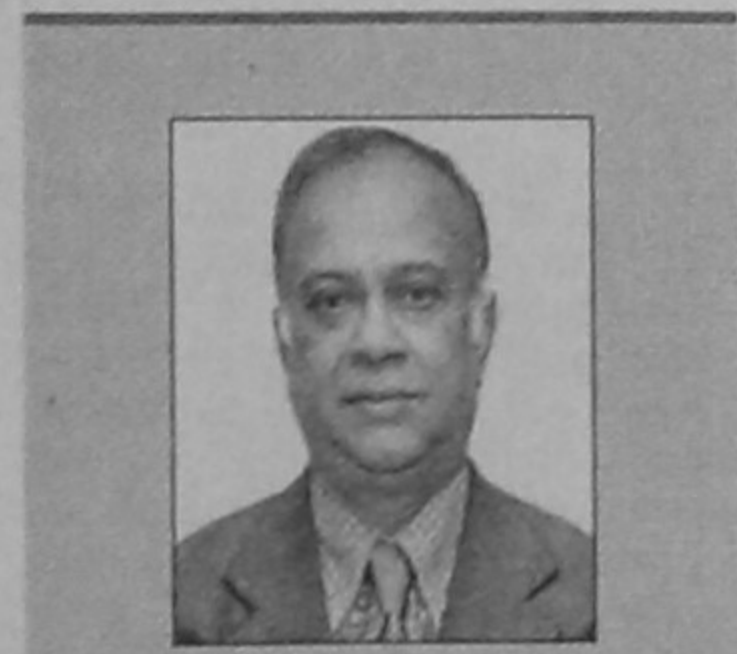
This sort of thing cannot be allowed to go on. And the UN has to be suitably reformed so that it can usefully coordinate with and complement the new economic and financial orders. America is no longer the sole superpower it was for a briefly after 1991. It has to be one among a growing number of equals, and many non-equals that need to change from being non-entities to something like entities that should be taken into account.

It is too early to predict the chances of success and failures of Obama. How he will solve the questions of war and peace remains to be seen. Similarly, how much genuine concern with social justice the new American government will show in shaping the world's political and economic orders has to be awaited.

Can Obama lead even the west on this question? Who can forget the fate of the Willy Brandt-coordinated group of elder statesmen in 1970s that had produced "A Program for Survival (of the west)"? The Reagan and Thatcher governments took no serious notice of it, and the world went on becoming even more unequal and poor until today's globalisation completed what the Reagan and post-Reagan governments began. A reform is needed. Is Obama equal to it?

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## Remarkable Maldives elections



ZAGLUL AHMED CHOWDHURY

### MATTERS AROUND US

Mohammed "Anni" Nasheed bounced back from second position to win the presidency. This was the first multi-party election in the Maldives, and Gayoom was ousted even though he was first among several candidates in the first round of the polls.

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Since no one could secure the required percentage of the votes, a run-off balloting set at rest all speculations whether Gayoom would continue to rule the nation or a new face would emerge.

The first democratic polls took place in the island state, belying much scepticism. President Gayoom had made it clear since last year that his nation was moving

towards democratic reforms.

However, this did not come voluntarily. He had to succumb to the wishes of the pro-democratic movement in the country, which was for more than one political organisation. A rubber-stamp parliament had to approve the existence of political parties for the first time in a move that was seen as a positive step in the right direction.

Gayoom has accepted the outcome with grace, which is commendable. The attitude of the new leader is more commendable because he has said that he will not go for "witch hunting" but for strengthening democracy and implementing the election pledges for the betterment of the people.

Nasheed's Maldivian Democratic Party (MDP) operated for long from Sri Lanka, since political parties other than President Gayoom's organisation had been outlawed. Nasheed was among four

activists arrested last year, but was later released. He returned to the country after self-exile for 18-months, and made it clear that he would not relent until Maldives introduced multi-party democracy. At least three parties, including the MDP and President Gayoom's Maldivian People's Party registered themselves after the parliament opened the way for a multi-party political system.

When political opponents of Gayoom came under repression, civil societies in the South Asian region did not turn a blind eye to the developments in one of the region's smallest nations because the issue of representative authority was inextricably linked with the unrest in the Maldives.

not known for iron-fisted rule, or as a tough dictator. In fact, he has a sober and gentle image abroad.

President Gayoom is not unknown in the international arena, and he has particularly played an active role in the growth and development of Saarc, which earned him admiration in the region. He is the only head of state in the Saarc who has attended all the summits, and is a founder-leader of the regional forum.

Gayoom, known for his scholarly qualities, will go down in history as a successful leader -- notwithstanding the fact that he lost the first democratic elections in the Maldives. Male was to host the last Saarc summit, but the venue was shifted because the country would be busy with the national elections.

Ironically, the leader who took part in all the 15 summits of Saarc leaders cannot attend when it will be held in his own country. Certainly,

the South Asian leaders will miss Gayoom, who rendered significant contribution to the growth and development of the Saarc.

But, during the long rule of Gayoom, corruption engulfed many areas of the country. He has certainly turned this relatively obscure nation of only three lakh people, known for fishing and weak economy, into one with a strong economic footing and international identity. But absence of democracy, a sense of complacency, and many ills including corruption, changed the hearts of the people, which was reflected in the voting.

Political dissidents came under repression -- even the respected Ibrahim Zaki, a former secretary general of the Saarc, was not spared. Nasheed was particularly harassed, and the people have now chosen him as their new leader. The Maldivians clearly looked for a

change, which they have brought about.

Definitely, the new leader will face many challenges after the departure of a benevolent dictator who, after all, gave democratic polls, lost, accepted the outcome with grace and assured the new authority of support in further developing the nation. Nasheed needs to truly strengthen the new-found democracy and also ensure a good governance.

The omens are positive for him, and there is no reason why he cannot accomplish it against the background of electoral verdict, although the task is not easy one. Maldives is like an oasis in the otherwise largely volatile South Asian region. The nation must go forward in all spheres, and it is the expectation of all that the new authority will not disappoint the people.

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