

Sheikh Hasina and Begum Zia meet!

Let this be a meaningful beginning for the nation

It is quite a statement on our political realities when news comes in that Sheikh Hasina and Begum Khaleda Zia have finally met each other and have exchanged pleasantries. But that is what they, as the foremost political personalities of the country, are supposed to be doing anyway. That they have not met or have not talked for a long time in the way modern politicians should is an embarrassment not only for them but for all of us in this country as well. It is only normal practice for politicians of their stature to be in constant contact with each other and keep themselves in touch with the objective realities around them. The fact that screaming newspaper headlines greet readers about their rare meetings only shows the levels of poverty to which politics has sunk in Bangladesh. And poverty is in the way the chiefs of the Awami League and the Bangladesh Nationalist Party have effectively transformed adversarial politics into deep personal animosity.

The last time that the two women met in such a seemingly cordial atmosphere was soon after the fall of the Ershad regime in late 1990. Much water has flowed under the bridge since that moment of light eighteen years ago. Both women have served as prime minister and leader of the opposition alternately. The world has moved on. We as citizens of Bangladesh have moved on in our thought processes. But our two pre-eminent women clearly have not. They have not looked at each other, to say nothing of greeting each other in civil manner. At a time when Barack Obama and John McCain meet in Washington despite the recent election results; when the president-elect reaches out to his former Democratic rival Hillary Clinton and she responds in an equally friendly way; when Manmohan Singh and LK Advani sit down to discuss politics, we in Bangladesh are yet to see a time when Begum Zia and Sheikh Hasina will of their own volition get in touch with each other and demonstrate mutual respect for each other.

All said and done, though, we are certainly cheered by their meeting and exchanging pleasantries on Friday. We hope this meeting is but a prelude to more such meetings in the future where they will exchange not just pleasantries but their considered views on national issues as well. We will keep our fingers crossed and hope that this meeting was not a one-off. After the experience of the past two years, the nation cannot any more afford to go through the confrontational politics that has left democracy battered and bruised. Let the meeting between Sheikh Hasina and Begum Zia inaugurate the needed politics of change in our country. And let not years go by, again, before we see them smiling at each other again.

Export of jute products in crisis

Stakeholders' suggestions should evoke response

THE jute industry faces a fresh spate of problems stemming from a fallout of the global financial meltdown. The recessive trends have triggered a fall in the demand and prices of jute products. The price of jute goods have decreased by about 15 percent. With higher cost of production entailed by our industry, the falling international price has turned out to be a double jeopardy. Many jute mills are having to suspend production while others are incurring losses by selling their products at prices that do not even cover costs.

The jute industry had already been pushed down the slippery slope -- thanks to the laid back policies of successive governments, which led to closure of many of the industrial units. And whatever remains of the industry is now faced with a newer crisis. As a result, the livelihoods of around 80,000 workers are threatened. More seriously, the existence of the jute industry is in jeopardy -- unless, of course, well-thought-out measures are taken to bail the jute industry out of the present crisis.

The state-owned jute industry under the BJMC has a problem specific to itself. The units have an idle capacity because of shortage of raw jute which is attributable to paucity of funds in the hands of BJMC, a perennial issue for it.

The Bangladesh Jute Mills Association (BJMA) and Bangladesh Jute Spinners' Association (BJSa) in the private sector have put forward certain recommendations to the government: reduction of interest rate on loans as working capital, increase in export subsidy, devaluation of currency and creation of a crisis fund. Insofar as decreasing interest rate and devaluation of currency go, these have been demanded by industry and chamber leaders in general. We have always advocated a reduction in the spread between deposit rate and lending rate, and so far as devaluation is concerned, we quite see the fact that Indian prices are lower and more competitive than ours because they have devalued their currency by 21 percent.

It is of utmost importance that the government sit with BJMC, BJMA and BJSa and assure them of whatever support they can provide in overcoming the constraints they face in the backdrop of the global meltdown.

Is spring ahead?

KAZI ANWARUL MASUD

THERE has always been a raging debate on the primacy of politics over development. With the transition of mankind over the ages that brought about enlightenment, making life easier, and now ushering in globalisation and the ascendancy of an economic philosophy that puts freedom of capital over the interest of the society, the debate continues whether development and democratic pluralism cannot be fellow travelers on the same train.

Indeed why not, as politics is defined as "all the activities of conflict, cooperation and negotiation involved in the use, production and distribution of resources, whether material or ideal, whether at local national or international level, or whether in the private or public domain (Adrian Leftwich)."

The debate is further strengthened because development, ipso facto, cannot take place without politics. Since politics from Plato's time, through the medieval ages to modern times, has evolved, if not entirely in terms of Francis Fukuyama's teleological terminus of history or "end of history," it is now universally recognised that democracy has triumphed as the best method of conducting public business.

The reason for democracy's triumph over other systems, mostly authoritarian based on command economy, is that under other systems development has been iniquitous, leading to lack of social cohesion. Consequent revolts by the workers in the urban sector and the marginalised people, both rural and urban, now armed with the fruits of globalisation in terms of information, have often led to anarchic situations resulting in closure of factories, slow down in FDI with consequent loss of employment (both actual and potential), and in our case shifting of orders in the case of RMG to other competitor countries, and demand that natural resources should totally be owned by the people and no government should be allowed to barter away any part of the natural resources without their consent.

Expectedly, there has been a negative side to ultra-nationalism. Be it domestic or foreign, it is axiomatic that law and order situation, predictability of rules, liberal remittance of profit, among others, encourage investment that have multiplier effect in revitalising the economy.

But economic factors alone cannot dictate the pace of development of any society. Jonathan Rauch (of Brookings

GOING DEEPER

We look forward to a growth that is "shared equitably, creating a society with more social justice and solidarity rather than one with deep rifts and cleavages." People hope the coming elections will bring in the blooming flowers of spring.



Is spring approaching in our politics?

Institution) is of the view that moral and political views that may differ substantially may not necessarily lead to economic meltdown if the political parties behave in responsible manner.

Nobel laureate Joseph Stiglitz is in favour of taming global capitalism. He would like the developed economies, and if possible the developing countries as well, to emulate Sweden and other Scandinavian countries that are highly integrated into global economy, and are developed themselves but still provide strong social protection and make high level of investment in people.

Faced with global tumult the world is recalling the forgotten book published in 1932, titled "Modern Corporation and Private Property," by Adolph Augustus Berle that was considered as "the economic bible of the Roosevelt administration." FDR wrested Berle from the Hoover camp to join his "brain trust."

Berle examined how markets had become concentrated in just a few hundred firms and how senior managers arrogated upon themselves the power that should have belonged to the legal owners, the shareholders. The easy

consumer credit and home loans made available to the Americans, who went in droves to the cities under Teddy Roosevelt and Woodrow Wilson's reforms, exploded into mass consumption, causing the 1929 crash.

Though Berle's question, "between a political organisation of society and an economic organisation of society, which will be the dominant factor," remained unanswered, the lesson of the Great Crash clearly indicated that giant modern corporations, unnatural economic institutions in Berle's view, had failed the stockholders and the public and would do so again if left unregulated.

Harvard economics Professor Richard Parker, who resurrected Berle in a review of his book, wrote that Berle clearly felt that "government needed to bear final responsibility for the economy by using its powers to balance supply and demand (and needed) to manage the managers, not just for shareholders' benefit but in accordance with new rules codifying the collective rights of stakeholders and the broader social responsibility of corporations."

In countries like ours, still groping

around for an answer to Berle's question about the primacy of politics and economics, we had seen the kind of political terrorism by the party in power victimising the opposition parties of the day, and the contagion of corruption pushing the body politic of the country to terminal condition, distorting the market mechanism through political intervention inevitably leading to inefficiency in the economy, using money and muscle power affecting the entire political process, human security becoming not only elusive but mythical.

While ethnic and racial tension in Bangladesh is minimal, religious and ideological divides remain. Floating of Islamic Democratic Party (IDP) by the adherents of Harkatul Jihad Islami (HUJI), reportedly with the ultimate objective of establishing Shariah law in the country, would be in contravention of the constitution and the ethos of the nation.

It will be good to remember that the terrorist events of 9/11 have substantially changed the Western perspective on the source of threat to their way of life. The end of the Cold War hastened the Western determination not to tolerate "democracy deficit" for its strategic interests. Western assessment about a country's fulfillment of its national and international obligations determines its right to remain a member of the society of states.

Besides, since civility can not be apportioned according to race, religion or colour, the comparatively less developed economies cannot be allowed to remain disconnected from the international community on the pretext of their poverty or on grounds of so-called Asian values -- mistakenly defined as putting greater emphasis on collective welfare at the cost of individual liberty.

Bearing in mind the warning of Joseph Stiglitz that "market economy does not automatically guarantee growth, social justice, or even economic efficiency; achieving those ends require that government play an important role" we may do well to follow Stiglitz's call for "moral growth" that is sustainable not only for today but for future generations as well.

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Changing face of 'Obamarica'

FAKHRUDDIN AHMED

AS president-elect Barack Obama selects his cabinet in preparation to hit the ground running, Americans are adjusting to the expectation that things will be different and better come inauguration day in January.

Transition from the Bush to the Obama presidency has the look of the fastest and the smoothest transition in history. With the nation mired in a deepening financial crisis and the current president abdicating his responsibilities, Obama realises that he has no time to waste. Within a week of his election as president, Obama appointed former Democratic congressman and Bill Clinton aide Rahm Emanuel as his filter -- the White House chief of staff. Emanuel is well known for his sharp elbows; his job is to keep in check the irrational exuberances of the congressional Democrats.

Obama advisor Eric Holder, an African-American, who was a deputy attorney general under Bill Clinton, has been offered the attorney general's job. If confirmed by the Senate, Holder will be the first African-American attorney general. Obama has also tapped former Senate majority leader Tom Daschle as his Health and Human Services secretary to navigate his health care plan through the congress.

Obama supporter Governor Janet Napolitano of Arizona will be the next secretary of Homeland Security. Obama hopes to keep the current Secretary of Defense Robert Gates for a while. Expect Governor Bill Richardson of New Mexico, the nation's leading Hispanic and a crucial Obama supporter, to land a big job.

The markets are closely watching Obama's pick for the Treasury secretary. Any wrong move here could be disastrous. That is why Obama is taking his time. The choice is between the Treasury secretary under Bill Clinton, the brilliant economist Lawrence Summers, who was also the president of Harvard University between 2001 and 2006, and Timothy Geithner, president of the New York Federal Reserve Bank. Women's groups are opposing Summers because of his

LETTER FROM AMERICA

If the Republican Party leaders do not wake up fast, with young and moderate whites, Hispanics, Asian and African Americans shunning it, the Republican Party will shrink to a regional party of the South. Latest polls show that 61% of Americans have an unfavourable opinion of the Republican Party.

2005 comment implying that men were more scientifically inclined than women.

However, the real buzz is about Hillary Clinton's possible appointment as the secretary of state. Many Obama faithfuls worry that Hillary will use her position at State as a springboard for her presidential bid in 2012 (were Obama to fail as a president) or 2016, and, therefore, will not be a team player.

Such logic misses several points. By fighting Obama to a virtual draw in the Democratic primary, Hillary Clinton had earned the right to be his vice-president pick. Even after she was passed over for the VP slot, Hillary Clinton (and Bill Clinton) campaigned tirelessly to get Obama elected, especially in states like Pennsylvania, Ohio, Nevada, Virginia, North Carolina and Florida, all of which Obama won. Obama owes the Clintons a lot and should offer Hillary any position she desires.

As Hillary is being vetted, Bill Clinton said that he would open up all files of the Clinton Global Initiative to help the process along. It must be remembered that there is very little policy difference between Obama and Hillary. The point Hillary was making during the primaries is that she had more experience to be the commander-in-chief. For the sake of argument, if Hillary were to undercut Obama, Obama can fire her right away.

Then Hillary will be out of a job (she has to resign her Senate seat to be the secretary of state). Hillary will serve Obama loyally and will be an excellent secretary of state. What is refreshing about Obama is that he is so confident of himself that he is picking extremely talented people to be members of his cabinet.

The contrast between Obama and

George W. Bush could not be starker. By admitting George W. Bush, Yale and Harvard universities have done enormous harm to America. The children of ordinary citizens have to be geniuses to be admitted to these two premier universities. Yet, even though a C student, George W. Bush was admitted to Yale because his dad, George H. W. Bush, was a Yale alumnus, and his grand-dad, Preston Bush was a senator from Connecticut.

Bush graduated from Yale as a C student in 1968. Although the University of Texas Law School refused to admit Bush in 1970, astonishingly Harvard Business School admitted him in 1973. Bush graduated as a C student from Harvard. Clearly, as subsequent events demonstrated, Bush did not learn much, and famously remained "incurious" about world affairs.

If Yale and Harvard were not on Bush's resume, and if Bush had bounced around six low level colleges like Sarah Palin did, people would have questioned his intellect. Since Bush was given a pass because of his Yale and Harvard diplomas, the nation paid an enormous price over the last eight years for his incompetence and intellectual inferiority.

Obsession with worshipping the inferior has become a systemic disease of the Republican Party. The Republicans worship George W. Bush, who has difficulty stringing together more than a few sentences in English; Sarah Palin, who does not make much sense a lot of times; and "Joe the Plumber," who is neither an average Joe, nor has a plumber's license!

The Republican Party appeals to the prejudices of the working class whites, and persuades them to vote against their

economic interests. The Republican Party caters to the needs of the wealthy; the Democratic Party looks after the interests of the poor. Yet, poor whites have been brainwashed by the Republican talking heads, who transformed them into ditto heads who vote on "cultural" issues; that is, they vote for the party of the whites, the Republican Party! According to the New York Times, some whites in the south are upset that a black man, president-elect Barack Obama, will be "lording over us." There does not seem to be much room for the eggheads in the Republican Party.

This is too bad. The whole country and the world are moving forward. As Dr. Martin Luther King, Jr. had predicted 45 years ago, more and more people will be judged not by the colour of their skin but by the content of their character. It appears that some whites in the southern states of America are clinging to their prejudicial past and falling behind.

If the Republican Party leaders do not wake up fast, with young and moderate whites, Hispanics, Asian and African Americans shunning it, the Republican Party will shrink to a regional party of the South. Latest polls show that 61% of Americans have an unfavourable opinion of the Republican Party.

These days, Americans are excited about Obama's inauguration and the prospect of an Obama presidency. Every time Obama's name is mentioned in a public meeting or on a TV talk show there is spontaneous applause.

According to newspaper reports, thousands of "Obama babies" are on the way! (How do they get this kind of information?) Americans celebrate happy events in a productive, or shall we say, reproductive way. Nine months from the election night, the "Obama babies" will hit the earth!

Such events are not unprecedented. Thousands of "Kennedy babies" arrived approximately nine months after Senator John F. Kennedy's election victory in November 1960. One baby in particular was born almost exactly nine months later, on August 4, 1961. His name is Barack Hussein Obama!

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