

Student violence in Rajshahi

Stern action must be taken against the perpetrators

FOR more than 72 hours till Friday evening the two major campuses of Rajshahi were turned into veritable battlegrounds with the Chhatra League and Shibir supporters conducting chase and counter chase of the opponent. The violence has resulted in the death of a Shibir leader and a large number of students from both the groups have sustained severe injuries. And not surprisingly, the two educational institutions have been closed indefinitely, throwing the already disrupted schedule into further chaos.

In spite of a gentlemen's agreement reportedly between the two groups not to precipitate the situation in the campus, the showdown by them should not have come as a surprise to the administration and the law enforcing agencies. And had they taken adequate measures in time they might well have been able to prevent the violence that ensued. We are worried too that while both the groups are guilty of excesses, the law enforcing agencies had been mere bystanders when the BCL and Shibir cadres were running amok. The police action was perhaps too little and certainly too late.

This situation is totally unacceptable. The country, more so the educational institutions, already plagued by serious session jam, can ill afford to go back to the days of violent campus culture that we had witnessed in the past. We have noticed a proclivity of the student wings of the major parties to capture residential halls. This tendency is reinforced in the students' wing of the party that forms the new government. And Shibir is known to have resorted to very brutal methods like cutting the tendons of the opponents. But it is for the Chhatra League, being affiliated to the largest party leading the coalition, to demonstrate restraint and eschew violence. Pictures of the Chhatra League cadres, brandishing illegal weapons, don't speak well for the party.

There will be allegations and counter allegations and blaming of each other. That notwithstanding, the government must answer for the actions of its students' wing. We see the tendency to use the law enforcing agency as a cover a very ominous sign of the resurrection of past politics. It is for the government to take the lead by coming down hard on its student wings. Before that it will have very little moral standing to take action against those others that are disturbing the atmosphere of the educational institutions.

It is for the AL, being the leader of the grand alliance holding the reins of power, to take steps to rein in its cadres. We are distressed to see the much vaunted politics of change of the AL not reflected in the students' front.

Gathering crisis in Pakistan

The ball is now in Zardari's court

WHAT has lately been happening in Pakistan is saddening and deeply disquieting. As if the country's troubles with Islamic militants in places like Swat valley were not enough, there are now all the signs of its fledgling democratic politics collapsing in a heap. And if blame were to be pinned on anyone, it is clear that President Asif Ali Zardari is to be held responsible for all the turmoil Pakistanis are going through. There are enough reasons to think that the president has today brought his country face to face with new dangers. In the first place, he has gone back on his deal with former prime minister Nawaz Sharif on a curbing of presidential powers. In the second, he has almost brazenly backed out from an agreement to have the judges, dismissed earlier by now departed president Pervez Musharraf, reinstated in office.

It is these issues on which the opposition has been organising its campaign of protest all over Pakistan. Not surprisingly, the message is being heard in the country and President Zardari is increasingly developing the bad reputation of truly being a successor to General Musharraf rather than his murdered wife Benazir Bhutto. Again, there are the obvious reasons for such an odious comparison. Like General Musharraf, Zardari has ordered all private television channels off the air clearly because of the critical way his government's activities are being reported. The country's most popular and credible television channel Geo News is today the object of presidential wrath just as it was in the last days of Musharraf. Add to that the move by a pliant Supreme Court, which in earlier times enjoyed a reputation for independence, to have Nawaz Sharif and his brother disqualified for elected office. The president has imposed governor's rule in Punjab. That has only inflamed passions. And, reportedly, Information Minister Sherry Rehman, a close aide to Benazir Bhutto, has handed in her resignation to Prime Minister Yusuf Raza Gilani.

Pakistan needs to get back on track in the interest of democracy and its long-term future. It is sad that Zardari and Sharif, having struggled together to free Pakistan of the Musharraf dictatorship, have now fallen out. Sharif, of course, has not ruled out working again with the president provided the latter fulfills his part of the bargain made earlier. The ball is now in Zardari's court. One hopes he will prove equal to the task of rekindling Pakistan's democratic aspirations. We wish Pakistan's people well in these difficult times.

EDITORIAL

The Daily Star

The enemy may strike again

A mutiny in the military and in a paramilitary force is usually put down by force before it escalates and infects other forces. Unfortunately BDR mutiny was dealt with as if it were a hostage crisis. The result is before us.

SHAMSUDDIN AHMED

THE BDR mutiny is the worst tragedy which has struck and traumatised the nation since August 15, 1975. While the enquiry committees and CID investigations will be trying to find out who conspired and led the mutiny, who killed the officers and looted their houses, and bring to light such facts as would facilitate speedy trial and deterrent punishment of the mutineers, this AL government must not be complacent to think that the crisis is over.

Prime Minister Sheikh Hasina must remember that it was Khandaker Mushtaque, a front-line AL leader and a confidante of Bangabandhu and some other AL leaders who in league with other forces enacted the tragedy befalling the nation on August 15, 1975 which sent AL into political wilderness for decades.

Initial handling of the BDR mutiny by the government suggests that the prime minister was perhaps kept in the dark about the full scale and magnitude of the horror perpetrated by the mutineers, of some 60-65 senior army officers including the force commander Maj Gen Shakil Ahmed and his wife having been already killed brutally by the mutineers on February 25.

What the people were being told instead that day via the television stations was a litany of BDR grievances they had been suffering at the hands of the army officers commanding the force.

Those who went to negotiate with the mutineers on behalf of the government did not apparently bother to find out and tell the people what had actually happened with the army officers. All we, the people of this country, came to know was that these negotiators had brought with them a group of mutineers to meet the prime minister.

What transpired in the meeting was a declaration of general amnesty for the mutineers by the prime minister and delay by the mutineers to surrender

their arms which in effect never happened because the mutineers melted away, some in the darkness of night and some in broad daylight, scaling over the back wall in civilian clothes.

A mutiny in the military and in a paramilitary force is usually put down by force before it escalates and infects other forces. Unfortunately BDR mutiny was dealt with as if it were a hostage crisis. The result is before us. The mutineers had enough time to commit more horrendous atrocities, dump the dead bodies, remove or tamper with vital evidence, and flee away, creating an alibi that they knew nothing of the atrocities as they ran away from the scene panic-stricken.

That such a bloody mutiny was being planned days if not months ahead was not known to people and agencies whose job it was to know and pre-empt it is a serious lapse which can hardly be condoned. If democracy means accountability then some heads should have rolled by now.

The home minister whose ministry is the controlling authority of BDR should have resigned by now because she so ignominiously failed not only to prevent the BDR mutiny but also to handle the post-mutiny situation effectively as expected of her. It is not good enough to change the home secretary.

Given that the DG BDR knew nothing of the mutiny of his force because his internal BDR intelligence was perhaps neutralised. But what about other national intelligence agencies? How come they knew nothing of such a mutiny? Either they knew about it and did not keep the appropriate authorities posted suitably or they knew nothing about it. Both ways they are guilty. All the intelligence chiefs have to answer. In a democracy they ought to resign or be made to resign. Sooner this is done, the better.

The present AL government ought to know better that religio-political forces inimical to our Liberation War and other anti-AL elements would not rest until



The BDR mutineers unleashed a horror on February 25.

they have established their complete sway in politics and that they might go to any length to destabilise politics in this country before the government succeeds in punishing the killers of Bangabandhu murder case and the collaborators involved in war crimes and crimes against humanity in 1971.

The BDR mutiny is part of the grand plan to weaken the army by depriving it of its leadership capabilities and by fomenting dissension and discord in its rank and file. After BDR mutiny the next target could very well be the army itself.

In the past these forces have successfully played their anti-India card and caused immense damage to this nation by fomenting mutinies in the army.

It is worth mentioning that there was a movement afoot particularly in the private TV channels through talk shows towards the latter part of the last caretaker government in which speakers would deliberately pick on the caretaker government and essentially the army leadership for what they called a vendetta against politicians and businessmen indicted on massive corruption and wrong-doing. They alleged that innocent and honest people have been rounded up, harassed, and mistreated in clear violation of fundamental human rights.

They would have us believe that if there had been no 1/11, milk and honey would have flown in this country. The caretaker government, may the army leadership, the talk show speakers

would argue and the moderator would approvingly nod his head, had taken the country for a ride and denied the people all conceivable progress and development for the last two years.

Palpably, a good deal of frustration and anger was directed against the army leadership for alleged violation of the constitution in lengthening the caretaker rule beyond 90 days and in promulgating ordinances other than those relating to election and budgetary provisions.

The speakers demanded that who so ever was responsible for unconstitutional rule must be brought to justice. This was a very vicious and malicious campaign against the army leadership. I wish there could be a replay of those TV talk shows today.

Those who planned BDR mutiny must have fully exploited the anti-army sentiments in the media and even in the Jatiya Sangsad deliberations by MPs who spoke of their indictment and incarceration.

They found the assembly of so many army officers in Pilkhana on the occasion of annual BDR week an opportune moment to strike at the officers as a big target. They may strike again at another target and at another soft belly to destabilise this government.

Big Geh Shamsuddin Ahmed (left) is a former Military Secretary to the President.

What brought on the worst post-war recession?

It would, in my opinion, be difficult to identify one single reason for this recession. A combination of factors like greed, unfettered capitalism, a callous sense of smugness and a complete failure of the existing regulatory system contributed to the creation of this catastrophic situation.

CHAKLADER MAHBOOB-UL ALAM

THE US economy contracted 6.2% in the final quarter of 2008. Unemployment rate has now reached an all-time high of 8.1%. General Motors, long considered as the flagship of American business enterprises has just declared that its auditors have raised substantial doubts about its ability "to continue as a going concern" and all the economic indicators predict that things are going to get worse in the coming months. The World Bank has just predicted that global economy would shrink in 2009 for the first time since World War II.

The US economy with its nearly \$14 trillion annual GDP is by far the largest in the world. Whatever happens to it has repercussions all over the world. Already both countries of eastern and western Europe are sliding into deep recession. Japan's economy contracted 12.7%. In China millions of factory workers are being laid off. Even the economies of the developing nations of south and south-east Asia are feeling the pinch and are gradually slowing down creating a world-wide economic crisis of huge magnitude. That is why it is important for all us, no matter where we live, to analyse the process that led the US economy into this catastrophic situation. How did it start? What failed in such a reputedly sophisticated market? Who were responsible for these failures?

It would, in my opinion, be difficult to identify one single reason for this recession. A combination of factors like greed, unfettered capitalism, a callous sense of smugness and a complete failure of the existing regulatory system contributed to the creation of this catastrophic situation. Equally, it would be unfair to put the blame only on the federal regulators. Actually, besides the

greedy bankers, the unscrupulous rating agencies and the government should collectively and individually bear responsibility for this failure.

It all started with a simplistic assumption that asset values, particularly in the real estate sector would never come down. This is what led to the creation of the housing bubble and eventually the sub-prime mortgage meltdown. The ever-innovative "financial engineers" taking advantage of the Bush-era lax attitude to regulatory functions of the state - the Fed chairman Alan Greenspan was a party to this neo-conservative attitude - did something utterly reckless. "Mortgages were bundled and sold to investment banks which in turn sliced and diced the claims to produce artificial assets (the CDOs) that Moody's and Standard and Poor's were willing to classify as AAA." In other words, they were, in theory, as good as US treasury securities. When their bosses were flying around the world in their private jets without bothering to find out what their subordinates were really up to, these so-called investment bankers who became experts in "finding sophisticated ways to enrich themselves by hiding risks and fooling investors" passed the risk of these toxic assets to the American International Group (AIG) through credit default swaps. Because of AIG's triple "A" rating status, it became easy to market these toxic assets all over the world contaminating the global financial system. This was a fraud on a massive scale. In the absence of a derivatives regulator because no such position exists in the US, neither the Treasury, nor the Fed, nor the SEC did anything to stop this madness.

Then with the first sign of difficulties in the housing market when asset values started to decline leaving the debt burden intact, a large number of these securities were



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downgraded which set in motion a domino effect in economic activities around the world. In retrospect, it is now clear that the Treasury should have taken appropriate measures to contain the foreclosures tsunami. The turmoil in the sub-prime mortgage market soon spread to other parts of the securities market like short-term commercial papers, creating a huge liquidity crisis.

Economic activity involving both consumer spending and corporate investments continued to decelerate raising the prospect of a deflationary situation for the first time in many years. Worst of all, no one knew exactly what the individual bank's exposure was to these wilting assets. This is one of the reasons why even now banks are reluctant to trust each other. No wonder, people lost confidence in the banking system, as a whole.

In the words of Nobel laureate Paul Krugman, "Consumers, their wealth decimated and their optimism shattered by collapsing home prices and a sliding stock market, have cut back their spending and sharply increased their saving. Developers of commercial real estate, watching rents fall and financing costs soar, are slashing their investment plans. Businesses are cancelling plans to expand capacity, because they are not selling enough to use the capacity they have.

And exports, which were one of the

US economy's few areas of strength over the past couple of years, are now plumping as the financial crisis hits America's trading partners."

The Fed, which under Greenspan, not only allowed the sub-prime mortgage market to get out of control, but also unwittingly allowed the emergence of an unregulated shadow financial system and maintained unacceptably low lending rates for too long when domestic savings were falling. The SEC can also be accused of being negligent in fulfilling its obligations. It allowed the securities firms to raise their leverage almost three times. It forgot to take into account the basic principle that the higher the leverage of a firm, the greater are its chances of a financial collapse as "an eventual need to repay loans requires sales that drive prices lower leading the need to repay more loans and so on." Under leverage of 33 to 1, a mere 3% drop in asset values will inevitably lead to the collapse of the company.

Finally, the ultimate responsibility for this crisis must fall on the shoulders of the Treasury (even after making due allowance for Bush/Cheney's ideological interference in economic matters) because it failed in its overall responsibility to keep a close watch on all aspects of the economic activities of the nation.

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