## Global crisis, G-20 summit and Bangladesh

It is natural to expect that the ADP will incorporate programs that will offset any recessionary shock to Bangladesh. Provision for social safety net should be one priority, and investment in bottleneck areas of the economy is another.

SYED REZAUL KARIM

THE G-20 summit in London has a historical parallel to the meeting held in 1933 after the economic depression of the Thirties. The 1933 meeting ended in disagreement as Germany went its own way, leaving the Anglo-Saxons to their own devices. This time, the summit has agreed on a rescue plan empowering and strengthening international financial institutions like IMF and World Bank.

Weeks before the summit, the World Bank declared: "International financial institutions cannot by themselves currently cover the shortfall -- that includes public and private debt and trade deficits for these 129 countries, even at the lower end of the range." The \$1 trillion rescue package endorsed at the summit, and placed at the disposal of IMF and World Bank, is to finance investments in social safety nets, infrastructure and companies for creating jobs and avoiding social and political unrest.

The epicentre of this global financial meltdown originated in the US. European countries and the developing economies were drawn into this whirlpool through no fault of their own. French President Sarkozy, therefore, demanded that the international regulatory standards should be enforced strictly in all banks in the US and Europe, and the US hedge funds should come under monitoring

and security. The stimulus packages announced by the French and German governments were much smaller compared to the US and UK packages, and they were reluctant to go further.

Writing about two years ago, Mr. Barack Obama surveyed the global political and economic scene and commented: "The growing threat, then, comes primarily from those parts of the world on the margins of the global economy where the international 'rules of the road' have not taken hold -- the realm of the weak and failing states, arbitrary rule, corruption and chronic violence, lands in which an overwhelming majority of the population are poor, uneducated and cut off from the global information grid; places where the rulers fear globalisation will loosen their hold on power, undermine traditional cultures or displace indigenous institutions (The Audacity of Hope)."

Alas! the president of the US had to wait for a devastating shock in the form of a financial and economic meltdown, emanating not from the countries living on the "margin of the global economies," "poor," "uneducated," and "cut off from the global information grid," but from the highly sophisticated, globalised, subprime mortgage dominated US economy.

American prestige and power have so dramatically fallen in the eyes of the world that it prompted the American economist Paul Krugmann to write a column, "America Tarnished," in the New threat of recession? The first and foremost

York Times. Hopefully, Mr. Obama will revise some of the phrases mentioned above as militating threats.

The elements Mr. Obama counts as economic and security threats are weak government, corruption, absence of democracy, chronic violence, absence of globalisation, lack of transparency, etc. In dealing with the security problem or the threat of economic recession, these elements factor in structuring a system to shield the economy effectively.

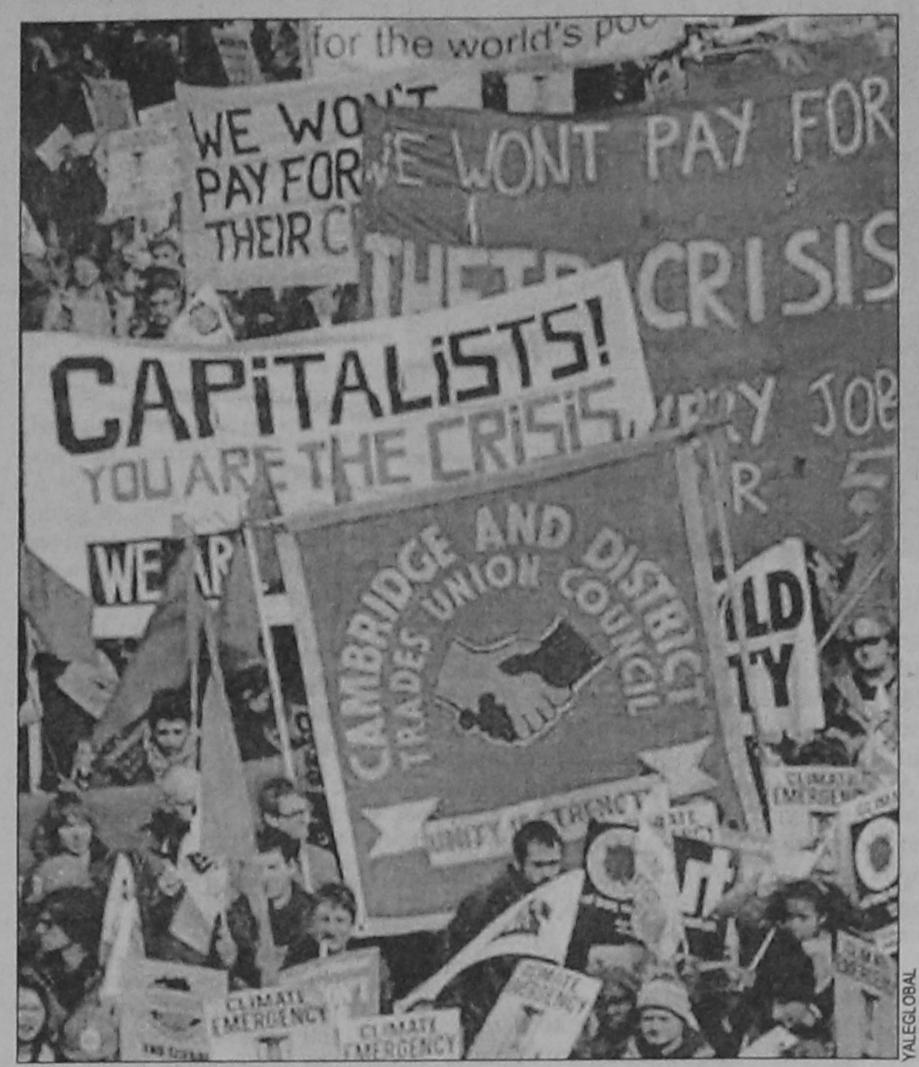
Bangladesh is feeling the heat of the international economic meltdown. Both the World Bank and Asian Development Bank have come up with a revised estimate of growth between 4.5 - 5.6% during the fiscal year 2008-2009. These estimates take note of the deepening uncertainties perceived by the banks. But the economy is yet to experience any deep shock.

However, Bangladesh's immediate concerns are the falling foreign exchange earnings and remittances due to the slow or declining demand of its garments exports, and the return of the expatriate Bangladeshi workers because of the economic slump in the Middle East and elsewhere.

The two means of pulling people out of the poverty trap, jobs abroad and the garment industry, are at risk. These avenues of employment have kept about 3.5 million people economically productive -

almost 2.5% of the population of Bangladesh. One can draw here a similarity between the effects of World War II on the Bengal famine of 1943, vividly captured in the Satyajit Ray film Ashoni Shonket (Distant Thunder). However, we have not reached that stage as yet.

What can an economy as vulnerable as Bangladesh's do to combat the looming



How will G-20 summit help Bangladesh?

is to create a safety net for the people affected. The workers, if they are retrenched due to the decline of exports, should be supported by subsidised food rationing, free medical care and probably subsidised housing, wherever possible by constructing low cost housing.

The repatriated workers may be covered by small and medium loan schemes so that they can start micro-enterprises. Then comes the immediate initiative to remove the bottlenecks in growth. Ltd.

Generation of electricity, extraction of coal -- of which we have huge reserves in Fulbari -- and large- scale solar energy projects should have a salutary effect on spurring growth and demand in the economy.

The government is formulating the Annual Development Plan for fiscal 2009-10 against the backdrop of the recession. It is, therefore, natural to expect that the ADP will incorporate programs that will offset any recessionary shock to Bangladesh. Provision for social safety net should be one priority, and investment in bottleneck areas of the economy is another. There has also to be a stimulus package for the private sector so that it is spurred into investment and employment creation.

Whether those incentives come in the form of lowering income tax or in tax relief needs to be weighed in conjunction with effective investment. There have to be fiscal measures to combat luxury consumption, including tightening of the belt by government functionaries from the prime minister to the members of parliament.

The bolstering of the IMF and World Bank by US\$1.1 trillion by the G-20 summit should bring some benefit to Bangladesh as well, provided we have credible projects ready. The implementation of the hitherto unfinished ADP projects have to be expedited, and our capacity for effective and quick execution has to be enhanced.

Bangladesh is yet to feel the full brunt of world economic recession. Hopefully, with timely and adequate measures it will come out of it with a scratch rather than with a

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## How police reform can work

All reform programs in police should aim at making the society free from crime and disorder, and should begin from the police stations.

MOINUDDIN CHISTI

the resignation of the compan of the OLICE is an armed branch of the government, and the forces are mostly accommodated in barracks. They perform duties nowadays, as a rule, with automatic weapons, and have easy access to the armoury. It is

and vigilant eye on them to ward-off an inevitable privation or development of idiosyncratic tendencies.

Senior officers should remain present in the police lines for long hours and should be able to feel the pulse of the forces and specially be able to detect and collect advance information on the necessary, therefore, to keep a constant fomentation of any possible discontent,



Restore their dignity.

unusual behaviour or movement or assembly on the part of the forces which may lead to a breach of discipline.

The malcontents should be spotted and be given proper hearings. The officers among them should regularly participate with the forces in borokhana, games, namaz, milads, and be with them commanders should also fill the men's idle hours with different games, sports, cultural events, and in various other leisure time activities.

government on the urgent need for placing adequate development funds for improving the physical infrastructure in different police lines. The run down, change. dilapidated thana buildings, quarters, parade grounds, marching lanes, police hospitals, mosques, and barracks across the country need immediate reconstruc-

Money should be provided for undertaking urgent repair works of the forces' canteens, ration/departmental stores, and durbar halls. Enhanced budgetary allocation is also required to purchase better quality food, clothing, transport, armaments and recreational equipments for the entire police force.

Police is an important functionary of the state and its role is vital in the control of crime and in the maintenance of law and order. As a government agency,

however, the police is still guided by age old rules and regulations and is urgently in need of reforms.

Any suggestion for structural change in police, however, always seems to invite sharp reaction from other services, thereby thwarting all advancement in this direction. This is unforturecast of the past and a new shape to fit in to the present and future.

The police, thus, is, unfortunately, incurring displeasure of others without The police high command should actually courting it. A more friendly make efforts to draw attention of the approach on everyone's part would definitely remove many misgivings and misunderstandings and bring about a healthy atmosphere for work and

> In Bangladesh, reforms and modernisation as a means of administrative convenience have divided districts into upazilas and have separated judiciary from the executive. The police reform program or the PRP as a part of these momentous changes was taken up as a project under UNDP assistance and is a formal and welcome undertaking of what was already in progress. But the draft proposals for modernising the police suffered a set back as the then caretaker administration showed only lukewarm interest and dragged its feet in giving approval.

pre-occupations pushed the police issue suit a foreign Raj.

backstage and the matter lost its urgency. Hopes of an early implementation were, therefore, dashed as the subject matter was not discussed even in a single cabinet meeting.

It is hoped that the presently elected popular government would provide to the police what is legitimately and logitime has been ensuing in all types of media, with most civil society members favouring an early and outright implementation of the PRP. A broad view discussion on the matter was welcome and necessary because a nationally important issue like police reform had better not be left only for a few professionals to decide.

The British in India were a colonial power and had set up an administration, including the police, to suit their imperial interest. With their departure and with the establishment of a free country, rules and regulations ought to have changed to fulfill the desire and aspirations of a free society.

No attempts were made, through the years, however, to alter the rules by rewriting the books for a society no longer under bondage. But as with any free society, a dynamism from within would gradually push all rules brought forward from a colonial past to change with time, irrespective of whatever The government's other apparent remains codified in the books written to

Police is an integral part of the government, and the personnel should be given rank and status commensurate with their responsibilities. The force today has a sizeable manpower, an educated officer corps, and modern arms. It would be wrong and improper to let them suffer from any sense of inadequacy or paucity on Eid and other festive occasions. The Giate because all the police demand 10 a Carry theirs. A lively idebate in the mean of fund. They need pride in their performance, a sense of direction, and proper leadership which they expect to come from their own chain of command rather than from outside.

All reform programs in police should aim at making the society free from crime and disorder, and should begin from the police stations. The simple rural folk of our country avoid police stations or thanas as a place of coercion and intimidation where suspects and detainees are often roughed up and even have died through torture and beatings.

It should be an important part of the reform to address this dismal state of affairs and assure the people that the police is there as friends to help and not to harm. In order to establish a non-colonial administration a non-colonial mentality is required. More and more model thanas with quality investigation work ending in strong prosecutions should be developed all throughout the country. Only then a people's police with people's support can truly be set up.

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## Congress still appears ahead in the Indian elections

Neither of the two main alliances seems like securing absolute majority, and will have to rely on others for governance. As electioneering is gaining momentum, the two sides are getting locked in belligerent wordy duels.

**ZAGLUL AHMED CHOWDHURY** 

S India goes to elections in mid-April, the Congress-led ruling (UPA) appears ahead to be of its main rival, National Democratic Alliance (NDA), even though a close contest between the two alliances is on the cards.

A recently forged "Third Alliance," mainly comprising leftists and some regional secular parties, is also in the fray. This group is unlikely to make much dent in the Hindi heartland that accounts for most of the seats in the 543-member Lok Sabha, but may emerge as a critically important factor in formation of the government in the event of a hung parliament, which is a clear possibility.

Neither of the two main alliances seems like securing absolute majority, and will have to rely on others for governance. As electioneering is gaining momentum, the two sides are getting locked in belligerent wordy duels. Several issues are coming in the campaign -- both domestic and foreign affairs -- as the key players in the fray are sparing no efforts in wooing the electorate and turning the table on the opponents.

The staggered voting, beginning on April 13, will take place in phases, and the outcome will be known from May 16. The interest and enthusiasm has generated L United Progressive Alliance enormous curiosity as a prelude to the national elections of a country of more than a billion people. All are keeping their fingers crossed as the UPA is confident of retaining power while the NDA is equally upbeat about wresting the South Bloc -the seat of power -- from the opponents.

Will the ruling alliance be able to retain power and, if it wins, will Mrs. Sonia Gandhi become the prime minister? The BJP-led alliance is making a desperate bid to win because successive defeats may place the combine in a precarious condition. Will it emerge victorious? Who is going to be the next prime minister?

Polarisation in the electoral alignment is taking place, but to whose advantage? And finally, will the culture of coalition government in India produce surprises in terms of allies and adversaries in both pre and post polls scenarios? There are other issues as well centering the elections.

If the ruling alliance wins the elections, Prime Minister Manmohan Singh will be the next prime minister. Sonia anti-secular. The third front is also secu-

ulations at rest when she said that Dr. Singh would continue. Sonia demonstrated great wisdom and extraordinary graciousness when she refused to become prime minister following the last elections, although she was the architect of Congress's somewhat unexpected victory. But Sonia gave the country its first Sikh prime minister, who is also an well-known economist. The NDA has projected former chief

of the BJP and ex-deputy prime minister L.K.Advani as their premier. Aging and physically weak, the charismatic A.B. Vajpayee is now playing a less important role in politics. Both Advani and Vajpayee are in the early eighties, but the former is more fit for electioneering and conduct of business of a government.

So, the future Indian prime minister is either Manmohan or Advani, barring unexpected developments like the relatively little known H.D.Deve Gowda of Karnataka once becoming prime minister of a united front government with Congress support. Sonia prefers a backstage role, but wields considerable power in decision making. Whether her son Rahul Gandhi seeks a more important role in the government in the coming days is another matter of interest for many.

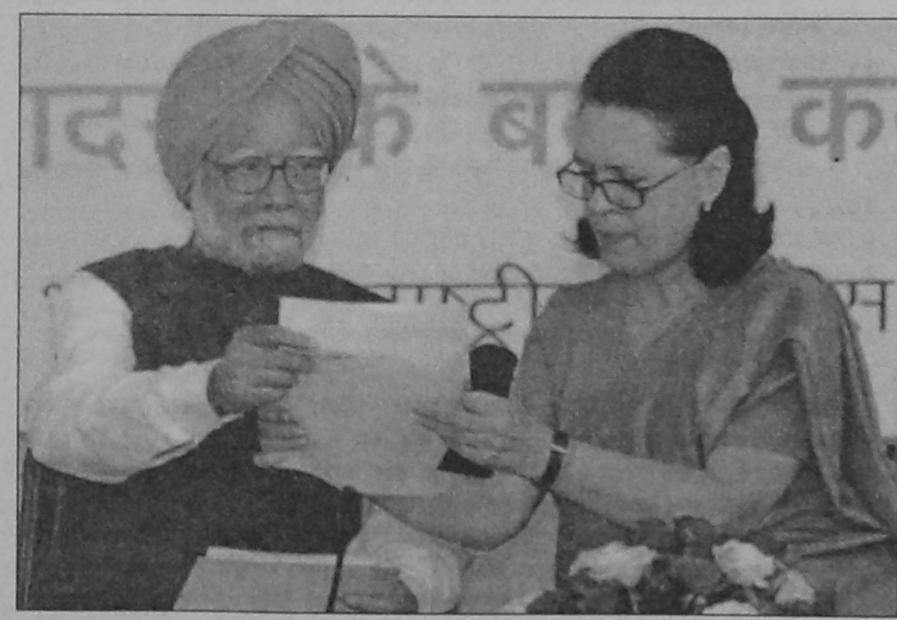
The Congress-led alliance is secular while the NDA is largely non-secular, with BJP promoting Hindu nationalism and the Shiv Sena of Maharastra being rabidly Gandhi herself in this regard set all spec- lar, hence any government by the

Congress, its allies, or even the third front, will be secular in nature. The leftists, whose citadels are West Bengal, Kerala and Tripura, along with mostly regional parties may play a critical role in the absence of an absolute majority by either of the two major alliances.

However, the third front may either itself seek to form a government with Congress support or endorse a Congress government, depending on its strength in the new house. The leftists, who have a record 62 members in the out-going Lok Sabha, withdrew their support to the UPA government on the issue of agreement with the United States on civilian nuclear cooperation. In any case, the leftists and their "Third Front" partners will not support the NDA, which they see as communal and rightwing.

Interestingly, fissures can be witnessed in both UPA and NDA alliances in the prepoll scene, with UPA's heavyweights Sharad Pawar of Nationalist Congress in Maharastra and Laloo Prasad Yadav of Rastriya Janata Dal in Bihar causing some problems in the alliance. The ruling combine has also lost some allies. Likewise, the NDA is not free from such problems, though to a lesser degree.

As the elections get nearer, those who have high stakes in the voting remain entrenched in the battle-front as the lines have been clearly drawn. Congress states, barring Uttar Pradesh which has only the traditional Rai Bairely for Sonia a stable administraion.



Figuring out permutations and combinations?

and nearby Amethi for Rahul are safe seats for the party.

BJP is strong in UP as well as Madhya Pradesh, and has also made inroads in the south where the Congress and the allies are formidable. The Congress lost some state assembly elections, including Gujarat, but also won some including the important Delhi state. The party has lost some popularity because of the incumbency factor. Nevertheless, it still has a strong base in some northern appears ahead of the main rival NDA for a variety of reasons, highlighted by the most members in the Lok Sabha. Here, fact that it could complete the term with

However, the contest is expected to be close, and the last few days before close of the campaign can be crucial in luring the floating voters, whose number is quite big, in shaping the outcome. Till the outcome of the polls is available, it is a matter of guesses and analysis. Incidentally, the results of the last elections belied most media and other forecasts and, as such, the outcome of the coming polls broadly remains shrouded in uncertainty.

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