

## Draft Union Parishad law Voters should be able to make informed choices

THE draft local government (Union Parishad) law finalised by the parliamentary committee on the local government ministry for passing in the next session of the Jatiya Sangsad demonstrates a tendency to pander to the political and electoral culture of the old. That is because it has done away with the earlier eligibility criteria of rescheduling bank loans, payment of utility arrear bills and providing eight pieces of vital personal information one year before filing nomination papers for the Union Parishad elections. For, by allowing the candidates to reschedule their loan and pay up arrear bills just one day before the filing of nomination papers is tantamount to issuing a 'no objection to loan default' as far as eligibility for participation in the local elections is concerned thereby virtually denying the public the right to choose their representatives from amongst candidates with clean records. What is important to note is that there will be no mechanism now to check the veracity of any statement submitted by the candidate within a span of twenty-four hours.

In truth, the earlier provisions incorporated during the erstwhile caretaker government created the scope for better and cleaner candidates to take part in the Union Parishad elections.

One might also recall here how in deference to civil society articulations and expressions of public opinion through different forums including the media, provisions for discouraging loan defaulters and persons with blemished records from participating in elections were adopted. There was also a High Court ruling on the requirement of affidavits furnishing eight pieces of information to enable the electorate to make informed choices.

Also, it is worthwhile to mention that a parliamentary committee recommendation for grant of advisory role to MPs in the municipalities has been overturned in the parliament. It was assumed that the same principle might be applied in case of city corporations. We would urge the parliament to take a similar stance by way of spirit in regard to the stipulation about loan and bill default and furnishing of eight information. It would be all the better, if the parliamentary committee on the local government ministry itself has a rethink on its recommendations they had made in the draft local government (Union Parishad) law.

## Nature's fury in frightful forms

*Such tragedies bring us all closer to one another*

NATURE has been doing its worst in large parts of Asia. In these past couple of days, a tsunami has hit Samoa, a typhoon has devastated lives in Vietnam, Laos and Cambodia, destruction has been wreaked in the Philippines and an earthquake has laid lives low in Indonesia. Natural disasters are of course to be expected and have been happening over the centuries. But for such disasters to strike in such quick frequency and in such damaging manner certainly causes alarm among various parts of the globe. Here in Bangladesh, instances of low intensity earthquakes have been recorded over the past few months, something that has people worried about the consequences should a major earthquake occur. There are already the dire predictions of the devastation which could descend in such a situation. As many as seventy per cent of building structures in the capital are feared to be vulnerable. One can only shudder at the possibility.

Of late, it must be noted, instances of nature's fury have been frequent and of worrying intensity. What has happened in southeast Asia and South Pacific region is surely the highest and most fearsome manifestation of it. An intriguing aspect of such a situation is that when a disaster overtakes one country, the ramifications, in physical terms, are felt a long way away. The earthquake in Indonesia caused worrying ripples in Singapore. There are then the tremors felt in La Paz, in distant South America. The heart-rending aspect of all this cumulative tragedy that has occurred in Asia is the ruined lives it leaves behind. Of urgency today is the huge human need to come to the aid of the survivors of the earthquake in Indonesia. Initial reports speak of a thousand people dying, but as in such cases the figures are higher and keep going up. Where the tsunami is the issue, here too the trauma is indescribable and because it is, it becomes important for governments and organizations to come forth with emergency aid on a swift basis. There is little question that disasters in our times cause empathetic agony.

Our sympathies go out to the suffering survivors of the disasters. And our prayers are there for those who have perished in them.

## Banking on bankers

Instead, the summit was expected to lay emphasis on banker's personal social responsibility imperatives. The bankers should know that even for them there is no free lunch. They must reap what they sow, like the rest of us.

MOHAMMAD BADRUL AHSAN

REPRESENTING 85 per cent of the world's economy, G-20 leaders gathered in Pittsburgh, Pennsylvania from 24-25 September 2009. Chaired by President Barack Obama, the summit reviewed the progress made since the Washington and London summits and discussed further actions to assure a sound and sustainable recovery from the global financial and economic crisis. One of the likely issues for discussion was how to ensure better behavior from bankers.

No, it wasn't about telling bankers how to become more cordial to customers. It wasn't about asking them to put a smile in their voice. The finance ministers and central bankers from the affluent twenty didn't come to Pittsburgh so that the bankers will be more helpful and courteous. You must be out of your mind if you thought the summit would ensure that bankers would offer tea or coffee next time you visit them.

Then what was the summit going to ensure? It was supposed to look for ways so that the bankers will be more "socially

responsible." It was not about a bank's corporate social responsibility initiatives. Instead, the summit was expected to lay emphasis on banker's personal social responsibility imperatives. The bankers should know that even for them there is no free lunch. They must reap what they sow, like the rest of us.

What does it mean? To paint with a broad brush, the main idea is to make bankers accountable for their own mistakes. If they mismanage their businesses, then they will have to clean up the mess at their own expense. During this financial meltdown, the society has picked up the bill to repair damages done by bankers.

In simple terms, the G-20 summit was to explore options so that bankers will have "skin in the game." For example, whose responsibility is it that Kenneth Lewis, the CEO of Bank of America, made colossal errors in business judgment? He bought the sub-prime lender Countrywide at the top of the housing market, and extravagantly overpaid for Merrill Lynch. And what about the management of Citigroup run by a board and a management team that have an almost comically awful record going

backyears?

What have these fatcat bankers done? They took decisions, which not only disrupted economies but also sent shockwaves through markets. It was because of them that millions of people lost their homes and jobs, their lifetime savings evaporated. Although the victims included some bankers down the line, their topnotch colleagues got not even a scratch. They retained their jobs, fat salaries and bonuses, their lifestyle virtually undiminished despite the havoc wreaked by them.

So, one of the considerations in the summit could be having the long-term performance of bankers tied to their net worth. If a borrower fails to repay his loan, he runs the risk of losing his possessions. Gamblers lose everything if they put money on wrong bets. When politicians make mistakes, it costs them power and popularity, their lives at times being at stake. Then why should bankers be an exception to the rule?

History tells us that they shouldn't. The word "bank" is derived from the word "Banco," which means a "bench." The Jewish moneylenders in Italy used to transact their business sitting on benches in marketplaces. When any one of them failed to meet his obligations, angry creditors smashed his "Banco" or bench.

True, there haven't been any mob attacks or runs on the banks in the aftermath of recent financial crisis. But one can't rule out the possibility if it happens

again. People might react more violently. They might go after the bankers, should they, led by unbridled greed, resort to terrible judgment, ethical lapses and outright fraud.

Whether that happens or not, bankers ought to take responsibility for their own actions. One of the options being talked about is to restrain them with good old market discipline. The bankers should know that they are free to tinker with as many ideas as they wish, but they will have to personally take the hit if they take risky bets.

All these years others have been taking that hit for them. The bankers goofed up, then sailed their yachts and flew their jets while the larger society reeled under its impact. For the first time there is a new realisation. The bankers must be brought into the circuit where what goes around comes around.

There is a new controversy brewing up in the corridors of economics. Does human rationality have its limitations and whether markets are so perfect that they can be left alone? The resounding answer is blowing in the wind. Both need to have a certain degree of control.

It might take time before the outcome of the Pittsburgh summit becomes public knowledge. But banking on bankers is facing challenge. Perform or perish. That is how market does its own correction.

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## Mission complete?

The residual effect of this is a sense of resentment, which means that the electorate will not fail to take revenge against the incumbent government should it fail to deliver on electoral promises. In places like Bangladesh errors have enormous political consequences.

ANAM A. CHOUDHURY

THE taste of victory is the burden of responsibility," said Dalia Grybanskaite, the first woman elected as president of Lithuania. If anyone thinks that the Awami League's mission is complete, having won the election so overwhelmingly, he/she must be living in fool's paradise. Make no mistake; the people of Bangladesh may appear politically polarised, but they are always united in their power to choose who governs them.

If the Awami League wants to keep its popularity then its top policy makers need to switch their focus onto the economy. They must realise that the stale "political" arguments no longer apply; but, as usual, those have begun all over again. The politicking seems to be utterly unconcerned with substantive issues. After nearly four decades as an independent nation, the answers to Bangladesh's deepest problems appear as far away as ever.

It is indeed a tragedy that more than half of our population is still plagued by the worst forms of poverty, hunger and disease. For decades, the growth process has paid

scant attention to the alleviation of the miseries and sufferings of the large number of people living on the edge of despair and insecurity. Bangladesh made some progress economically, but has made much less than other countries in terms of its human development.

We have laws, regulations and standard operational procedures, but we lack the commitment and will to implement them or to penalise violations. This is because of our demonstrated inability to spend the available funds efficiently and honestly. Drastic changes are needed in the institutional mechanisms of the administrative system for this purpose.

Strange are the ways of Bangladeshi politics. The government appointed a number of chairmen and directors for most of the public sector banks. Many appointees are former Chhatra League leaders. As we all know, the collapse of Wall Street investment bank Lehman Brothers in 2008 sparked global recession. The obvious lesson from the events of September 2008 is that we need smart regulators, goal-oriented professionals and qualified accountants for the boards of our big high

street banks to take conservative approach to lending and to keep these banks highly un-leveraged.

Only well-trained personnel can grasp the depths of the financial problems and foster transparency and efficiency. They should be able to revamp financial rules and impose higher professional standards, and readjust risk models as a cushion against losses. Unchecked excesses and the reckless behaviour of some of the top brass in public sector banks are mainly responsible for such huge non-performing loans and accumulated bad debts on their books. There is little evidence that policy makers are learning from the crisis.

Unsurprisingly, the long thesis of the conspiracy of foreign powers against Bangladesh is deeply ingrained in the popular imagination of a section of our society. We should realise that the modern world is interconnected, that each country's challenges are similar and that they can only be tackled by nations acting in union, not in isolation. The global nature of the financial crisis, climate change, terrorism and pandemic threats have convinced just about everyone across this region that no country can stick to a "go it alone" policy any more. We must convince our people that our challenges need global solution. Bangladesh is a country that depends on international trade and investment. We cannot have an isolationist policy and maintain the status quo indefinitely.

It is, however, pleasant to think that our foreign minister is trying to develop creative diplomacy, that is friends of all and enemy of none, and reset our closer ties

with India. The global geopolitical order has been undergoing a transformation in recent years. Transition heralds the emergence of new centres of power in Asia with both China and India benefiting from the prospect of greater influence on global affairs. The planned Asian Highway will connect Bangladesh with most Asian capitals, open new avenues of business and greatly help our small, isolated economy to integrate deeply into Asian commerce and improve our economic competitiveness. Failure to join the Asian Highway will surely leave our economy at risk.

However, one major difficulty is that the BNP might call it a sign of weakness and a threat to our national security and sovereignty. This is a desperate attempt to shore up a failing party and repackage its narrow nationalist message to unite the different factions of the party.

If this year's election is any indication to go by, the Awami League government shouldn't get too comfortable either. Cable television networks and cheaper cell phones not only brought commercial advertising to rural Bangladesh but also new aspirations for, and a more acute awareness of, the lavish lifestyle of the privileged elements of society. The residual effect of this is a sense of resentment, which means that the electorate will not fail to take revenge against the incumbent government should it fail to deliver on electoral promises. In places like Bangladesh errors have enormous political consequences.

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## Obama's big gamble

Obama is gambling that America is now mature enough to understand that machismo is not foreign policy, and that grandstanding on the global stage just won't succeed. In a new world, with other countries more powerful and confident, America's success -- its security, its prosperity -- depends on working with others. It's a big, bold gambit. I hope it works.

FAREED ZAKARIA

THIS United Nations debut, Barack Obama urged global cooperation to combat nuclear proliferation, climate change, and other problems that go beyond the borders of any one country. The speech was well received all over the world, except one place -- America's right-wing netherworld, which quickly began whipping people into a frenzy. For Michelle Malkin, the speech was evidence that Obama was "the great appeaser," though she then went on to say: "From the sound of it, you'd think you were listening to Thomas Jefferson." (That's bad?)

For Rush Limbaugh, Obama's speech was "basically a coup against America." At the National Review's Web site, a debate broke out -- an entirely serious debate among serious people -- as to whether the speech proved that Obama actually wanted the world's tyrants to win, in the tradition of past intellectuals who admired Mussolini and Hitler. This is the discourse

of American conservatism today: Obama is bad because he loves death panels and Hitler.

There is a serious case to be made that it's not worth taking the United Nations seriously, that it's an anachronistic institution based on 60-year-old geopolitics and a platform for tyrants and weirdos. But while much of that is true, the United Nations is the only organisation in the world to which all countries belong, and as such, it does have considerable legitimacy. And that means power.

As David Bosco points out in Foreign Policy magazine, over the past two decades the Security Council has authorised "more than a dozen peace-keeping missions, imposed sanctions or arms embargoes on 10 states, and created several war crimes tribunals to prosecute those responsible for genocide and crimes against humanity, including sitting heads of state." It's worth putting in the effort to shape its decisions.

Obama's speech was part of a calculated

strategy. In sentiment it recalls Richard Nixon's line after losing the California governor's race in 1962: "You don't have Nixon to kick around anymore." Obama was telling the world: the United States is willing to be cooperative, to rejoin international institutions, to adhere to treaties. But in return, other countries will have to help solve some of the world's common problems. You can't just kick us around anymore.

Let's go back just one year. Many countries had come to believe that America showed little interest in the world. This hostility had become an easy excuse to reject even modest concessions to U.S. requests. If this sounds partisan, recall that after he was elected president of France in 2007, the pro-American conservative Nicolas Sarkozy was asked by Condoleezza Rice what she could do to help him. "Improve your image in the world," he said.

There is a phony realism brandished on the right these days that says no one will ever cooperate with America. Russia and China have their own interests, and any attempt to find common ground is naive. We might as well all hold hands and sing "Kumbaya." Now, of course, countries have their own interests, which are often in conflict. But they also often share some common interests. A central task of diplomacy is to explore those areas of agreement, build on them, and thus create a more stable world. That's why we have treaties on everything from trade to taxa-

tion, adhered to by most nations for their collective benefit.

In fact, Obama's approach has already produced remarkable results. Russia and China, after long opposition, agreed last week to a toughening of the Nuclear Non-Proliferation Treaty. And in a striking shift, Russia signaled that it might support tougher sanctions against Iran. The Obama administration's decision to cultivate a relationship with both countries, to listen to their concerns, is paying off.

Obama's outreach to the world is an experiment, and not just to see if the world will respond. He wants to demonstrate at home that engagement does not make America weak. For decades, it's been thought deadly for an American politician to be seen as seeking international cooperation. Denouncing, demeaning, and insulting other countries was a cheap and easy way to seem strong. In the battle of images, tough and stupid always seemed to win.

Obama is gambling that America is now mature enough to understand that machismo is not foreign policy, and that grandstanding on the global stage just won't succeed. In a new world, with other countries more powerful and confident, America's success -- its security, its prosperity -- depends on working with others. It's a big, bold gambit. I hope it works.

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