

## Towards healthy student politics

*Ducsu elections should be held at the earliest*

THE High Court rule upon the government and the University of Dhaka to hold Ducsu elections comes as a welcome measure towards improving democracy in student politics. Indeed, the process whereby the rule was issued -- in response to a writ petition filed by 25 of the university's students claiming they were being deprived of their democratic rights as the elections have not been held in 20 years -- is reflective of the spirit of the move.

Student politics as it now stands is less to do with the general students' welfare and is more about the ruling party's -- whichever party may be in power -- student wing controlling the campus. Where student leaders and activists should be striving to ensure students' rights, such as to accommodation, proper food in canteens and dormitories, rich libraries, etc., an ageing leadership comprised mostly of non-students are instead busy in turf wars, illegal tenders and businesses, possession of weapons and so on. In fact, it is this so-called 'student politics' that has been responsible for much of the violence on campus which has left students themselves injured and even dead, and for the closures causing the notorious session jams at public universities.

In this context, Ducsu could be a truly representative student body, the priority of which would be the welfare of all students, and not those with particular party leanings. It would be a forum for voicing the real needs of genuine students. It would be the platform from which healthy politics could be practised and, in the process, create the future leaders of the nation.

The writ petition filed and the HC's response are both steps in the right direction. We hope action will soon be taken by the relevant authorities and the coast cleared for the Ducsu elections to be held as soon as possible. The practice of healthy politics and democracy at the most prestigious educational institutional of the country will act as a guiding light for the political culture and leadership of the nation overall.

## The Manmohan-Zardari meeting

*Expectations tempered with reality*

PRIME Minister Manmohan Singh's message to visiting Pakistani President Asif Ali Zardari could not have come in a clearer manner. The Indian leader has told Mr. Zardari that Pakistan needs to act tough on terror. His view that the people of India will judge Pakistan on the basis of what action it takes against terrorism, especially in light of the Mumbai tragedy of 2008, is a blunt statement but one that could not have been made any other way. Pakistan's failure to rein in its terrorists has brought it to its present sad pass.

Which all goes to show the uneviable position President Zardari is in. Placed in power accidentally through the assassination of his wife Benazir Bhutto, Zardari has not had a comfortable time in office. Of late, the determined effort by the Supreme Court to have old cases of corruption against him revived has caused much haemorrhaging of his government. His prime minister has been battling bravely to keep his head above the water. Besides, a traditionally restive army has of late felt humiliated by a letter written to a high US military official seeking help in preventing a coup in the country. That has made Zardari even more vulnerable despite his sacking of the man who had sent off that message, former ambassador to Washington Hussain Haqqani.

To be sure, Zardari's visit to Delhi is a purely personal one, connected as it is with his trip to Ajmer Sharif. But the meeting with the Indian prime minister, like all previous meetings between earlier Indian and Pakistani leaders, is being regarded as an opportunity for a fresh new beginning. One hopes the opportunity this time will lead to concrete results and yet one is not ready to raise one's expecta-

# Egypt's subsidies: Reform or die

SYED MANSUR HASHIM

THE year 2011 brought a sea of change for Egypt, at least in the political arena. The great dictator fell from grace and there was talk of real political change in the air after decades of autocracy and stagnation. Yet, as Egyptians both young and old look forward to the drafting of a new constitution and fresh elections that will hopefully usher in multi-party democracy, a less talked about issue is gathering storm on the horizon.

The economy is facing severe liquidity crunch and the government has had to seek assistance from International Monetary Fund (IMF) in meeting a part of its \$11 billion deficit. As expected, the IMF has put forth conditions that specifically target subsidy allocation. Given that the country spends nearly a tenth of its GDP on subsidising a wide range of goods ranging from fuel imports, transportation and food, it is hardly surprising that IMF has set its sights in this area. Egypt's economy has contracted by nearly 1% since the "revolution." With unemployment spiralling to dangerous levels and sustained food inflation coupled with a decline in foreign exchange reserves primarily due to reduced foreign tourism, the balance of payments is now sitting squarely in the red with a deficit that has crossed the \$18 billion mark.

However, snipping the enormous subsidy package is easier said than done, especially in light of the fact that subsidies are an institutionalised facet of Egypt's economy. Initiated in large-scale in the early '70s as a direct response to price rises of essentials, the subsidy basket since then has mushroomed to envelop a wide range of commodities that go far beyond cooking oil and flour. The fact that subsidy on fuel alone constitutes approximately seventy percent of all subsidies means that

any subsidy reform poses a nightmare scenario for current policymakers, especially with national elections in the offing. Yet, reform is mandatory, for a major chunk of these subsidies help only in lining the pockets of unscrupulous business entities and not the end consumers. For instance, if one takes a closer look at the liquefied petroleum gas (LPG) for household scenario. As most Egyptian house-

its intended customers and the rampant corruption that exists in the state structure aids a coterie of enterprising, albeit, illegal syndicates to make windfall profits of 2,800% or more, and that too on a single canister of LPG.

The above represents just one facet of the subsidy basket. Logic dictates that the time for reform is here. Yet, any hint of reform causes the inevitable pandemo-



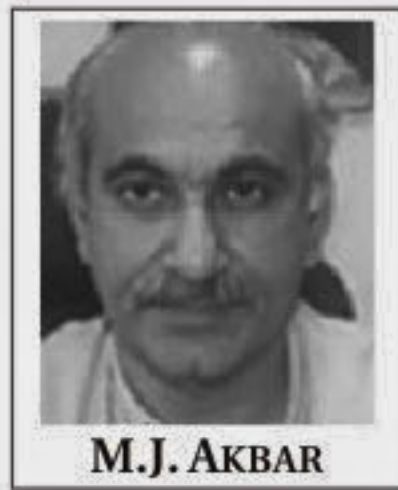
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holds lack piped gas connections to their homes, portable LPG canisters are used. These the government supplies for 2.75LE (Egyptian pound) per unit, the bulk of which finds its way into the black market and is then resold through distributors and dealers at an estimated retail price averaging 80LE. Hence, on the one hand, the costly framework of subsidies is failing to help

nium on the streets. But the sad reality on the ground is that there is no recourse to overhauling the system of subsidy without causing pain and suffering. This is evident in the Eurozone with countries ranging from Spain to Italy having to swallow the painful pill of reform that has inevitably landed hard on subsidies -- leading to cuts in social benefits and subsi-

### BYLINE

# Different rules, different elastic



M.J. AKBAR

of Hafiz Mohammad Saeed, leader of the Lashkar-e-Taiba, alias Jamaat ud Dawa. So far the only person who has stepped out to claim the reward is Saeed himself.

If all Washington wants to know are his whereabouts, he is quite happy to pass on his daily itinerary to any designated individual or agency. The goalposts shifted a bit. Washington has clarified that it will only pay for material that can convict Hafiz Saeed. Step forward, P. Chidambaram, Home Minister of India. Chidambaram has long insisted that he has provided Pakistan with enough documentary evidence to indict Saeed. He argues that it is Islamabad's unwillingness to pursue the case, and dread of consequences, that keeps Saeed a free man, able and willing to deliver a thousand sermons, whether from the street, mosque or television. This week in Bangalore India's Foreign Minister S.M. Krishna asserted once again that the evidence in these documents was irrefutable. Why doesn't Chidambaram send this file to Washington, claim the reward on behalf of the Indian police and sit back and see what happens?

China, Pakistan's all-weather friend, raised the blame game in what will surely be known as "bounty week" when on Friday,

April 6, a formal foreign office statement blamed "a country in South Asia" for providing sanctuary to six Muslim Uighurs, leaders of the East Turkistan Islamic Movement, who "not only threaten China's national security but also the peace and security of relevant countries and the region." Xinhua, the state news agency, piled in by calling them "the most direct and real safety threat that China faces." Strong words, but no prize, I am afraid. Washington needs hard evidence in exchange for hard cash. Names. Addresses. Mobile numbers. Name of country, please. South Asia is too large. Are they in Nepal, Bhutan, Bangladesh, Sri Lanka, Maldives, India or perhaps even Pakistan?

Circumspect sentences won't do.

*Washington does not have a president called Manmohan Singh. It plays by different rules. It can be elastic, as in its relations with ISI. But such elasticity snaps. Its decision on Saeed is proof that this elastic band has broken.*

So the bounty is still available to Delhi. Perhaps Washington should have been just a little more forthcoming when it posted its rewards programme for terrorists in international space. America has not put Saeed among the five men on the ten-million list because Delhi sent its version of how Lashkar-e-Taiba organised the Mumbai outrage in 2008. It did so because one of Saeed's operatives, the Pak-American David Headley, confessed details of Lashkar links to both Al Qaeda and ISI, the Pakistan army's premier intelligence network:

Headley was arrested at Chicago airport by FBI in 2009. Headley's contact with Al Qaeda was Muhammad Ilyas Kashmiri, and he revealed that he had been financed by ISI to do reconnaissance work in India for the Mumbai operation.

All this and much more has been revealed by some courageous Pakistani journalism, notably by Syed Saleem Shahzad, who was murdered shortly after his book *Inside Al Qaeda and the Taliban* came out. Admiral Mike Mullen, then chairman of US Joint Chiefs of Staff, said that he had been killed to prevent further revelations. America has learnt specifics from the trove of papers it picked up from Osama bin Laden's hideout, in the immediate neighbourhood of the military acad-

dies. And as stated before, scaling back subsidies is easier said than done. Twice, the government has backed off from taking crucial decisions. First the decision to stop subsidies on natural gas supplies to industry that were to become effective from January 2012 and second, the plan to introduce ration cards to supply LPG to the poorest sections of society.

What is obvious is that any sudden crash course on subsidy reform is simply not feasible, for a change of this magnitude that affects the greater majority of the population will lead to widespread discontent and civil disobedience. Dr. Isobel Coleman, named by *Newsweek* in 2011 as one of the "150 Women Who Shake the World," sums up the Egyptian policy quandary on subsidies well when she states: "Egypt's brewing crisis also presents an opportunity to tackle a subsidy problem that has been decades in the making.

An effective subsidy reform programme should be phased in, focusing first on the most costly and inefficient fuel subsidies and only later addressing food and cooking subsidies, perhaps when certain economic metrics (say, a resumption of GDP growth in excess of 5 percent annually, or declining unemployment) are met. It should couple subsidy cuts with carefully explained direct cash transfers to households and other reforms to stimulate economic activity, such as an expansion of credit to SMEs, reductions in bureaucracy for starting new businesses, and formalisation of the informal economy. Any subsidy reform programme should also be matched with a public awareness campaign to explain the myriad benefits, including reductions in corruption, wasteful energy consumption and pollution, and improvements in efficiency."

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## THIS DAY IN HISTORY

April 10

1606

The Charter of the Virginia Company of London is established by royal charter by James I of England with the purpose of establishing colonial settlements in North America.

1826

The 10,500 inhabitants of the Greek town Missolonghi start leaving the town after a year's siege by Turkish forces. Very few of them survive.

1868

At Arogee in Abyssinia, British and Indian forces defeat an army of Emperor Tewodros II. While 700 Ethiopians are killed and many more injured, only two die from the British/Indian troops.

1912

The *Titanic* leaves port in Southampton, England for her first and only voyage.

1919

Mexican Revolution leader Emiliano Zapata is ambushed and shot dead by government forces in Morelos.

1959

Akihito, future Emperor of Japan, weds Michiko.

1992

The Maraghar Massacre, killing of ethnic Armenian civil population of the village Maraghar by Azerbaijani troops during the Nagorno-Karabakh War.

2009

President of Fiji Ratu Josefa Iloilo announces he will suspend the constitution and assume all governance in the country, creating a constitutional crisis.

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