

# 'I can bring change because my politics is for people'

*Here is the text of Prime Minister Sheikh Hasina's interview with BBC's HARDtalk during her five-day London visit to attend the inaugural ceremony of London Olympics 2012. BBC World News broadcast the interview, taken by Stephen Sackur, four times yesterday at 03.30, 08.30, 15.30 and 20.30 GMT. (Note: there may be a few words missing because of technical problems in transcribing from the telecast)*

BBC: The public in your country wants to believe in the integrity of government both in terms of respecting human rights and also in terms of a fundamental integrity and honesty amongst public servants. We do not see that in your government.

PM: Listen, the military ruled our country for a long time. The military-backed government ruled this country ... BNP-led government ruled this country and they indulged in corruption. Can you just change that overnight? No, you cannot. I can ensure that my government is not involved in any corruption. We never indulged in corruption. If we had been involved in corruption, how could we make so much progress in the country? Our GDP, in spite of worldwide recession, is above 6%. We increased our literacy rate, we increased our power generation. We are developing our country and we have increased our food production. How could we do it?

BBC: Your economy is growing ... figures of growth are impressive ... But the question is who is really benefiting from the money that is coming in from your economic progress ...

PM: No, no ... Of course not ... We are ... I am doing politics for the sake of my people, not for my benefit ...

BBC: If that's true Prime Minister, why has the World Bank lost confidence in your government's ability to deliver on clean governance ... let's be clear what we were talking about. The World Bank wanted to put more than a billion dollars of funding into one of the most important infrastructural projects your country is seeing in many years ... that is the Padma bridge project. They withdrew the funding because they had alerted your government to corruption in the handing out of contracts ... they wanted actions; they were not satisfied with the actions you have taken ...

PM: Suddenly, they raised the issue. Then we ... my finance minister and I personally asked them ... okay you give the proof. But they couldn't place any substantial proof that there is corruption, they didn't. And the main point is ...

BBC: I am sorry ... are you denying that there has been corruption in the handing out of contract in this Padma bridge project?

PM: Of course, of course, listen ...

BBC: Then I am puzzled because one of the key ministers who stand accused of involvement in these has just quit your government, why is that? If there was no wrongdoing why has he done that?

PM: Many people started accusing him so

he resigned. He has done a brave thing. Had he been involved in this corruption, perhaps he would not have resigned.

BBC: The question is, here on this particular project, on simple one ...

PM: No, no, let me prove it ...

BBC: The World Bank sent a letter outlining their concerns, there were at least four different itemised concerns about corruption, now you have the opportunity to publish that letter to tell the Bangladeshi people exactly what the concerns were. You constantly refused to do that, why will you not publish that letter?

PM: You cannot do that because there is an embargo.

BBC: No, the World Bank is happy to do that.

PM: No it is not true. They cannot do it.

BBC: Of course they can, they say ...

PM: Then ask them to publish.

BBC: But they say they cannot publish.

PM: Why not? Why not?

BBC: Because that's how World Bank's relationship with individual states work. You have the right, they do not.

PM: Listen, the letter doesn't mean anything. They could not supply any substantial proof with that letter. Just a letter cannot prove there is corruption. Time and again we asked them [for proof].

BBC: The opposition says that the letter points at you and other senior figures of your government, is that true?

PM: Listen, you can point at anybody and the opposition can do it. It is the opposition's job. My point is, our Anti-Corruption Commission is already investigating it and they asked the World Bank to send all the documents and they refused to send. Now my question is if they have substantial proof why they refused to send all the papers and documents they have? They are not giving [those], I personally want it. At first, they sent two letters to me, that was not my government, not my ministers. I pointed out this was the previous government. So you give me the proof. Twice they did it but they could not prove. So, unnecessarily you cannot just accuse anyone without substantial proof ... that is important.

BBC: Prime Minister, let me put it this way. It seems a shame for the Bangladeshi people, many of them living in dire poverty, that your relationship with the World Bank has soured so badly. It also seems a shame for the

Bangladeshi people, that your relationship with one of the most respected business leaders in your country, the Nobel laureate Mohammad Yunus has also soured so badly. Why did you call him a bloodsucker of the poor?

PM: You go to Bangladesh, you see with your eyes, then you will see. But how could he say I said it? Did I mention his name? I didn't. I said someone. But why it occurred in your mind ...

BBC: Sorry, so let's be clear about this. So are you now denying that you have said Mohammad Yunus is a bloodsucker of the poor?



PM: No, I am not denying anything. I am putting a question to you, why it occurred in your mind that it is him? Why?

BBC: I have been reading the Bangladeshi press, everybody it seems in the Bangaldeshi media believes that you referred to him directly when you used this phrase "a blood-sucker of the poor." If you want to retract or if you want to tell me you didn't mean him, then that's fine.

PM: Listen, listen, I am telling one thing. Taking interest 40%, 30% or 45% from these poor people -- is it fair? It is not. How can these poor people stand by themselves? If you lend money and take 35 to 45% interest, it's a shame.

BBC: So the entire model built by Grameen Bank and Mohammad Yunus which has been celebrated around the world as a way of lifting poor people out of poverty -- you are saying you do not accept it, you do not want it.

PM: I want that there should be an enquiry [to know] how many people have come out from poverty because of that. If there's one

village, how many people? Poverty reduction has been done by my government. Within three years we reduced poverty by 10%. So it is our government. And about this Grameen Bank, it is a government statutory body ... it was established by government.

BBC: Isn't it the truth that you forced Mohammad Yunus out of his role in Grameen Bank after he tried to set up an independent political party in 2007, that's why you turned against him?

PM: Listen, that time I was in custody, I was in jail when he tried to form his political party. He was such a big person so why he failed? He has every opportunity, why he couldn't form his own party? Have you ever thought about it? Well, having said that, I am telling you I didn't oust him from the Grameen Bank, he himself did it. According to Grameen Bank law, an MD can remain till he is 60. How old is he? He is 71 years old.

BBC: He is one of the celebrated Bangladeshis ...

PM: His age did not permit him. But he went to the court. He filed a case against the government and the governor of Bangladesh Bank. He filed cases and because of this case, he was defeated.

BBC: When you talk about Khaleda Zia, a sense of animosity, a sense that a division in Bangladeshi society has not healed ... that tells us you have not achieved your aim of unifying.

PM: My country is unified. If you go through the result of election, you can trust this.

BBC: You have seen military attempted a coup in your country in last 12 months ... you have seen the opposition put hundreds of thousands people on the streets, you have seen the opposition say that they may not contest the next election because of constitutional changes that you have made which they say fundamentally threatened democracy ...

PM: Of course not. Rather, we amended the constitution that ensures democratic right of our people, fundamental right of our people because unconstitutional or authoritarian government cannot come in future. They cannot capture power illegally. That we made sure in the constitution. That way we ensure people's democratic right.

BBC: Before we finish, you have a long-term trajectory to make real economic improvement. That is one fundamental problem facing you which is far beyond your party politics. That is climate change. You now have experts in your country. According to

Bangladesh Centre for Advanced Studies, more than 30% of the Bangladeshi people are liable to the climate change and rising sea levels. What is your strategic plan to counter the potential catastrophe?

PM: Already we have adopted mitigation plans. We did not wait for foreign assistance. With our own budget, we have taken many steps for mitigation and we have taken action plans. Already we have started implementing and we have commitment. Yes, we are receiving a very small amount of fund and we need more support from the world that those countries that are responsible for climate change, for global warming, should come forward and assist us because we are sufferers, our people will be the worst sufferers. They should come forward, they should place funding so that we can assist our people. You can see what we have done and that we have started to save our people. To save our country we have started building green belt, we have started dredging our rivers, we have started building cyclone shelters, flood shelters for our people. Already in the southern part, many works have been started.

BBC: One more question, Prime Minister. You came to office after a substantial election victory with hope that you really could bring changes to Bangladesh. You believe you have changed it.

PM: Already we have taken action plans. Here are long-term plans and short-term plans and we have the vision --Vision 2021. Already we have adopted our programmes, the sixth five-year plan for dynamic development. We have already started implementing it. And up to 2021, we have mission to develop the country and the long term programme. So I believe that I can bring change because my politics is for people. I do politics not only to bring changes to our politics but also I want to make sure that our people get their basic needs, fundamental rights, and through that way I am working. So I believe that only I can do it.

BBC: As you said this another question popped up in my mind. "Only I can do this," you said. In Bangladesh, there is a long struggle between you and Khaleda Zia. So the best thing for Bangladesh is introducing a different political view. So leave the stage for new.

PM: If people want.

BBC: You want to run the country again.

PM: Of course, I will do, if my party permits me. If my people permit me. I do politics for my people, for my party. I mean it is not "I", it is my party. Actually, I should have used the word "our."

MANZOOR AHMED

THE curious saga of the Padma bridge proposal brings to the fore the classic dilemma of development cooperation. Poor countries in need of external assistance the most are the ones least able to make good use of that support.

Corruption, incompetence, short-sighted political calculation, and petulance of political leaders are common obstacles which put in jeopardy the expected results from development projects.

The competence and integrity deficits are not wholly one-sided. As seen by Bangladesh officials, the World Bank's bureaucratic and less than transparent approach has prolonged the matter of funding for Padma bridge, and has stood in the way of resolving the differences that have arisen. Critics of World Bank prompted it to appoint an "Integrity Vice Presidency" within its management structure.

"The proposed four-mile bridge over the Padma river was intended to link the underdeveloped south-western districts with Dhaka, the capital, benefiting over 30 million people in 19 districts in the south-west and increasing Bangladesh's GDP by 1.2%, according to a forecast by the Asian Development Bank." (*The Guardian*)

The boost in economic growth would push the GDP growth rate beyond 7% and raise per capita income to more than US\$1,000, the benchmark for middle income countries. Reaching this status by 2020 is a political pledge of the government.

The other mega-bridge in the country, the Jamuna river, completed in June 1998,

improved the connectivity of the north-west zone to the economically more developed east zone. This in turn accelerated socioeconomic development of the neglected north-west part of Bangladesh and helped reduce poverty in the country as a whole.

Similar advantages are expected with the proposed Padma bridge which would have a sub-regional impact by forming part of the Asian Highway Route A-1, the main Asian Highway route connecting Asia to Europe.

The World Bank on June 29 cancelled its loan pledge of \$1.2 billion for the \$2.9 billion project, precipitating withdrawal of other external fund donors from the project. The Bank said it had "credible evidence" of a "high-level corruption conspiracy" among Bangladeshi officials to misuse money earmarked for the bridge. "The World Bank cannot, should not, and will not turn a blind eye to evidence of corruption," it said.

The Bangladesh government has refuted the corruption allegations. "Their credible evidence will be credible under our law when witnesses can be found," Finance Minister A.M.A Muhith said in Parliament on July 2.

The World Bank had set conditions to the government, the fulfilment of which

would have prevented the loan cancellation. The conditions included:

- A high powered probe of allegations of corruption;
- Appointment of an independent body to monitor implementation of the project;
- Suspension of officials linked to corruption allegations;
- Allowing co-financiers to be actively



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involved in the procurement process for the bridge; and

Keeping a Bank panel informed of progress in the investigation of corruption and receiving advice from it.

The government balked at the idea of signing an agreement with these conditions, which would, in the eyes of the government, amount to admitting the accusations that were only alleged. It also

had reservations about consulting and seeking advice from a WB panel on corruption probe, which would violate the Bangladesh Anti Corruption Commission laws.

It appears from media reports that a more informal understanding regarding the conditions, perhaps expressed in an exchange of letters, would be the government's preference.

Given the high stake in the bridge for both sides, and the potential development benefits for the poor here, neutral observers will find it amazing that the differences in position and perceptions, as outlined above, could not be bridged and a compromise to save the funding agreement could not be formed.

Predictably, there has been a series of disingenuous bluster from politicians, discovering sinister conspiracies and finding villains who must be defeated by the valiant people of Bangladesh.

Economist Abul Barakat, president of the Bangladesh Economic Association states: "Government can raise four times the cost involved in constructing the Padma bridge." "More than Tk.98,000 crore can be raised from 14 sources including bonds issued for non-resident Bangladeshis, putting aside a portion of foreign currency reserve, pension and

insurance funds, incentive to capture undisclosed funds (so-called black money) and levies and surcharges," said Barakat in a seminar on Padma Bridge on Own Finance on July 19.

If building the bridge were the only development priority for Bangladesh, the argument for a war-like mobilisation would hold water. Relevant to this discussion of building a road bridge over Padma is the fact that not a single road of the 21,000 km network of roads and highways in Bangladesh is in good repair, causing immeasurable hardship to people and huge economic loss.

It is also not a question of raising the funds only, which seems to be the reaction of economists and politicians to WB loan cancellation. Effective development cooperation means that the government and external partners have to work together to address the dilemma of development by overcoming corruption, incompetence and lack of accountability and transparency.

There is still a glimmer of hope that good sense will prevail. The President of Japan International Cooperation Agency (JICA), Akihiko Tanaka, has been apparently persuaded to take on a mediating role. Mr. Tanaka was to fly to Washington for talks with the new World Bank President Jim Yong Kim about re-considering the bank's decision to cancel the Padma Bridge funding, according to Muhith.

Improving the life of millions of people in Bangladesh must not be held hostage to misguided petulance on either side.