

Wealth information of candidates

This can't be denied to the electorate

THERE'S some talk about withdrawal from the public domain the wealth statements submitted to the EC by the candidates on the eve of 10th Jatiya Sangsad election. The voters have the right to know about the wealth status of candidates as a mark of their integrity based on which they will elect their representatives in parliament. A High Court order on May, 2005 required the EC to make public eight particulars about candidates including the wealth they possess. So, in case the EC now puts a lid on the disclosures of candidates' wealth status that will amount to violating the High Court's directive.

Even in the JS election of 2008, candidates had made facts about their wealth public. This time reports published in the media have exposed the phenomenal rise in many of the candidates' level of income compared to what they used to have when they entered public office. It appears politics has been used by them as an instrument for wealth accumulation. Such revelations must be placed under scrutiny.

Meantime, the EC should not under any circumstances entertain the ruling party's plea to withhold candidates' wealth information from public view. If they do so, they should be prepared to face severer public opprobrium.

What's more to the point is that such a wrong move by the EC will wipe off whatever is still left of its credibility in the public eye.

RMG looking for stimulus

They need cushioning

THE Bangladesh Garments Manufacturers' Association (BGMEA) have applied for a comprehensive incentive package that will help weather the effects of countrywide blockades enforced by the combined 14-party alliance for past couple of months. Details are yet to be finalised, but may include reducing export tax to 0.5 per cent from the current 0.8 per cent and raising banks' cash credit up to 40 per cent from the current 25 per cent and cash incentive on export proceeds may go up from the present 5 per cent to 6 per cent. Though BGMEA had wanted the stimuli package to be in effect for a period of three years, in all probability, it will be effective for a period of 18 months.

The movement launched by the political opposition has been hurting all sectors of the economy, particularly the 100 per cent export oriented RMG sector. The failure to transport goods normally, raising of tariff manifold by truckers associations which must account for arson attacks, shipping by air when road links are often disrupted to the port city have all colluded to make many a manufacturer defaulter of bank loans.

The central bank in collaboration with the ministry of finance will undoubtedly have to take all these into consideration when coming to a final decision on the many demands made by the sector. Prudence dictates that a political settlement to the current crisis would spare the economy much of the hurt being experienced. No amount of bailout package can save the country unless the differences are hammered out over a negotiation table.

The election dilemma

ALAMGIR KHAN

PEOPLE of Bangladesh are going to begin the New Year with an election in which many things are going towards 'to be' or 'not to be.' The draft of this election farce was composed the day the phone-call farce -- red phone dead and ringing -- was staged. The invitation for a dinner on the phone was offered in a way so that the dinner could be stale and over before the intended guest could accept it. Now Sheikh Hasina has said: "The election process has already started. She (Khaleda Zia) has missed the train. She won't be able to participate in the election." Khaleda has missed the train Hasina is driving. And the driver resorted to all possible shrewdness so that some passengers including the mentioned person must sit it.

However, the phone-call farce had some meaning. A large audience listened to the conversation with their ears glued to the idiot box. Some felt bored, but some had an absurd feeling of the world shaking around them. But the forthcoming farce on January 5 is boring almost everyone, even many of the performers. Election manifestos are not out yet. The EU and the US have turned their faces away from it. The bad press of the foreign countries like *The Economist* is becoming worse regarding this.

Some performers in the farce want to flee from this and they are detained, the boundary line between detention and medical treatment having been obscured. Candidates liked to withdraw their nomination papers, but are not allowed, the way ministers resigned but resignation not accepted. There are people who do not want to take part in the election, but they will be elected uncontested. There are people who do not oppose a candidate in the election, but they are made to oppose him/her. Jatiya Party's Jadu Miah is now afraid of a *jadu*, Bengali for magic, in which he will not publish a single poster but posters can be out in his name.

This type of election farce was first composed by H.M. Ershad. Later, this was improved by Khaleda Zia and now has been taken to an amazing height by Sheikh Hasina. But Ershad was a dictator and a poet, neither of the latter leaders has neither of those gifts. To be or not to be, bizarre, it is.

The writer writes on theatre, education and socio-political issues.

This election, this non-election

GROUND REALITIES



SYED BADRUL AHSAN

HERE'S the truth: more than half the general election is over. Here's the other side of the truth: the single most important opposition political party has opted to stay out of it. Come January 5, we could all be spending our evening speculating on how soon Sheikh Hasina will be forming her new government. There will be other speculations as well, the matter of who or what will constitute the parliamentary opposition and the extent to which such

an opposition will amount to anything. And then, of course, comes the matter of how long the tenth parliament will last, meaning how soon the nation will go to the polls to elect the eleventh one.

Khaleda Zia, who has been prime minister twice (thrice, if you count February 1996) and who would love to be back in office, has promised to resist the election, or whatever remains of it, on January 5. That raises the very interesting inquiry of whether her party is really in a position to challenge the ruling party. She and her party colleagues remind us every minute of a people's movement sweeping the Awami League away as part of the democratic process. Such expressions of intent are fine, except that in these past few months, the Bangladesh Nationalist Party has not quite been able to build up a movement, unless of course throwing petrol bombs into moving vehicles and uprooting railway tracks constitute a movement. As you mull these realities, you are hit hard by something you did not expect: a statement from a former diplomat, now one of the many chairmen of the BNP, detecting similarities between what is happening in Afghanistan and what could happen here in Bangladesh. You wonder: is this the sort of individual you would like to see in power?

Move on. The European Community has just told us it did not mean any disrespect towards Bangladesh's people when it decided that its diplomats here would not visit the National Memorial on Victory Day. That is fine. The point, though, is that insult has already been thrown our way. And how was that done? The EU chose to write to the Foreign Office, to inform it officially that it would not be at the memorial. And then it came up with the explanation that these diplomats were busy with a coordination meeting on the day. At six or seven in the morning? Your credulity tends to get stretched quite a bit.

The EU will not send any observers to oversee the remains of the election. Neither will the Commonwealth. Nor will anyone else. The Americans and the Turks are upset that a brutal collaborator of the Pakistan occupation army of 1971 has been hanged. The Pakistanis, in a move which reveals their continued antagonism toward Bengalis, have their national assembly adopt a resolution condemning Bangladesh and describing Mollah as one of their own. They do not realise that unwittingly they have handed us evidence of the Jamaat leaders being mercenaries for their army back in 1971. Mollah, they have said, is their martyr. That is embarrassing for the Jamaat here. It

should be embarrassing too for the veteran Bengali journalist who, despite being a freedom fighter, today tries to peddle the notion that this Mollah is not that Mollah, that everyone -- patriots and collaborators -- must live in comradeship and camaraderie in Bangladesh.

Keep moving. Revelations of the wealth ruling Awami League lawmakers have come by in the past five years leave you wondering at the profitable enterprise politics has turned into. When men see their wealth expand from twenty acres of land to more than 2,800 acres of land, when a parliamentarian is a 107 times richer than he was before the last election, you ask if this is the kind of democracy you need in this country. And yet Dipu Moni goes on television, to argue that everything is all right and that the BNP is staying away from the election because its friends in the Jamaat are on trial for war crimes. That is too simplistic a statement to make, one that does not convince very many people.

Of course the BNP pursues a curious philosophy that it has not quite been able to define. It did not really believe that the Awami League would go ahead, despite all these blockades and general strikes, with the elections. Its insistence on a caretaker government to oversee the voting has been pushed on to the backburner by the ferocious doings of its Jamaati friends. Clearly, the Jamaat has gained at the expense of the BNP, which finds its leading lights in prison, and those who are free, in hiding. That raises the very disturbing question of whether democracy is possible through locking up the opposition. You may have an election of sorts, but you hardly have any credibility associated with it. When senior political figures keep running from the police, when a chameleon-like former dictator must be confined in hospital when he is in perfect health, only because he cannot be trusted to be with the ruling party, you actually do not know what is happening in the country, or to it.

And yet you know of the darkness that might be swallowing you up if you are not stirred into action. The violence let loose by the Jamaat has left the country's Hindus cowering in terror, has shown the degree to which a party which caused the death of hundreds of Ahmadiyyas in Pakistan in 1953, which together with the Pakistan army murdered three million Bengalis in 1971, remains a malevolent force ready to smash and kill and destroy in the name of God.

Here's a final truth: the ruling Awami League is without question working in line with the constitution as it prepares to assume office for one more time. But is that good enough? General Ershad's Jatiyo Party presided over a farce of an election in 1988. The BNP did a similar thing in early 1996. Must the Awami League follow their footprints into ignominy? Then again, you ask: why must an election be unacceptable because a political party, no matter how influential, has chosen to boycott it?

This election is no farce, but it could have been a better one. And this country, without the detritus that marred its beauty after 1975, could have been a better world than the one we inhabit today.

The writer is Executive Editor, *The Daily Star*.
E-mail: ahsan.syedbadrul@gmail.com

Microfinance's macro potential

THE NEW GLOBAL ECONOMY



PRASHANT THAKKER

MICROFINANCE is, at its heart, an effort to provide financial services to people who are not served -- or are under-served -- by the formal banking system. With appropriate, accessible, and fairly priced financial services, people can build their savings, cover the costs of unexpected emergencies, and invest in their families' health, housing, and education.

The International Finance Corporation estimates that microfinance has reached some 130 million people worldwide in the last 15 years. Over this period, microfinance has been lauded for its potential to advance financial inclusion and enable people to escape poverty. But it has also faced harsh criticism, with some lenders being accused of profiteering.

Despite the industry's widely publicised pitfalls, its potential to improve the lives of the poor cannot be ignored. The question now is how to ensure that microfinance becomes the industry that the world needs. To this end, three important steps must be taken.

The first step is better regulation. Microfinance institutions (MFIs) come in many forms -- mainstream banks, specially licensed banks, non-financial companies, finance and leasing companies, non-governmental organisations, cooperatives, and trusts -- and follow a variety of business models. All of these intermediaries must be recognised and regulated according to the needs of the economies in which they operate.

Inadequate regulation is most damaging to those who need microfinance services the most. Nowhere was this more apparent than in the 2010 microfinance crisis in the Indian state of Andhra Pradesh -- a hub of MFI activity -- when a decade of explosive growth, fueled by aggressive and reckless lending practices, came to a head.

Over-indebtedness, together with coercive recovery practices, led to a series of widely publicised suicides, spurring local officials to implement new restrictions on MFIs and discourage borrowers from repaying their debts. As repayment rates plummeted, micro-lending ground to a halt.

In order to prevent such outcomes, governments must design regulations that foster a sustainable financial-inclusion model, one that enables MFIs to offer long-term support to borrowers. At the same time, regulation must deter MFIs from behaving recklessly with a vulnerable client segment. And regulation should be based not on past experience, as it is now, but on future possibilities; in other words, the regulatory framework must be flexible enough to accommodate new innovations.

The second step, to be taken by the microfinance industry itself, is to create effective mechanisms for assessing the

industry's impact. As it stands, some governments and academics are uncomfortable with the fact that MFIs, which are supposed to be providing a public good by advancing financial inclusiveness, are pursuing profits.

But the failure of some MFIs to differentiate between profit-seeking and profiteering does not mean that sustainable microfinance should not yield returns above costs. The business of providing financial services to the poor requires commitment. Without profits, MFIs are unable to invest in the talent and product development needed to serve people for the long term.

Many governments have now implemented interest-rate ceilings and margin caps to curtail excessive profits for MFIs, while ignoring the margins of the market's non-organised alternatives, like pawnbrokers. In order to provide a more balanced perspective on the microfinance industry compared to other kinds of financial-services providers, MFIs need to do more to measure and explain their social and economic value.

The good news is that industry bodies, investors, and governments have already introduced metrics for factors ranging from pricing to conduct. While this has resulted in a rather disparate set of indicators, which must be standardised, such efforts are an encouraging sign of the microfinance industry's commitment to securing its role in the financial-services ecosystem.

The third step concerns technology. Mobile connectivity is transforming the global financial system by enabling remote, rural populations to access financial services for the first time. Mobile-payment systems like M-Pesa are changing how people transfer, receive, and save money in many developing countries, including Kenya, Pakistan, and the Philippines.

For the microfinance industry, such systems represent an important opportunity, as they enable borrowers to apply for, receive, and repay loans on their mobile phones, using a network of local agents to deposit and withdraw cash. But, without robust regulation, MFIs cannot make the most of these developments.

Moreover, the mobile-payments revolution has so far been led largely by telecom providers. If it is to deliver real benefits to the financially excluded, the financial-services industry will need to play a much more active role.

Of course, microfinance alone will not eliminate poverty, or even financial exclusion, regardless of how well it functions. To have a truly transformative impact, MFIs' operations must be supported by government-led efforts to improve access to education, training, and employment.

Although microfinance has already helped countless people worldwide, the World Bank estimates that some 2.5 billion adults still lack access to financial services. It is the responsibility of all stakeholders -- including governments, regulators, banks, and civil society -- to ensure that microfinance continues to be part of the solution.

The writer is Global Business Head of Microfinance at Standard Chartered. Copyright: Project Syndicate, 2013. www.project-syndicate.org (Exclusive to *The Daily Star*)

LETTERS TO THE EDITOR

letters@thedailystar.net

Christmas colours and Bangladesh flag



PHOTO: STAR

The red and green colors of the Bangladesh flag are also the traditional colors of Christmas which commemorates the birth of Jesus Christ whom Christians call the Prince of Peace.

The red in Christmas could symbolize the blood of Christ who gave his life to redeem sinners which we all are to varying degrees. The red in the Bangladesh flag could symbolize the blood of the intellectual martyrs, the freedom fighters, and countless others who sacrificed their lives for the Liberation of Bangladesh.

The green in Christmas could symbolize the new life spiritually available through Christ as he rose from the dead. The green in the Bangladesh flag could symbolize Victory Day and the birth of Bangladesh and the potential hope this brings.

Merry Christmas to you whoever you are wherever you might be! Also, congratulations to Bangladesh for breaking the world record for the largest man-made flag on Victory Day! May peace, justice, freedom, and hope prevail in Bangladesh!

Scott Elliott
Living and working in Uttara, Dhaka

A student's appeal to politicians

The nation is passing through a critical time. Our life has come to a standstill. Students are suffering a lot. Examinations have been postponed and classes have not been held for a long time. As a result, we will face severe session jam. Politicians must stop dirty politics and save us. Students who come from poor families are the worst sufferers as their parents wait for the completion of their education so that they can get jobs and support their families. Our appeal to the politicians: please don't ruin our future.

Md. Saifur Rahman
Animal Husbandry and Veterinary Science department
University of Rajshahi

Election without voters!

AL has done wonders. It has spared the voters the risk of going to the polling booth. People should be thankful. They already decided not to vote for any of the shameless politicians. They are fed up with their performance. The two ladies are only interested in occupying the throne. They behave the same whether in government or in opposition. Both of them are equally responsible for the sorry state of the country. Enough is enough. The earlier we get rid of them, the better.

Shahjahan Hafiz
Gulshan, Dhaka

Conditional honorarium for FFs?

I am a freedom fighter and took active part in the Liberation War after receiving training from India in 1971. Very recently one of my freedom fighter colleagues informed me to apply, if interested, for freedom fighters' honorarium. On my request he collected relevant forms for me to apply. But when I saw the forms, I was really surprised to find the conditions to be fulfilled to get the said honorarium. Regarding health, the conditions are that a freedom fighter should be physically weak, partially weak or disabled and his / her socio-economic condition must be landless, homeless, or unemployed, etc. Besides, the freedom fighter must submit an undertaking that he / she is not a government or private service holder and mention his or her annual income.

In the light of the above, the financial assistance that the freedom fighters receive from the government should not be termed honorarium. It is rather a donation or subsistence allowance for those freedom fighters who are extremely poor. But I was more surprised when my colleague encouraged me to just sign the forms without reading the contents of the forms as some government high officials including Upazila Chairman of our area are enjoying the so-called honorarium since long. But I couldn't agree to such reasoning and refrained from applying.

If the government really wants to honour the freedom fighters by some financial reward, then why under so many conditions! The government should only ensure that any fake freedom fighter cannot avail the privilege.

Engr. Md. Aminul Hoque
East Rampura, Dhaka

Ads that spoil children

We watch television, read newspapers, listen to radio, browse web, etc. While doing so we see various advertisements. Advertisements are there to allure people to buy certain products. We see those ads and get convinced that we need those products. Kids are especially getting spoiled. They now want to get everything they see. Advertisements are shaping our life in a materialistic society. We are requesting all the production companies to think for people's good before making product commercials.

Sumaiya Rashid
The Aga Khan School, Dhaka