

# THE NEW KING



SYED MANSUR HASHIM

**T**HE mantle of leadership passed from King Abdullah to the lone surviving son of the founder of Kingdom of Saudi Arabia (KSA), King Salman bin Abdel Aziz al-Saud, without a hitch. The new king has his work cut out for him. He ascends to the throne in a troubled region. A coup in the neighbourhood in Yemen is raising the political mercury to new heights. Egypt has seen the coming and going of 3 presidents in 4 years and Iran continues to play Russian roulette with the West on the nuclear question. King Salman has proved himself a capable administrator in the past, overseeing the growth of the capital that grew from a population of less than 200,000 in 1963 to about 7 million presently.

Whether he will be able to live up to the legacy of the late King is however another matter altogether. King Abdullah had played a pivotal role both at home and abroad. On the domestic front, he is best remembered for alleviating poverty, and helped establish a co-education university. Under his able leadership, KSA grew into the largest economy in the region from \$163 billion in 1996 to about \$778 billion in 2014. The king helped avert the global economic meltdown by spending some \$400 billion in stimulus spending to prop up the economy and will be remembered for his fight against terrorism. Indeed, we witnessed a more assertive Saudi foreign policy whereby the Kingdom has played an active role in financing and arming factions opposed to the Assad regime in Syria and armed intervention to prop up the regime in Bahrain dur-

ing the Sunni unrest in that country in 2011. The new king has ensured succession of the house of Saud by appointing Mohammed bin Nayef, grandson of KSA's founder as Crown Prince. Salman is not an altogether unknown quantity. He has been involved in foreign policy for more than a few decades. The new king was part of the financial regime that helped manage the flow of funds to the Mujahideen fighting the Soviets and hence he is well known to the American establishment. As stated by Rachel Bronson, a Senior Fellow at the Chicago Council on Global Affairs in a recent article: "In one of his more high profile roles he played a key part in funneling significant amounts of cash to Pakistan and Afghanistan during the Afghan war, which aligned with US policy and defined interests. In terms of energy policy, Salman has publicly declared his support for oil minister Ali-al Naيمي's decision to allow oil prices to drop without decreasing Saudi production to urge prices up. It would be surprising if Salman made any sudden changes regarding this controversial policy. On the economic and foreign policy front, King Salman is therefore likely to pursue policies similar to his half-brother King Abdullah." That said the new King is not young (around 79 presently) and it is not without surprise that the Crown Prince was appointed perhaps a day before the US president landed at Riyadh. As pointed out by Ms. Bronson, the new king is setting up a smooth plan of succession with the aim of letting Washington know his plans in advance. While the domestic front seems to be following a set pattern that ensures smooth continuity on a number of important fronts including energy and foreign policy, the regional balance of power is more volatile and less easily managed. The rise of ISIS and a civil war in Syria that has more or less

ground to a stalemate remain problem areas. The Iran "question" remains the greatest worry as the new king will have to come to terms with the possibility of an Iran-West deal on the nuclear issue in the foreseeable future. Closer to home, the new king faces an unsettled Yemeni population of nearly 30 million. The Houthi takeover has not pleased Riyadh as it is seen as an extension of Iran's sphere of influence into the Saudi backyard. Tackling the Yemen situation will be the first real test for the new king, but he will have support from Washington. On the revenue front, King Salman will have more pressing worries. The plunge of the price of barrel to around \$50 can be weathered by the kingdom's more than \$700 billion in reserves. It serves the purposes of crippling Iran's economy and hurting Russia, which in turn, hurts the Assad in Syria who count on continued Iranian and Russian military and economic aid. However, a prolonged depression in the international oil market will not be to the kingdom's advantage. Some analysts believe that with the introduction of US shale gas and oil, the market will flatten out, and with Opec working hard not to let the price of oil hit \$100 per barrel, the threat of the American oil boom will be difficult to counter. As efficiency improves and costs are cut, Daniel Yerginjan's prophecy in his article in *New York Times*, titled 'Who will Rule the Oil Market,' may come true: "Even at prices well below \$100, American shale oil producers will find ways to drive down costs and output will start rising again. And the world's new swing producer will find itself back in the swing of things."

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## Whither a 'strong Bangladesh' and the missing middle-class?

MAHFUZ KABIR

**I**N his State of the Union Address 2015, President Barack Obama urged building of a 'Strong America.' He affirmed: "This country does the best when everyone gets their fair share, everyone plays by the same set of rules. Everyone needs to contribute to the country's success." His 'mantra' of middle class economics seemed to be working as per the statistics presented in the address. It is indeed a contradiction of Kuznets' hypothesis that the income inequality tends to decrease if income per capita increases. Indeed, global income inequality has been mounting in a never ending process that cannot be reversed automatically through increasing income; it has to be tamed through invigorating something like middle-class economics.

In a report titled "Wealth: Having It All and Wanting More," Oxfam mentioned that only 85 individuals possessed wealth equivalent to that of half of the world's population. Now, 1% of the world population has 48% of world income, which will be 50% by 2016 as per projection. Income gap between women and men has also been widening sharply. Such extreme economic inequality is a stumbling block in alleviation of global poverty. Even though recent World Bank estimates provide conservative figures of income inequality, national reports paint a dismal picture. Bangladesh Bureau of Statistics reports Gini index of income inequality to be 45.8 in 2010, which was 46.7 in 2005. That means, annual rate of reduction of inequality was a minuscule 0.18 percentage point even though macroeconomic and development policies were claimed to be pro-poor in nature. With the same database the World Bank's conservative estimate of Gini index is only 32.1. If Bangladesh's estimate is taken as baseline, the distribution of global inequality would reveal a much worse scenario.

The gap between income group at the bottom (lowest 5%) and their richest counterpart (top 5%) is extremely high; the correspondent figures were 0.78 and 24.61%, respectively in 2010. Top 10% households had as high as 35.9%, while their corresponding bottom households had only 2% share in total income. World Bank had conservative estimates of these numbers too, but the huge disparity is quite vivid across the world. Even Sweden, one of the most equalising countries, could not bring income of top 10% households to 20%. The income of bottom 10% also does not make a difference as it is 3.8% of its total income.

In response to Oxfam's report, Bill Gates responds quite correctly that market economy creates space for abnormal extraction of income ('high success,' in his words) of a few people. However, his solution to the problem is 'charity' as he believes that "philanthropy is part of how we deal with those inequities." Now a million-dollar question to the multi-billionaire: what do statistics tell about this claim? They show that charitable spending is high in the countries with high inequality.

In his address, Obama emphasised that many corporations give low to no tax and he wanted to bring them in the tax net for spending on the middle-class. Areas of increased spending would be, among others, on helping middle-class families, childcare, schooling, retirement benefit, and community college from where 40% of the graduates would be from the US. At the same time he made a commitment to develop a competitive economy, promote smart leadership and invest on quality infrastructure. This is the essence of middle-class economics for a 'strong America.' Indeed, middle-class is the bearer of social values, creativity and strength of the society. They also have been instrumental in driving civilisations as Arnold Toynbee mentioned in A Study of History.

Is there a middle-class economics in Bangladesh? Do we have strong commitment of public spending on and redistributive priority for the middle-class? During his last visit to Bangladesh, Professor Nurul Islam urged crafting of a strong, educated and hardworking middle-class for intellectual development, creativity and driving the society. Bangladeshi middle-class has been struggling and decaying between 'ends and scarce means.' In the last decade, we promoted pro-poor growth; we changed it to inclusive growth and shared prosperity for this decade to become a middle-income country, maybe without adherence to the needs of the middle-class.

The dream of an American lies in the middle-class economics for a strong America. Conversely, the dream of a strong Bangladesh dries in the desert of diminishing middle-class aspirations. Indeed, the middle-class helped the formation of Bengali nationalism, and was at the forefront in the War of Liberation. They have been forgotten since the third five-year plan and thus have become a real 'missing middle.' The seventh five-year plan is currently being prepared. It is now imperative to place strategies and policy priorities for invigorating them again, fulfilling their hopes and desires.

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## WAR FOR DEMOCRACY: For the people or on the people?

MOZAMMEL H. KHAN

**I**N Bangladesh, a successful movement for restoration of democracy took place in December 1990 when the dictatorial regime of H.M. Ershad was forced to quit. Another movement took place in April 1996 when the government instituted under the leadership of Khaleda Zia after the farcical election of February 15, 1996 had to resign. In both of these cases, the successes were not without cost; people had to lay down their lives. However, in both cases, the unfortunate victims were the political activists of the opposing parties who fell victim to the excesses of the law enforcing authorities.

The new spell of brutal practice was introduced by the BNP-led alliance in their movement to restore Caretaker Government (CTG) and to derail the election scheduled for January 5, 2014. Innocent people were burned or killed by petrol bombs when they were just carrying out their day-to-day activities. The heart-wrenching picture of the father sitting beside his 14 year old burnt son Monir, who had come the capital to buy clothes for his new school year, still brings tears to the eyes of millions.

When a political party makes a political mistake or blunder, it has to pay the political price. The BNP alliance is waging a movement for restoration of the CTG, but people can recollect how the evil designs of BNP itself wrecked the essence of CTG. The AL, on the other hand, removed the system from the constitution, however undesirable, through constitutional means.

However, the ruling alliance at that time came halfway by proposing an all-party government to conduct the last general election. As opposed to the dark situation prevailing during the Hawa Bahban-dictated Iajuddin government, the proposal was quite reassuring in many ways, the foremost of which was that excepting the premiership, there was a strong likelihood that the main opposition could have bargained for a few important ministerial portfolios -- including the much-desired home ministry -- that could have been a strong deterrent for any potential fixing of the election results.

A former president whose party Bikalpa Dhara Bangladesh has been agitating with the BNP on several issues against the government has thrown his weight behind the

idea of a general election organised under Prime Minister Sheikh Hasina. However, the BNP chief intransigently refused to withdraw hartal, or to sit for a dialogue on the composition of an all-party government, as requested by the PM in her historic telephone call on October 28, 2013.

In the current phase of the movement, the BNP-alliance is fighting not only for restoration of CTG, but also to compel the government to go for a midterm election. But, probably, due to better than expected performance of the government -- especially in economic front and the foreign policy arena -- in

ing, yelling and the smell of burnt flesh at the overcrowded burn unit of Dhaka Medical College Hospital where 51 burnt victims are being treated", reported a newsman. "Whom should I blame for my fate," said the wife of Abul Hossain in tears while standing amid a few hundred people at the burn unit. "He wanted to feed us. Now he is fighting for his own life," she said.

Nur Alam received 48% burns, the worst of the lot. Nur's relative Mintu Mian said: "Who enforce hartals and blockades and for what purpose? We, the common people, have no benefit from hartals or blockades. We need to

us nothing but misery and suffering." The business sector has been the worst hit. In fact, not only of the business sector but the sentiment of common masses was echoed by American Chamber President, Aftab Ul Islam, in his interview in Prothom Alo, in which he said: "Confidence of the people in politics has gone. There is no meaning of democracy to the people. People want peace, comfort. So people will take to the street for the uprising. I don't know any other way to get respect from this situation." In fact, people from every walk of life, at home and abroad, are disen-



the last one year, it would be a hard nut to crack. The government is also buoyed by the results of several polls conducted before the imposition of current spell of blockade that showed the approval rating of the government is as high as 72% in terms of performance while only 35% want a midterm election.

According to a statistics, more than 370 vehicles were torched across the country, 900 were injured and death toll rose to 32 since the BNP-led alliance announced the nationwide blockade on January 5. "There was crying, groan-

go out of our homes and live our lives." The conscience of any human soul would be shaken if one heard the wailing of the blind mother when her lone child, 18 year old Sohag, a bus helper, was burnt alive in Barisal. These are only glimpses of the havoc that has been brought down on the people by the BNP-led alliance in the name of restoring democracy.

"Unrest puts poor in tight spot," a caption in DS portrays the plight of poor Jotsna Das. "They [political parties] are fighting for power and we are paying the price ... these hartals and blockades bring

chanted with the government's failure to contain the situation and, in particular, in preventing indiscriminate burning of people, depriving them from earning their daily bread and curbing even their freedom of movement, the most fundamental element of democracy and human right. The BNP-led alliance's war for democracy has turned out to be not for the people but on the people.

The writer is the Convenor of the Canadian Committee for Human Rights and Democracy in Bangladesh.

**QUOTABLE Quote**

When you are laboring for others let it be with the same zeal as if it were for yourself.

Confucius

### CROSSWORD by Thomas Joseph

**ACROSS**

- Spoil
- Greek letters
- Antilles resort
- Unaccompanied
- Highway division
- Wily
- Neither follower
- Mom's mate
- Playful mammal
- Inquire about
- Suit
- Not new
- Ontario, for one
- Inquired
- Blase
- Dance record
- Play division
- Mover's truck
- Femur's upper end
- Strike setting
- Blubbers
- Knight's weapon
- Good judgment
- Painter Degas

**DOWN**

- Apertures
- Test type
- Hard at work
- Crunch targets
- Delicate
- Croatia's capital
- Building wing
- Swamp croaker
- "The King and I" heroine
- Start of an idea
- Word of denial
- Pick from the menu
- Take it easy
- Sine -- non
- Battleship letters
- Mouse spotting cry
- Craze
- Mamie's mates
- Sluggo Williams
- Dream up
- Ad song
- Fellow
- Fundamentals
- Heart
- Exact match
- Put on the wall
- Machu Picchu native
- Equal
- "-- Miserables"
- Young fellow

### Yesterday's answer

**CRYPTOQUOTE** 12-13

DHPL AHIZE'S XYJL SRL MHBDA FH BHCEA. DHPL NZ MRYS XYJLZ SRL BNAL MHB SRMRNDL.

— OBYEJDNE W. IHELZ

Yesterday's Cryptoquote: **WHATEVER YOU WANT TO DO, DO IT NOW! THERE ARE ONLY SO MANY TOMORROWS.**

— POPE PAUL VI

### BEETLE BAILEY by Mort Walker

I'D LIKE TO BE A PART OF YOUR TEAM AND SERVE A VITAL FUNCTION

I'VE GOT JUST THE JOB FOR YOU

NOW, NEXT WEEK...

COMING EVENTS

THIS ISN'T EXACTLY WHAT I HAD IN MIND

GREENHORN WALKER

### HENRY by Don Trachte

AMUSEMENT PARK

3 BALLS FOR 10

BALLS FOR 10

### A XYDLBAAXR is LONGFELLOW

One letter stands for another. In this sample, A is used for the three L's, X for the two O's, etc. Single letters, apostrophes, the length and formation of the words are all hints. Each day the code letters are different.