

# The Bangladesh story



**B**ANGLADESH is celebrating its 50th anniversary. Once called a "basket case" by Henry Kissinger, it is now considered as a role model. Bangladesh's national income has multiplied 50 times, per capita income 25 times

(higher than India's and Pakistan's), and food production four times. Population growth was contained at 2.5 times, raising per capita food availability. Exports have grown 100 times and poverty is down to 20 percent from 60 percent in 1990. Life expectancy has risen to 72. Most social indicators are better compared to regional countries, except Sri Lanka. The value of the Human Development Index increased 60 percent.

Most of this progress has been achieved in the last three decades as the first two experienced anaemic growth and political turmoil. To put their progress in perspective, Pakistan's per capita income in 1990 was twice as much as Bangladesh's but has fallen today to only seven-tenth. Between 2011 and 2019, before Covid struck, Bangladesh's average GDP growth ranged between 7 percent and 8 percent—almost twice as fast as Pakistan's.

The Bangladesh story is an attractive one. How can a country so vulnerable to natural calamities outperform its much larger, better-endowed neighbours—India and Pakistan—in most socioeconomic indicators?

Bangladesh went through difficult times, setting up a new administration, rehabilitating displaced persons, dealing with the assassination of its founder and top political leadership, and several aborted and successful military coups. The military remained in power until 1991 when General Ershad decided to restore parliamentary democracy (there was a brief interruption in 2007 when a caretaker government ruled for two years).

The two major political parties, Sheikh Hasina's Awami League and Khaleda Zia's BNP, have alternated in power since 1991. Since 2009, the Awami League has ruled, having won three consecutive elections. The Battle of the two parties has remained intense

and bitter. Khaleda Zia boycotted the elections and has remained in jail for quite some time, along with many of her party stalwarts. Hence, it is interesting to examine how the country could make substantial economic and social headway with such fierce political rivalry and perceived instability.

First, unlike India and Pakistan, Bangladesh is culturally homogenous with the same language, ethnicity and a shared history and practically no religious, sectarian, tribal and feudal divisions. There is a rural-urban divide

execution capabilities and holding bureaucrats accountable.

Third, women empowerment prevailed even before 1971 but the continued campaign for family planning, female education, health services and microcredit at all levels was carried out vigorously by successive governments, with the active involvement of NGOs. BRAC, Grameen, ASA, etc. have played a pivotal role in spreading education and health facilities and providing women access to microcredit. Aware of its own

abrupt dislocation that could adversely affect investor and market sentiment, allowing investors to pursue their plans uninterrupted, leading to economic gains over time.

Fifth, Bangladesh's efforts to liberalise trade, open its economy, bring in foreign technical know-how and provide generous cash and non-cash incentives to exporters have borne fruit. The spectacular performance, just behind China's, of readymade garment exports have brought beneficial second order effects. Most global brands have

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PHOTO: SAZZAD IBNE SAYED

but rapid development has ensured that the level of general dissatisfaction is low. The pursuit of doing better has become a strong societal ethos. Bangladesh also doesn't face any serious external threats.

Second, the unitary form of government, without the intervening tiers of state and provinces, has conferred full control of administrative, political, legal and financial powers upon the central government, minimising the frictions inherent in multi-tier government structures. Policy and its execution follow a well-defined chain of command. Given a weak opposition and strong leadership at the top (sometimes criticised as quasi or semi-authoritarian), the winning party calls the shots, reinforcing

shortcomings, the government has extended full support to civil society organisations and allowed NGOs to operate freely. Educated, healthy women with fewer and well-spaced children and with access to financial resources has raised female labour participation rates and reduced the gender gap, while the female primary enrolment ratio is 105 percent.

Fourth, despite bitter political rivalries, there has been a continuity in economic policies, projects and programmes. The parties did not deviate from the basic anchors—macroeconomic stability, fiscal prudence, openness to trade, incentivising the private sector and commitment to social development. Policy irreversibility has shown that a change of government would have no

outsourced their production to export houses in Bangladesh. Female employment in the industry has enhanced women's social status and power relations within the family. Entrepreneurship has entered the lexicon of aspiring young people. Outward orientation has improved work practices. Demand for higher education and skills is rising.

Sixth, sustained high growth was made possible only when both domestic savings and investment rates doubled from 15 percent to 30 percent. Given this huge infusion of private capital into the production sectors and public expenditure into infrastructure, with higher schooling of the labour force, the gains from accelerated growth were broad-based. The rising aggregate demand also spilled over

into higher imports but these were financed by expanding exports and remittances and therefore the current account deficit remained manageable.

The lessons we can learn are many. The leadership was convinced that, rather than confining patronage to a narrow elite class, maximising long-term growth generated greater political dividends. Elections were contested on the basis of performance, popularity and the parties' record rather than a candidate's personal standing. A symbiotic relationship between the private sector, politicians and bureaucrats brought about a stable equilibrium. Politicians received money from businesses for their election campaigns, bureaucrats supplemented their low salaries with gifts and payoffs while businessmen expanded their businesses at the expense of labour and the environment. But they did not take the money abroad.

Tax-to-GDP ratio has remained 8 percent to 9 percent. The underlying philosophy seems to be that the multiplier effect of a marginal dollar in the hands of a private businessman is higher than that in the public sector. Consequently, the government has to exercise prudence in fiscal management. The deficits remained a low 5 percent and thus public debt ratios declined due to primary surpluses. Macroeconomic stability, policy continuity, export promotion, investment in human capital (particularly females) and public and private sectors working together are the ingredients of this success story.

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## Those disfigured public figures



**"S**OME cause happiness wherever they go; others, whenever they go." Oscar Wilde reminded us of this universal

truth with these witty words, which are timeless and wholesome at the same time. The message is clear, obnoxious persons cannot bring happiness to a congregation of decent people. Such characters pollute the environment around them with their eccentric body movements and repulsive and lewd language. The air around them turns acidic, breathing which decent people choke with fatal consequences. The beleaguered audience waits for such pests to leave the room and be gone. Once they are gone, the collective sigh of relief actually says, "good riddance to bad rubbish". Bye bye. Sayonara.

Mark Twain has the right words to define such a person: "Few things are more irritating than when someone who is wrong is also very effective in making his point." We have seen many such "someone" in this country in our lifetime.

Some people, as described above, do not know when to grow up and act their age. Given a podium they would go on and on to irk the audience with their juvenile idiosyncrasies. One will find such toxic people everywhere, in every profession, but to find one in a teacher or a physician is like going overboard. Imagine a physician with a putrid anatomy, and a foul tongue, attending your sick child! You would want to leave his chamber at the first opportunity.

Well, when such noxious people join politics and suddenly finds great power in their hands, they may turn devilishly disoriented. Such men may become a threat to the mental health of the entire nation. When they keep galloping wildly like an unbridled horse, the party top brasses will have to remain cautious lest they cause irreparable damage to the country's body politic.

History is replete with stories of hyper idiotic people damaging their nation as well as their own selves by misusing power bestowed on them by the voters. These public figures, who are supposed to serve the people of the republic, take power too seriously and start to treat the people like their subjects, just like Hiralak Raja. They suppress and repress the people for as long as they can, without ever thinking of the consequences. At the end, the statue of Hiralak Raja finally falls to the ground and is dismantled into many pieces. Similarly, such pathetic public figures are finally left disfigured by their own acts of shenanigans while in power. Tomfoolery does not take these politicians far in life. At the end, they find themselves drifting from

one ghat to another, as no one offers them shelter.

Infidelity while in political office also brings shame to men who give less importance to reputation. Here are the stories of some popular US senators and presidents. President Franklin D Roosevelt was known for his multiple extra-marital affairs beginning in 1914, and continuing until he died in 1945. President John F Kennedy's involvement with Hollywood star Marilyn Monroe, Judith Campbell Exner and with an intern named Mimi Alford filled the gossip columns during his tenure. President Lyndon B Johnson had extramarital affairs with multiple women for many years and he made no attempts to hide them from the press.

William O Douglas, US Supreme Court Justice, was almost impeached for his allegedly uncontrollable

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libido. Even when he was living with his third wife it was reported that he tried to molest a flight attendant in his judicial chambers.

Gary Hart, a US politician, lost the moral ground to run for the presidency in 1988 when news of his extra marital affairs became public. We also know about the affairs of President Bill Clinton.

And President Donald Trump's unabashed transgressions, especially with women, have become scandalously legendary in US history. This reckless man's ignominious departure from the White House on the last day saddened his family members and staunch supporters only. Others let go a colossal sigh of relief.

President Richard Nixon lost his presidency through impeachment for a different reason. He failed to stop his overenthusiastic assistants from

stealing election related documents from the office of the Democrats. He had to pay for this fatal mistake.

One British scandal that used to be covered by the Dhaka based newspapers in the '60s was known as the "Profumo affair", many readers of this daily might recall the incident. It was a major scandal of the 20th century in British politics. John Profumo, the Secretary of State for War in Harold Macmillan's Conservative government, had an extramarital affair with 19-year-old model Christine Keeler. Profumo denied the affair in a statement to the House of Commons, but weeks later a police investigation established the fact that Profumo had lied. The scandal severely damaged the credibility of Macmillan's government, and Macmillan resigned as prime minister in October 1963, citing ill health. The scandal also contributed to the Conservative government's defeat by the Labour Party in the 1964 general election.

Wait! That's not the end of Christine Keeler! The name of the Pakistani dictator General Ayub Khan had gotten entangled with her! Here is a pick from a fashion magazine: "When the famous supermodel of yesteryears, Christine Keeler died recently (2017), some famous British tabloids printed the torrid days of pool parties that showed Field Marshal Ayub Khan in a very different light! Christine Keeler was involved in a scandal in the early 60s that led to the suicide of a Dr Ward. When Ayub Khan was in London, the tabloids reported then, he would visit as a guest at the imposing estate of Cliveden in Buckinghamshire. What was his purpose there? Well, the man loved to swim in the pool at Buckinghamshire. That is not odd, you would say. Well, it was here, the tabloids point out, that the handsome president met the frolicsome Christine Keeler! Of course, the general was in a prominent company. He had been joined in by the British politician, John Profumo. It was conjectured that Ayub also swam with a girl, Mandy Rice-Davies, much younger to him. Well, you cannot grudge him that. Age is no barrier."

Hyper-politicians also wage wars. Perhaps the iconic example of blatant misuse of power leading to colossal destruction and deaths is the Nazi leader Adolf Hitler. He, along with Mussolini, whipped up a war of massive scale that ultimately destroyed the lives of over 75 million people.

Even before them, many tyrannical public figures have fallen on their own sword. The lives of many mighty Roman emperors have been cut short by the swords of their own men. Caligula or Nero was not the best example of popular leaders.

So, what can you say about those toxic people who keep polluting the environment wherever they go?

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