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## *FROM THE EDITOR*

The timing of this issue of JBS is particularly significant as the frenzied election season, after a five-year hiatus, begins to move into high gear. The two main political parties—the Awami League and the Bangladesh Nationalist Party (and their alliance members)—have already locked horns once again in a deadly struggle for power, prices of basic needs have shot up as a consequence, feelings of insecurity and exasperation among the citizenry is nearing another peak, lives have begun to be lost in senseless rounds of protestations and their brutal suppression, and the dark clouds before another stormy election loom large on the horizon. The political rhetoric has also become more vitiated as each party maneuvers for advantages from a caretaker government whose arcane methods, questionable leanings, and serious ineptitude defy basic sensibilities. Unfortunately, there is no clear assurance—regardless of who comes to power—that anything will meaningfully change for the neglected and maligned voters. There is still no vision forthcoming from the major political parties, no strategic objective, and no inclination to tackle the burning issues: population growth, unemployment, trade and industrial policies to diversify the economy and decrease reliance on aid, educating the populace, providing basic health care, combating corruption, and propagating an ideological stance that provides meaning and direction.

The vaunted democratic process that is supposed to bring about emancipation for the people by bringing forth true leaders does not portend anything special for the next five years as no new voice has emerged to lead the people and blaze a new path. By most measures, in fact, sane choices seem to receding into the distance as the rhetoric of belligerence and intolerance continues to spew from the known political elements.

In this milieu, we present four articles that weave a common theme: the state of governance at various levels and in various institutions of the country. As will be evident, failures cut across all levels, whether it is the political leadership, the bureaucracy, the private sector sentinels, or the poverty warriors (the NGOs). We are especially pleased to add three respectable voices to weigh in and reflect on the lead article on governance.

A.M.A. Muhith, a well-respected and senior member of Bangladesh society, elaborates on his perspectives on the state of governance that people continue to endure, tracing its historical roots and weaving it into

his depiction of present-day Bangladesh. He rightly points out that good governance requires three key ingredients: the rule of law, transparency and accountability. On all counts he blames the immediate past government for egregious mistakes, willful misconduct, and abject failures. One cannot deny him the assessment; yet at the same time his contentions raise questions about whether the party he favors—the Awami League—can claim with equanimity that they have delivered on the same criteria. It is time to acknowledge that failed leadership has been the nation's legacy, and if the coming elections portend anything at all, the legacy is likely to continue as reflected in those vying for power. Muhith crafts an elaborate blueprint that articulates a desired state of governance; however, what is missing in these prescriptions is 'how do we get there.' Without belaboring the details that have been elucidated by the three commentators, it is pertinent to note the partisan bent of his article, its penchant for name-calling and finger-pointing without specific references, and his call to bar the fundamentalist elements from participating in the elections, thus denying them their democratic rights and the people from deciding how they should lean. Clearly, the author's contentions need to pass a number of acid tests before they are put up for adoption. Nevertheless, the article is thought-provoking, filled with many insights that will illuminate the readers, and hopefully engender greater debate on the state of governance in the country and its future configurations.

M.A.Miyan's article attempts to highlight the contributions of the private universities in Bangladesh. Citing enrollment growth, eradication of session jam (no backlog of graduates), discipline on campus, avoidance of political involvement by the faculty and students, giving relief to the government exchequer, reversal of brain drain, and the ability to induce positive change in the public universities to better conform to higher education standards, the article gives a positive impression about the private universities in the social milieu of Bangladesh. Yet, some troubling questions remain, requiring additional studies and further investigation before the Good Samaritan image of these universities can be accepted with less trepidation. For example, there is the question of equity: who gets admission and who falls by the wayside is dictated not so much by academic performance as it is by one's ability to pay. It is pertinent to mention that the amounts students pay for their education in private universities is an order

of magnitude higher than what they pay in public universities. And who really benefits from these resource flows? Seemingly, a segment of the moneyed citizenry has begun to focus on building these universities with a profit motive. The implications and outcomes of their involvement remain unanswered. The quality of education in these universities also demands investigation. With hardly any faculty research, near complete reliance on foreign books and related resources, lack of basic amenities that characterize a university (library, computers, journals), packed classrooms with few facilities built for the purpose, and unavailability of technical equipment, the prevailing situation does not conjure up images of an educational environment. Moreover, teachers who are simply not adept with the English language are asked to teach in the same language to a student body that is far less adept. One cannot even begin to imagine the communication barriers and what is encoded and decoded in the classroom environment. Lack of standard performance evaluation procedures, poor feedback mechanisms (students merely get a grade without knowing their strengths and weaknesses), and on occasion allegations of certificates being sold for minimal class attendance bring up questions of what these institutions are really contributing. Many of these institutions are also run by a retired genre of administrators and a mishmash of entrepreneurs with little or no background of what educating is all about. Consequently, they are unable to build an educational ethos on campus. While ‘all’ private universities need not be painted with the same broad brush, many of them do not seem to comprehend their basic role. Better governance in these universities, training of their administrators on what universities are about, and vigilance of the oversight bodies must work in concert if the private universities are to realize their full potential.

Sonia Aftab, Enamul Haque and Zakir H. Khan confront the looming and adverse effects of arsenic-contaminated drinking water on the nation's health. That 265 out of 469 upazillas may be affected by arsenic contamination is a crushing indictment of the country's public health system: What were those in charge of the system doing while such a catastrophe was building up? And where were the international agencies (e.g., the World Health Organization) purported to serve the needs of third world nations?

More importantly, it is daunting even to estimate the impending costs of treating roughly half the nation's population afflicted by arsenicosis. Awareness building and establishing public ownership of safe drinking water sources are two areas where vigorous work needs to begin immediately to attack the looming crisis. But will it be enough? What physical, psychological, social, emotional, and financial costs await the nation? If anything, the article sums up yet another major failure of governance of both local and international agencies, reflecting on their incapacity and callousness, especially of those entrusted on their watch to protect the people of Bangladesh who now stand to pay a steep price.

The final article by A.K.M. Ahsan Ullah examines transparency issues in the NGOs. For one thing, the proliferation of the NGOs – more than 20,000 in number – is a sad reflection of donor countries’ reliance and faith in the government to deliver public goods. Worse yet, the article points to those entrusted to deliver “emancipation” as behaving in non-transparent and non-accountable ways with their primary constituency: the neglected and poverty-encumbered populace.

Failure of governance is so pervasive that one wonders about the future of the nation. The picture that emerges is the existence of two groups: the exploiters and the exploited, from top to bottom and across sectors. It is time to contemplate less governance...far less than what we see in present-day Bangladesh. Combined with flatter hierarchies, it is time to devolve power to the people whereby they can chart out their own lives. In addition there are certain structures of Bangladesh society – some traditions, patron-client mentalities, reactionary forces against modernization, education reserved for the wealthy, and perceived class privileges – that will need to be changed. That work must begin in right earnest, and immediately, for more effective governance to emerge and enable society's dividends to be shared with all in fair and equitable ways.

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# ON GOOD GOVERNANCE

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## ABSTRACT

Governance is now a central issue in the development dialogue. It is being increasingly recognized that good governance requires several core ingredients: the rule of law, strengthening of public sector management, transparency and accountability, and appropriate strategies to combat corruption. This paper begins by tracing, from a historical perspective, the events and circumstances leading to the current state of governance in Bangladesh. Next it addresses two major dimensions of governance—political and economic—highlighting the sources that contribute to the current and deteriorating state of governance in the country. Finally the paper delves into the possible remedies to alleviate the crisis-like conditions that have had deleterious effects on the lives of the citizenry. In formulating the remedies, the paper focuses on the devolution of state functions to the district level and restructuring the government and bureaucracy with a view to empowering the people. In particular, three issues are dealt with in great depth: suppressing terrorism and establishing the rule of law, making the parliament effective, and controlling corruption.

## Introduction

I find the definition of governance provided by the Commission on Global Governance in 1995 as a very acceptable proposition: “Governance is the sum of the many ways individuals and institutions, public and private, manage their common affairs. It is a continuing process through which conflicting or diverse interests may be accommodated and cooperative action may be taken. It includes formal institutions and regimes empowered to enforce compliance as well as informal arrangements that people and institutions either have agreed to or perceive to be in their interest.”<sup>1</sup> Academic consideration of governance issues may be a little different from the raging subject of governance in development dialogue at least since the end of the cold war. Academic discussion is about authority and power relations perhaps more in the political and social domain. In development dialogue the important point is strategic policies for the exercise of political, economic and administrative authority. In development dialogue of the past the subject of governance was avoided to skirt the touchy issue of state sovereignty and individual choice of the system of government. But interest in the subject was there and it was camouflaged under capacity building efforts in setting up institutions and manpower training and under programs for development administration.

By the mid-1990s, international donor (notably UNDP and the OECD) conceptions of good governance had expanded to include the notions of transparency, accountability, and participation. For example, the Ad Hoc Working Group on Participatory Development and Good Governance set

up in 1993 by the Development Assistance Committee (DAC) of the OECD stated as its first key conclusion, “Democratization and Good Governance are central to the achievement of the development goals for the 21<sup>st</sup> century” (Final Report, 1997). Major elements of good governance, as identified by DAC members, included: the rule of law; strengthening public sector management and transparency/accountability by improving accounting practices and budgeting and public expenditure management; and combating corruption. The framework proposed by the Ad Hoc Working Group was subsequently endorsed by the 1997 DAC High Level Meeting.

By 2000, more elements were added to the conception of good governance. The statement issued by the 2000 DAC high level meeting took note that, “Good governance requires a broad approach to partnership extending beyond government and parliaments to include civil society and the private sector” (Para. 18). Moreover, in addition to the requirements of transparency and accountability, a new dimension was stipulated, namely, predictability. This last element was introduced in the light of the financial crises in the latter part of the 1990s, which led to a call for improvements in corporate governance and stable financial frameworks.

Good governance consists of two major dimensions: political and economic. The political dimension can be broken down into four key components: government legitimacy; government accountability; government competence; and rule of law (human rights). The economic dimension also has four components: public sector management; organizational accountability; rule of law (contracts,

property rights); and transparency (including freedom of information).

In the developing world we have been mostly concerned with improving output growth and its equitable distribution. We thought at one time that physical infrastructure needed dramatic improvement. Then we realized that without agricultural dynamism we cannot move towards industrialization. We relied on import substitution to accelerate effective demand for investment growth but soon found that export promotion is a better way for demand generation. Soon we found out that human development or social investment is crucial to moving into a higher economic growth path tempered with equity. At one time we considered public sector as the engine of growth. But that also changed with time and private sector turned out to be more dynamic in most production activities. Thus we had to think of giving up direct control and instead set up a good regulatory regime covering both public and private sectors on an equal footing. Under the prevailing development philosophy, however, we neglected political development and thought that democracy cannot tackle issues of economic development firmly. Cold war politics also encouraged strong man rule or military dictatorship in developing countries. Institutions for good governance were given an unfair deal and public participation was not considered a crucial issue. In the aftermath of the end of cold war signaled by the fall of East Germany, democracy replaced totalitarian and autocratic governments in many countries. The internal fissures of the prevailing system then laid bare serious crises in governance. It is for this reason that issues of governance in both political and economic dimensions have surfaced as the most pressing issues in most developing countries today. Surely donor concerns highlighted them more vividly.

### **The Build-up of the Crisis of Governance in Bangladesh**

Let us look at the overall situation in Bangladesh now to get an idea of the state of governance as defined above. On all four counts of political aspect of governance we have a very clear but dismal picture. The way the government has been failing since restoration of democracy does not do the country much credit. During the last four years governance has become so criminalized that serious questions about the legitimacy, accountability and competence of the government are being raised both domestically and internationally. In the economic domain as well, all the indicators of good governance, viz.

transparency, accountability, good public sector management and enforcement of rights and duties, are missing. Various index games portray the governance of the country as worthless and even consider the country as a failed state. The Germany-based Transparency International also shows Bangladesh being perceived as a very corrupt state attaining the lowest score of 1.7 out of 10 in 2004. In the previous three years and in the present year also Bangladesh was at the same position. In the 'Good Governance Index' of the World Bank, Bangladesh has lost ground systematically since 2002. They have identified 30 countries as low-income countries under stress. DFID of UK frets about 46 "fragile" states and one of them is Bangladesh. Washington DC based Fund for Peace has studied the conditions of 60 countries with reference to some twelve criteria. They have suggested that 10 states are failed states and 10 are on the way to failing. Ivory Coast is at the top of the list with a score of 106 out of 120 and Bangladesh holds the 17<sup>th</sup> position with a score of 94.3. Paris based RSF (Reporters without Borders) in their 'Press Freedom Index' has placed Bangladesh at 151<sup>st</sup> position in a total of 167.

This state of misrule that we shall discuss in details later has escalated unusually in the last four years. But the problem of governance is not new at all; it has been bothering the polity since 1971. The destabilization that followed the bloody War of Liberation coupled with the scorched earth policy of the Pakistani occupation force was not really overcome when the democratic process was set at naught in three and a half years. Rule of law faced serious challenges because a large section of the enforcers, the civil servants and the police force, were collaborators of the occupation force, although mostly unwilling, and hence their moral authority was under question. It was not, however, possible to get rid of them because of serious inadequacy of trained manpower. The Awami League came to power virtually for the first time after fourteen years as a harassed opposition force and its leadership could not firmly control the 'grab game' that ensued in the state of flux in liberated Bangladesh. The defeated forces of 1971 went into hiding but intensified their activities with Pakistani patronage and Arab money.<sup>2</sup> The young rebels who formed the Jatiya Samajtantrik Dal (JSD) as the first opposition party in Bangladesh unwittingly provided a platform also for the anti-Liberation forces. The defeated forces were not bothered about the scientific socialism plank of JSD and their main interest was in finding an opposition camp to become politically active. A lot of Jamat leaders of today were JSD stalwarts of 1973-75.<sup>3</sup> The most unfortunate

development was the concentration of power in the hands of the charismatic leader, the Father of the Nation. Weighed down by the burden of state responsibilities Bangabandhu Sheikh Mujibur Rahman became isolated from the grassroots and his physical absence from the Liberation War also acted as a disadvantage. The properties, especially industries abandoned by the Pakistanis, accelerated the 'grab game'. The limited availability of goods in the market in the wake of a war and destroyed communication links led to profiteering, price hikes and other corrupt practices. Along with corruption, terrorism also continued. Voluntary giving up of arms was not so successful a drive and a lot of arms remained with the people, especially with the youth. Internecine squabbles became violent and security in the rural areas in particular was highly vulnerable. A lot of local leaders, including AL stalwarts, were eliminated by their rivals. Students also indulged in the game of revenge and retribution. Attempts to establish law and order and suppress pockets of resistance or prevent smuggling were rather ruthless, creating a fearful image of the Rakki Bahini, a military unit set up by a law in 1972 to help both domestic and external security. It was considered an unaccountable and cruel semi-military outfit loyal only to Bangabandhu. In the armed forces, cohesion was seriously eroded by the division between freedom fighters and the repatriates from Pakistan who were three times larger than the former. The chain of command was also seriously disturbed partly because of the ambition of some freedom fighters and largely because of absorbing the repatriates and the freedom fighters under one unified command. The country also faced severe resource scarcity for nearly nine months in fiscal year 1974 as donors assisting the reconstruction and development of the country temporarily turned off the flow of aid.<sup>4</sup> The Arab countries with control over oil supplies also created serious economic problems by denying direct access to oil imports.<sup>5</sup> The strong international pressure not to try the Pakistani war criminals forced the country to unwanted and unpopular compromises. In the twentieth century Bangladesh was the only country that was not a successor state and it had its difficulties in monetary management, foreign trade and international relations.<sup>6</sup>

The government took salutary steps in many areas. The withdrawal of Indian troops on March 12, 1972, soon after the surrender of the Pakistan Army, was almost a miracle performed by Bangabandhu. The daunting task of setting up a national administration and a police force was tackled successfully within a few months even though senior civil servants were held hostage in Pakistan till 1974. But the swiftness

with which the old order was restored impeded political development and empowerment of the people. Devolution of powers did not take place and a diminished Deputy Commissioner still remained as the field presence of a centralized government. Red tape could not be cut as layers of bureaucracy remained between the political leaders and the people. The quality of administration could not be improved because of a colonial mentality of dependence on clerks and paper pushers. The revolutionary Zonal Councils set up during the War were discarded for the traditional bureaucracy.<sup>7</sup> In foreign affairs Bangabandhu set out the guidelines that have withstood the test of time. At the first opportunity Bangabandhu secured the withdrawal of Indian troops on March 12, 1972 to demonstrate clearly that the country was not dependent on India. Bangabandhu was also keen on reducing economic and trade dependence on India or the Soviet block. Special trade agreements (STAs) were concluded to diversify trade relations. A system was introduced to secure essential supplies from UK and the West through exports to Bangladesh by wage earners of Bangladesh origin, who mostly resided in UK and USA at the time. There were some questions in the country as to whether aid from countries working against Bangladesh in 1971 should be welcomed or refused. Bangabandhu decided that external assistance from all sources should be welcome. Initially a neutral party, the UNROB, took up the coordination of aid from the donors' side and later the World Bank led Aid Group was formed in 1974. Bangabandhu invited a host of countries to join this club, many of whom were from the eastern and Arab blocks.<sup>8</sup> Trade agreements were concluded with Egypt and China well before diplomatic relations were established with these countries. During his trip to the Soviet Union in March 1972, agreements were concluded on trade and economic cooperation with the Soviet Union. Projects under implementation with Soviet assistance were revived and past debt liability was assumed. This principle was applied universally and was the basis of understanding with the World Bank in 1974. The revival of World Bank projects was undertaken even before Bangladesh became a member of the Bank. Sweden offered assistance to activate these projects and Bangladesh agreed to assume past debt liability as and when this bridge financing was taken over by the Bank.<sup>9</sup> Bangladesh became a member of the Commonwealth of Nations in April 1972. Bangabandhu attended the Summit of the Non Aligned Movement (NAM) in September 1973 and the Summit of the Organization of Islamic Conference (OIC) in February 1974. The thrust of external relations was healthy relations with all blocks. Bangabandhu spoke of Bangladesh as the

Switzerland of the East and reiterated the principle of “with malice towards none and friendship with all”. The government rehabilitated 30 million refugees and displaced persons, restored communication and transport links, and rejuvenated the agriculture and power sectors. The border demarcation with India was nearly finalized during the honeymoon period with that country and an agreement, although interim, was concluded on Ganges water sharing. Recognizing the discontent and the grievances of the Chakmas of the Hill Tracts, Bangabandhu made a deal with their leader Manabendra Larma. The industrial policy was revised in July 1974 with a view to encouraging private investment and direct foreign investment. Bangladesh obtained diplomatic recognition from 121 countries by March 1974 and was admitted into the UN on September 17, 1974.

Chances of restoration of law and order and the initiation of good governance were rudely thwarted by the illegal military adventure of August 15, 1975. The evil in the military forces could not wait any more because the country was picking up fast by the end of 1974. The famine of the fall of 1974 was a great tragedy and meant a failure of the democratic system. It would have been better for the government to be more transparent and open about the extent of damage. There was a failure in anticipating the magnitude of the crisis and last-minute steps did not yield the desired result. Sufficient commercial credit was not available to Bangladesh at the time and dependence on aid did not leave much option to the country in procuring timely supplies of food grains. The import of food grains was disturbed by the machinations of international politics as the US refused to allow shipment at the right time. With a little sympathy they could be more flexible.<sup>10</sup> The transport bottlenecks proved crucial and even the availability of food grains could not avert the famine. This unhealthy experience with transportation resulted in leasing some mini-bulkers later to be used for transportation in the inland waterways. These mini-bulkers also eased the storage problem as they served as temporary storage space for food grains.<sup>11</sup> The aid squeeze of 1973 and the famine of 1974 created serious crisis of confidence in the ability of the government to handle economic difficulties. The remedial steps were very bold and good but the good results took time to mature. By June of 1975 there was the building of the largest stock of food grains, from a level of 300,000 to 760,000 tons. The Aid Group formed in 1974 made the largest commitment of assistance in October: \$1271 million or nearly double of earlier annual commitments. The exchange rate was made realistic in April 1975 with a downward adjustment of over 50 percent of the taka

value against the pound sterling. Liberalization of the economy improved the availability of goods and held back corruption. The spiraling inflation rate came tumbling down and its dramatic effect was felt in 1975/76 when it was a negative 8.2 percent. A new system of devolution of powers to districts was in the offing under the District Administration Law of July 1975.<sup>12</sup>

The military coup of August 15, 1975 was very adventurous but its leaders seemed to time it very well as further delay would have taken the wind out of its sails. It was argued that the economy was in shambles, corruption was rampant, the Rakki Bahini was ruthlessly persecuting people and the government was incapable and hence trampled democracy with a one-party system. This was, however, the greatest disaster for the nation and much of the evils of today owe their origin to this misadventure. Some criminals in uniform assassinated Bangabandhu Sheikh Mujibur Rahman, then President of the country, and his entire family and relatives numbering eighteen. Luckily his two daughters, Sheikh Hasina and Sheikh Rehana, who were traveling abroad, escaped the carnage. Terrorism and lawlessness, corruption and economic mismanagement, destruction of institutions of civilized society, election rigging and the famine of right leadership are the legacies of the direct and indirect military rule of long sixteen years.

Military rule spawned two political parties that have been using state powers of coercion and state agencies of law enforcement and intelligence. General Zia as the Martial Law Administrator formed Bangladesh Nationalist Party (BNP) in September 1978. General Ershad, following the same precedent, formed the Jatiya Party (JP) in January 1986. Military rule, whether direct or indirect, in the ultimate analysis established authoritarian rule and legitimized the law of the jungle. It moved away from a secular state system, promoted regressive state policies of communal discord and brought back religious parties into politics. General Zia issued a Martial law decree on December 8, 1978 and made fundamental changes in the Constitution. He changed the long freedom struggle into a mere liberation war (Preamble), introduced Allah at the beginning of the preamble and faith in Allah as a fundamental principle (Preamble & Article 8), abandoned the secular character of the state (Article 8 & 12), changed the Bangalee people into Bangladeshis (article 6), modified the socialist orientation (Article 8 & 10), withdrew the ban on religion-based politics (article 38) and made the collaborators eligible for elective offices (Article 66). General Ershad’s constitutional



amendment in 1988 declaring Islam the state religion was a natural next step (Article 2A). General Zia allowed the Jamat-e-Islami, the collaborators of Pakistani occupation army, to re-emerge in politics and permitted its leader Ghulam Azam, who had earlier fled the country and was involved in anti-Bangladesh propaganda abroad, to return to Bangladesh. Military rule denied human rights and press freedom. General Zia introduced nighttime curfew in Dhaka and this continued even after his death for quite a while. Making a travesty of the rule of law, military rule on September 6, 1975, indemnified the assassins of the Father of the Nation (who later fled the country on November 4, 1975) from the due process of law. General Zia rewarded his benefactors by giving them cushy jobs in the Foreign Ministry. Further, he voided the Collaborators (Special Tribunals) Order of 1972 to prevent criminal proceedings against collaborators and gave them civic rights. The worst effect of military rule was establishment of a system of arbitrary rule that still pervades in Bangladesh political culture. Induction of terrorism in politics and students' circle leading to criminalization of politics is another legacy of military rule in the country. Military rule eroded moral values and obtained universalization of corruption.

General Zia also reflected interesting facts: personally he lived an austere life and did not care for creature comforts. But he institutionalized the culture of collection of donations (meaning extortion) by political leaders. He had no scruples in bribing even bureaucrats; he also institutionalized the purchase and sale of politicians. General Ershad excelled in this line of business, but in his case it is widely believed that he also amassed wealth for himself. He was not really immoral, he was completely amoral.

Furthermore, military rule caused the destruction of the integrity of the electoral process and stunted political leadership. In the past electoral fraud was perpetrated by individual politicians and occasionally by local party units. Military rule, however, involved the civil administration systematically in rigging elections and getting people of their choice elected or defeated as they wished. General Zia held a referendum on May 30, 1977, and received an affirmative vote of 98.88 percent; he also showed a voter turnout of an absurd 88.5 percent. He held a Presidential election on June 12, 1978, followed by a parliamentary election on February 18, 1979. In all these elections the results were pre-determined and the civil administration was tutored to doctor the voting. The election on November 15 held by Zia's successor, Justice Sattar, was similarly rigged. The

next military ruler General Ershad followed Zia and held a referendum on March 21, 1985, that was equally fraudulent. He held a number of national elections such as parliamentary election on May 7, 1986, Presidential election on October 15, 1986, and a further parliamentary election on March 3, 1988. Every election held under military rule created a new record and style of election engineering. Miracle of voter turn-out was enacted in the two referenda in 1977 and 1985. Presidential elections in 1978, 1981 and 1986 were so set up as to return the incumbent at any cost. The parliamentary election in 1979 was for a pre-fixed list of winners. The 1986 parliamentary election was known as the media coup fraud. And 1988 election was the voterless election.

When at last military rule was brought to an end on December 6, 1990, by a united national uprising, new hopes for the nation inspired its people. Unfortunately the political parties failed to rise to the occasion to obliterate the scourge of pervasive debilitation engendered by the long and anti-people military rule. A coalition or a national unity government could cope with the situation but it did not happen in Bangladesh. Only the switch to parliamentary system was done through all party consensus. But the switch did not bring about collective responsibility of the cabinet or the end of the arbitrary rule of the head of government. The Presidential Secretariat was just converted into Prime Minister's Office (PMO) and it retained the same absolute control over all Ministries. Electoral reforms, devolution of government, empowerment of people, reform of the bureaucracy, and educational reforms needed concerted efforts. The two biggest problems, terrorism and corruption, warranted all-out social mobilization and goodwill of the political parties. Very limited achievements in these areas can be credited to the account of the three successive democratic regimes. A new crisis has been added by the democratic regimes: the politicization of administration. The Secretariat, the offices of Deputy Commissioners, Upazila Nirbahi Officers, Inspector General of Police, Police Superintendents, Officers-in-Charge of Thanas, and the offices of the Election Commission have been turned into partisan strongholds. Democracy has also failed in the culture and practices of the political parties. Parliamentary party meetings are rare for the BNP. Perpetuation of party leaders at the centre and the districts is a routine matter. Virtual dictatorship of the top leaders is the rule in all the political parties. District conferences of parties, where leadership emerges, are not regularly held and leaders are largely selected and promoted and do not emerge through any democratic process.

Of course, it does not mean that the country has not moved forward. For the first time investment picked up and the low level growth trap could be overcome. The basket case image does not haunt the nation any more. Social investment accelerated and achievements in human development did the nation proud although the declining trend of the last four years is unfortunate.<sup>13</sup> Population problem is under control although environmental security is highly threatened. Foreign trade expanded to more than 35 percent of GDP and aid dependence went down substantially to a paltry 3 percent. The private sector has substantially expanded and large segments of the economy, even including infrastructure sector, is dominated by it. A side effect, however, of this development is corruption – evasion of rules and regulations, extortion by public functionaries, and underhand payments for various services. The NGO sector emerged as a bright light for the nation. In micro-credit and in non-formal education Bangladesh became a model for the world. Bangladesh also manages its external debt very ably and well and indirectly it is being penalized for good performance.<sup>14</sup> Freedom of speech and press freedom have carved out a place for itself and it may not be feasible for any government to suppress it.

#### **The Current State of Governance in Bangladesh: Political Dimensions**

The government now in office came to power four years ago through an election that was alleged by a large section of the population to be highly rigged, but it was accepted by all as the legitimate government, including the opposition bench in the parliament. But the way the government has been functioning during the last four years is catastrophic indeed. BNP was in power during 1991-1996 and despite its notoriety for corruption and incompetence the state of governance then was much better. Some semblance of law and order was there in the country and despite police high-handedness security of citizens was not a serious problem. BNP, however, started the process of forcible occupation of the educational campuses and politicization of police recruitment. It continued with the martial law tradition of forcible suppression of protest and dissent. But it did not earn the reputation of a terrorist friendly government nor did it suppress the opposition so brutally and ruthlessly. Economically the country crossed the low level growth trap of less than 4 percent and savings started improving from near zero levels to two digits. But this time it is a different story: The government is the nursemaid and patron of terrorists, criminals and extremist militants and there is the insane competition for plundering

national wealth and misuse of resources. Even daily shopping for the household is claimed from the treasury.<sup>15</sup> This time the government is on a relentless mission of annihilating the opposition forces with partisan goons and coercive powers of the state. This time they are bent upon perpetuating their misrule by hook or by crook. We now truly have a government of the Alliance, for the Alliance and by the Alliance. The only plausible explanation for this despicable transformation of the BNP led Alliance government can be that one of its partners is Jamat, never a well-wisher of Bangladesh and its people.<sup>16</sup> This party is by its mission and record an anti-people, anti-national, anti-progress fascist party. The overwhelming influence of Jamat on the BNP-Jamat government has really turned the Alliance government into a Rajakar<sup>17</sup> regime.

With the Awami League losing the election in October 2001 as the BNP-Jamat Alliance took over power it was surprising to find that educational institutions were closed to perceived opposition groups – even a perceived supporter of Awami League was disallowed to complete his medical internship or to upset for a final examination. In the past, starting with Khaleda regime of 1991 and prevailing during AL regime of 1996, a tradition was established where with the change of government, conquest of students' dormitories by students' wing of the ruling party would take place. Not all residents would be thrown out but the residence would be cleansed of opposition stalwarts and consequently students belonging to the opposition camp would take a low profile or cease to be active in politics. The new aggressiveness was frightening; it was an environment of total intolerance and imposition of total subservience on all students by the ruling junta. Then as soon as the election was over persecution of the minorities began all over the country. The persecution of the minorities in Bhola that was detailed by two newspapers - Prothom Alo and Daily Star - was initially considered untrue even by the editors of the two newspapers.<sup>18</sup> Many stories of attacks on localities of minorities and the murder, arson, rape and loot perpetrated there were to follow. On November 16, Gopal Krishna Muhuri, a respected Principal of a College in Chittagong, was shot in his home by some Jamat goons. Persecution of minorities and the opposition forces and a regime of terrorism received government patronage through a denial syndrome that no violence was being committed. Also purges were carried out in semi-Stalinist fashion not only from government or semi-government institutions but also from non-political or professional organizations. At the same time, of course, rewards were dished out to civil employees

who proved valuable for the staging of the electoral farud. The credit for the purging process in the government, however, has to be attributed to the Chief Advisor Justice Latifur Rahman, who single-handedly began it immediately after his installation in office on July 16, 2001.<sup>19</sup> This purging process went to the extent of making it impossible for a suspected 'enemy' (a non-party man) to even follow a vocation of his/her choice in rural areas where the Alliance partners had strong hold. There was, in addition, an upsurge of loot and plunder of properties belonging to members of the minority communities and die-hard Awami League followers. This was also accompanied by illegal and forcible grabbing of public properties such as chairs of powerful people such as Vice Chancellors, Chairmen of public and semi-public corporations, Chairmen of sports and games bodies, Chairmen of boards of directors of all kinds of institutions where the government had any role. This climate of behaviour was well-expressed by the phrase "conquest of hats, bazars, khas lands, public buildings, bus stands, river ghats, shopping malls, and even public toilets". It was thought at the time that this was a flash flood of revenge and retaliation and surely it was strengthened by the so-called landslide victory but it would die down soon enough.

But what has happened over the last four years is not mere post-election jingoism and revenge but a well-orchestrated destruction of the edifice of the state by the BNP-Jamat Alliance. Unfortunately the climate of intolerance and revenge has prevailed for all four years of their term of office. Politicization of all walks of life has continued vigorously and institutions of public administration and trust have been rendered highly partisan and inefficient. The most unfortunate development is the growth of extremist militant groups, who flourished with Jamat support and protection and as beneficiary of the denial syndrome followed by the government. Because of government neglect of terrorist attacks on opposition and secular elements, the criminals joined the political activists and played hell with law and order. The attack on a rally led by the leader of the opposition Sheikh Hasina MP on August 21, 2004, was unthinkable but the inept government misdirected the investigation. The climate of impunity so emboldened the criminals and the terrorists that they went on assassinating top journalists, teachers, and political leaders including Labor leader Ahsanullah Master MP, Khulna lawyer and AL leader Manjurul Imam, Professor M. Yunus of Rajshahi, and internationally renowned personality and former Finance Minister S.A.M.S. Kibria (MP), who was killed with grenade attack on January 27,

2005. Here also, as the government tried to protect the big fishes and only charged the small fries, the anti-state elements planned their final attack. On August 17, 2005, extremists with experience in warfare outside Bangladesh generally with Pakistani patronage and with criminal records at home, launched a county-wide bomb attack on some 500 spots in all the 64 districts of the country except one. Getting away with murder turned out to be literally true in this horrendous case simply because the patrons of these terrorists and criminals viz. Jamat happened to be a partner of BNP in the government. The leading members of the banned military groups – Jamatul Mujahideen (JM), Jagrata Muslim Janata Bangladesh (JMJB) and Harkatul Jihad (HUJI) all are former members of either Shibir, the student cadre of Jamat or Jamat itself.

After 21 days of the incident the Prime Minister on 8 September for the first time expressed her concern and apologized for intelligence failure but made a statement defending the architects of the act of terrorism.<sup>20</sup> She stated that those who were out to tarnish the international image of the government had used religious men to undertake this unprecedented attack. Soon she was proved false and the government started the hunt for the perpetrators of the act of terrorism – Siddiqur Rahman called Bangla Bhai and Sheikh A Rahman, who had previously been sheltered by Jamat, BNP Ministers with reputation as godfathers and rogue policemen. Bangla Bhai rose into prominence in north Bangladesh around April-May of 2004 under the patronage of the government, politicians and the police. The PM called for his arrest after he had perpetrated terrorist havoc and orders for his arrest were issued on May 17, 2005. The moral authority of the government was so eroded that, on May 22, Bangla Bhai staged a demonstration in Rajshahi and the Police celebrated his show of power. He was reportedly assisted by police to escape arrest and cross the border. A while later, on July 22, Motiur Rahman Nizami, a Jamat Minister suggested that Bangla Bhai did not really exist and was a mythical figure manufactured by the press.<sup>21</sup>

On October 1, 2005, a convicted fugitive criminal, Mufti Hannan, was arrested and the cat was out of the bag. What came out after questioning him was as follows:<sup>22</sup> He is a born criminal and a sworn enemy of independent Bangladesh. He was in Afghanistan and was close to Bin Laden and he harboured strong hatred for the freedom fighters of Bangladesh. He had planned to kill Sheikh Hasina and had a nephew planted in the Awami League family of organizations for that purpose. He had made the huge 76 kg. bomb

planted at Kotalipara to blow away Sheikh Hasina. He was hiding in the country as a fugitive from law with the support of ruling party leaders and promise of the former Home Minister for exoneration. He informed that Bangla Bhai was one of the architects of the bomb blasts of August 17, and they were all followers and activists of Jamat. Qaumi Madrassas are where they were indoctrinating and training their militants.

The fanatic militants were showing that they really meant to destroy the so-called man-made or Tagut law as against Allah's revealed law. They seemed to have specially targeted the courts of law. On October 2, they raided four courts in three districts – Chittagong, Laxmipur and Chandpur and the attackers, some of whom were arrested by people on the spot, were very determined and obstinate people. They demonstrated their strength and determination quite amply. It is interesting that when the government took up extreme measures to ensure security as the SAARC leaders assembled in Dhaka for the thirteenth summit between November 10-14, 2005, there were no incidents of terrorism in the country for about a week or more. In December the enemies of Bangladesh, usually Jamat militants, went on threatening attacks on victory day celebrations or martyrs' day memorial functions. The audacity of the partners of the regime was not taken lightly by the nation and Khaleda possibly felt the heat. Interestingly once again peace for the duration of the victory celebrations and again during the religious festival of Eed-ul-Fitr and the religious gathering of Tongi Ijtema in January 2006 was easily ensured. In the revered month of February of the language martyrs, as well as, the militants were under restraint.

On November 29, 2005, the fanatic extremists attacked courts of law at Chittagong and Gazipur, killing 2 and injuring 17 in Chittagong and killing 7 and injuring 50 in Gazipur. Gazipur was attacked once again on December 1; this time it was the office of the Deputy Commissioner and it took a toll of one life. This was followed by a deadly attack in Netrokona on December 8, killing 8 people and injuring hundreds. This time the government in its blatant attempt at shielding the extremists of Jamat brand discovered a Hindu militant in the incident. Unfortunately for the regime, the State Minister for Home had to admit that the dead person was an innocent bystander. On November 27, a top militant and associate of Bangla Bhai, Mahtab Khemaru, was arrested at Bagmara, a central scene of Bangla Bhai's horrendous action, but he was released at the intervention of some Jamat leader. Soon it was learnt that he was a wanted criminal and a combing

operation was carried out in three districts but he could not be traced.<sup>23</sup> On December 14, Aaur Rahman Sani, commander-in-chief of JMB and the younger brother of its top leader Shaikh Abdur Rahman, was arrested and he disclosed close connection of the militants with Jamat and government leaders. He also admitted that he was wrong in his belief in militancy and invited other leaders and workers to shun the misguided path and surrender their arms and weapons. He did not even record a confessional statement but his statement during the interrogation was video taped and publicized in the media.<sup>24</sup> It is reported that his interrogation stopped because he was pointing fingers at top government leaders and officials. On December 26, another arrestee was Lutfur Rahman, a Jamat leader, brother of Bangla Bhai and his main advisor. He virtually threatened the police as they started questioning him and demanded that Ministers and government people who activated Bangla Bhai should first be arrested and questioned.<sup>25</sup> Mufti Hannan, a convicted criminal, and Aaur Rahman Sani, a confessed killer, were kept under interrogation for long. They were allowed to broadcast on the media. They were taken on remand for months in a mysterious way.<sup>26</sup> Usually a suspect or accused person is taken on remand for a maximum period of two weeks. In order to avoid the legal restrictions these criminals are shown implicated in numerous cases and thus they are on remand for long periods. All these maneuvers in the investigation of militants' operations prove the suspicion that behind all the militants and their activism is the government. The manner in which the cases of Mahtab Khemaru, Mufti Hannan, Lutfur Rahman and Aaur Sani have been and are being dealt with leave no doubt that the entire terrorism and militancy phenomena is an orchestra composed by Khaleda-Nizami. In Decemebr 2005 they planned a program for four months (the period of Sani's remand). Their game was that during this period either the cases would go out of people's mind or some other more dramatic development would take place to divert attention from the arrested and suspected militants and their patrons.

After releasing Mahtab Khemaru on November 27, 2005, police became a little cautious. On 14 December they arrested Aaur Rahman Sani, brother of Shaikh Abdur Rahman. This was followed by the arrest of Lutfur Rahman, brother of Bangla Bhai on December 26. They made raids at various places and seized large cachets of arms and also some militants. Their attempts to arrest Shaikh Rahman or Siddiq Rahman mostly ended in failure. On February 19, both Shaikh Rahman and Siddiq Rahamn were

sentenced to imprisonment for 40 years for the Jhalokati killing of judges. On February 28, there was a surprise success when Hafez Mahmud, one of the members of JMB Majlis e Shura, was arrested from Baitul Mokarram area. Events moved fast thereafter possibly to impress the US President who was on a sub-continental visit.

On March 1, Shaikh Abdur Rahman was located in a housing colony at Shaplabagh in Sylhet.<sup>27</sup> It was learnt that he was staying there for about two months with his family and his son was going to school there. Jamat leaders, who have virtually a colony in the locality, were in constant touch with him but he was not visible at all in the area. Police and RAB cordoned off an area of about 1 square kilometre and appealed to the criminal to surrender. At the end of the first day his wife and children and some others surrendered but he announced his intention of blowing himself up rather than surrender. The law enforcing agencies with the cooperation of a special TV station NTV, who overnight set up camp there, staged an interesting drama.<sup>28</sup> While appeals were broadcast to the criminal, armed personnel took aim at the house, many of whom, however, were without helmets. They sprayed water into the house and drilled holes from the rooftop to survey the inside of the house. The following morning Shaikh Rahman with an associate came out quietly on condition that he would be allowed to speak to the media. Not much of explosives were found, no money and hardly any items of furniture, cutlery, crockery or pots and pans were found in the place. It was publicized that Shaikh Rahman went to Sylhet about two months ago and he was driven part of the way in a flagged vehicle, meaning the vehicle with a Minister level leader.<sup>29</sup> It certainly raises the question whether he actually lived there at all or he was just taken there for the show. Some books and papers were seized but excluded from the seizure list were books by Maudoodi, Nizami and Sayeedi. The criminal was escorted to Dhaka almost in a royal fashion and along the way crowds gathered. The Prime Minister promptly appeared on the electronic media and celebrated the successful operation and claimed greater success than any other country in the world in suppressing terrorism and arresting the top militant leaders. She also made a bid for extolling the performance of RAB keeping certainly in mind that this force is under cloud for extra-judicial killing that it carries out with impunity. It should be remembered that when the entire country was under attack on August 17, 2005, Khaleda Zia did cut short her visit to China but refused to make any statement for 21 days. But this time the speech was instantaneous. It is said that in custody Shaikh Rahman is well-treated and no

bottle, electric or Kohinoor therapy is applied on him as he is questioned. Let it be noted that Rahman is a convict under life sentence and he is treated royally.

In quick succession on February 6, Siddiqur Rahman, the notorious Bangla Bhai, was hauled up in a village in Muktagacha in Mymensingh in a similar fashion. NTV also set up a camp there to cover the incident. Here also the wife and children surrendered and Siddiq Rahman declared that he would not be caught alive. A fire broke out in a cottage where he was hiding and he came out injured, mostly burned. Although initially it was given out as a bomb blast, it was not actually so and neither Siddiq Rahman nor RAB bombed the area. Possibly fire was lit on sprayed gunpowder. It is reported that this criminal was staying there for two years and he had also a place to stay in Mymensingh town. He was declared to be seriously injured and was flown by helicopter to Dhaka for treatment. It is now learnt that the injury was not so severe. He is also treated royally in custody and no third degree methods are applied in his interrogation. Let it also be noted that he is also a convicted criminal sentenced to life imprisonment.

The arrest of these two architects of mayhem in the country is, no doubt, a feather to the cap of Khaleda Zia's endeavour for suppression of terrorism in the country. But the manner in which they were arrested with such fanfare raises some questions that are self-evident in the accounts furnished on their arrest and the suspension created in each occasion, which has been briefly narrated here but carried at length by all the daily newspapers for about a fortnight beginning March 2. A large section of the population has the perception that these militants were in government shelter and were taken to the selected spots for staging the drama of the arrests. The government always underplayed the danger from the militants and always encouraged the terrorists to attack the opposition and secular forces. They always termed the warnings on the rise of fanaticism and terrorism as propaganda to tarnish the image of the government and of the country as well. The State Minister for Home, however, has displayed some realism when he was gracious enough to concede at last that these criminals were not a creation of the media as suggested earlier by a host of Ministers.

The criminals are in custody but their patrons, who openly protected and supported them such as, Minister Matiur Rahman Nizami of Pabna, Minister Aminul Huq of Rajshahi, State Minister Alamgir Kabir of Naogaon, State Minister Fazlur Rahman Potol of Natore, Deputy Minister Ruhul Quddus Dulu of Natore and Rajshahi Mayor Mizanur Rahman

Minu are all safe and sound and not even subjected to questioning. The members of civil and police administration and local BNP, Jamat and IOJ leaders, who inspired, protected and supported these militants, are also not under any interrogation. It is reported that in 228 cases of bomb blasts, explosives, murders, etc., relating to incidents following the series bombing of August 17, 2005, there are 900 militants in custody now. Only 122 of them have been charge-sheeted, 61 cases are under trial and only 4 having been disposed of.<sup>30</sup> What about the other cases of over half a century of bomb blasts and grenade attacks? What about the case of the armed attack of August 21, 2004, that took a toll of 24 lives? The problem is the impression of complicity of the leaders of the government in these attacks and consequent lack of credibility of any investigation or trial of these criminal and anti-state acts. Many embarrassing questions are circulating in the country. Why are these criminals being protected by the government? Why are they in police custody and not in jail and why is the royal attention for so long? How and why are these criminals allowed to appeal to the public while under remand? What kind of tutoring is being done to them by rogue elements in law enforcement? Are they being held in custody so that amnesty is ultimately granted to them? Are they kept unhurt so that at the right time they may lead military attacks on the opposition forces? It is suspected that the investigations and trials would be prolonged so that no punishment is really awarded to the criminals in the near future. It is suspected that the real patrons of the militants - the Jamat and IOJ leaders and the rogue elements of BNP - would be left unscathed. It is further suspected that the militants, whose number may be 25,000, are kept under leash now to be released for killing and frightening the opposition forces at the time of election. It is, therefore, that the demand for involving the UN anti-Terrorism Unit in the investigation and prosecution of the terrorist activism in Bangladesh is so important and so crucial.

The government has set up a horrible record of favour for terrorists and criminals. To seek and get relief criminals loyal to the party or its leaders have only to apply the levers of political power and grease the machine with bribes. A convicted fugitive criminal Muhiuddin Jintu, now a citizen of Sweden, with a death sentence hanging over his head for 22 years arranged to return home and obtained a Presidential pardon in 11 days in January 2005.<sup>31</sup> Fleeing from court while officially in custody, getting bail while already convicted, being hijacked while being moved to a jail hospital or specialized clinic are almost routine in the country. All of it happens

because of political consideration by the government and the majesty of bribes. Another convicted murderer died as a fugitive and then was granted relief and his wife has been enabled to draw family pension and benefits.<sup>32</sup> Discussing the moral authority of the government it would be highly instructive to look at the case of one top leader of the Police force. On January 28, 2004, Inspector General of Police Shahudul Huq was convicted by the High Court for contempt and given a sentence of a fine and imprisonment. He was retained in service as he appealed to the Appellate Division. On December 8, 2004, the conviction was confirmed. On December 15, the President gave him pardon. How can you expect support and loyalty of the common man to the state system that is so unethical?

This state of affairs coupled with corruption of the highest order has really led to total anarchy. Corruption at all levels is a matter of public knowledge. The family of the Prime Minister is one of the richest families of the country although President Ziaur Rahman at his assassination left almost a destitute family who had to be provided accommodation and income by the state. The informal power centre Howa Bhavan, wherefrom the son of the Prime Minister operates, is alleged to be the main influence or broker in decision making and its service is highly priced. For five successive years the country is perceived as per Transparency International report as one of the most corrupt in the world. The extent of corruption can be judged from the following examples. First, there is a price for every government job in the market. Prof Yunus of Grameen fame has indicated that a primary school teacher has to pay Tk 50,000 to 200,000 to get a job even after successfully competing for the recruitment. For a peon this payment is Tk.100,000. For a transfer order or its cancellation a nurse or a ward boy of a health service institution has to pay Tk. 80,000 to 200,000.<sup>33</sup> Second, some of the best examples of corruption are the deals and machinations in the energy sector. The predecessor Awami League government as it left office had started work on several power projects to generate 1200 MW of electricity. The Alliance government cancelled all these projects alleging that they were suspected to be corrupt deals. In their four years of office this government could commission only one unit of 80 MW and order four more capable of producing 330 MW plus 120 MW of peaking capacity. A number of other projects are under process, many of which are the revived projects of AL period. The main reason as to why this government cannot place any order for a plant is corruption and political consideration. A good project where the commissions have also been

agreed to is cancelled because the contractor may have links with the opposition. Contracts take years to be finalized mainly because all the commission agents, among whom are high functionaries, informal power centres and bureaucrats, are too greedy. They compete with each other or act in parallel and their demands for underhand payments are very high. In its previous term 1991-96 also BNP could not place any orders for this simple reason of excessive greed and incompetence in coordinated action. In the Gas sub-sector it is simply unbelievable that where small investments in well development or compressor installation by Petrobangla could meet the need, corrupt and fraudulent deals with NIKO and UNACOL have warranted gas rationing at least for two years more.<sup>34</sup> Rural Electrification Board has been functioning for years as an efficient organization, very economical in its operation. It cannot be so anymore because of the greed of the Alliance leaders. The REB has been forced into a scandalous deal for reinforced concrete poles supplied by a politically powerful monopolist much against its will. This is costing the enterprise additional several hundred crores of takas a year. So with increased budget allocation REB cannot provide one third of facilities that they used to provide in the past. Third, wherever you look you will hear stories of greed and corruption involving Ministers, Alliance politicians, businessmen and their cronies. The World Bank has cancelled funds for projects in health and rural development sectors because the deals have been corrupt.<sup>35</sup> Earlier they intervened to stop a corrupt scheme to set up small power plants of 10 to 50 MW capacity on an emergency basis; the project was meant to favour cronies and settle contracts through negotiations without calling for any bids.<sup>36</sup> In the last budget high tax was imposed on SIM card allegedly to benefit a particular businessman-cum-politician who had stocked them well. Not once but twice petroleum products of one specification were imported against orders for products of a different specification. Jet fuel that is costly was ordered but kerosene was imported and on both occasions BPC had to accept the supplies.<sup>37</sup> It is not, however, a habit picked up recently; no sooner the BNP-Jamat Alliance had come to power than started the looting of public funds by its leaders.<sup>38</sup> This was evident in the wheat scam of 2002. On July 31, 2002, the government decided to buy 100,000 tons of wheat from six districts that were not wheat surplus areas. Actual procurement operation was over on July 30, and very little of wheat was actually procured. BNP MPs and their cronies taking advantage of this decision on procurement imported poultry feed grade wheat from India and leaders of BNP and some crooked officers made Tk 300 million out of this

deal, titled 'wheatgate' by the Daily Star. The Minister for Shipping made the headlines when the Danish grant funds were withdrawn from a project on direct allegations of corruption by the Mission. The investigation against the Minister of Transport for importing high priced CNG three-wheelers in early 2002 is still incomplete because the Minister refuses to cooperate with the Parliamentary Committee doing the investigation.

On top of this greed is the incompetence of the regime. This can be gauged from some recent incidents. The gas crisis is an obvious problem of lack of planning. The dismal performance in the power sector is not only a matter of corruption but also one of lack of coordination and utter neglect of public welfare. It is unbelievable that a crisis brewed on the annual routine and sacred function of Hajj pilgrimage. The government made arrangements for only 18,000 pilgrims leaving the other 36,000 high and dry. It just showed the contempt with which this anti-people government treats the citizens.<sup>39</sup> The monga situation (famine conditions) in north Bangladesh is a regular feature almost each year but how unprepared was the government to face it. Shortage of onions is a normal Ramadan event, but the government just would not anticipate it at all. In the first quarter of 2006, the record of incompetence is even worse. In quick succession we had air transport, diesel, fertilizer, sugar and power crisis in the country and notably in northern Bangladesh. Crisis still continues in the supply of fertilizer, sugar and electricity and air transport; diesel crisis may have been overcome by now. The responsible Ministers denied the existence of any crisis with straight faces. And as usual they attributed the existence of the crises to their favorite whipping horse, the media. In every case the crisis resulted from failure in planning and coordination, too much greed standing in the way of securing supplies, partisan and incompetent distribution system and wicked syndicates of importers, transporters and stockists. As for electricity the main problem is failure in placing work-orders for plants because of competing claims for excessive commission from the contractors by various powerful interlopers.

The government has done another irreparable damage to the nation by completely politicizing the civil administration, the police force and the election bureaucracy. In the past, politicization essentially remained restricted to posting of some selected secretaries and heads of a few executive bodies. Ministers almost always took their pick of some field level officers such as DCs, UNOs, SPs and OCs of Thanas. But now the process of promotion has been

completely politicized. Favourite boys of the Rajakar government do not have to fulfill minimum requirements for promotion. Violating normal rules, 33 officers have become Secretaries from the level of DCs and Deputy Secretaries in just three years.<sup>40</sup> In the past, such unusual promotions were a few cases of nepotism, such as the appointment of a High Court Judge during the previous Khaleda regime, who was made a Selection grade District Judge, a Joint Secretary, and a Secretary within one year so that he could be a High Court Judge before retirement. It has also come to notice recently as to how the recruitment process is vitiated to get the golden boys of Khaleda in government service. In the Election Commission nearly two-thirds of 327 new recruits as Upazila Election Officers are ruling party cadres so recruited through a very clever and devious process of so-called competition.<sup>41</sup> The only criterion for recruitment into the police force now is considered to be certification on Chatra Dal or Jubo Dal affiliation. In a competitive examination for recruitment of Sub Inspectors of Police in 2004 some 14,000 candidates appeared and only 150 qualified. Thereafter relaxing the rules, arrangements have been completed to recruit 1,200 officers from the mastan cadres of BNP and Jamat and to shorten their period of training so that they can be used during the next parliamentary election.<sup>42</sup>

Such performance of the Khaleda-Nizami government raises questions about the legitimacy of the regime. The inevitable result of these three dangerous methods of the regime (spawning terrorism and extremism-friendly behaviour, corruption at all levels and complete politicization of civil administration) is destruction of the established institutions of government and unbelievable misrule, limitless plunder of national wealth, disgraceful incompetence of the government to do anything right and on time, and a total division of the polity. MPs belonging to the opposition are denied any allocation from public resources (money and food grains) that is routinely pumped into the constituencies of Alliance MPs. A Union whose Chairman happens to be an Awami League supporter, is denied the usual government grants and funding (largely wheat allocation) as well as relief supplies in case of a disaster like floods. Opposition activities are brutally suppressed and activists are killed, but a partisan police establishment will not even entertain a complaint and instead put the blame for the incident on the victims. A kind of fascist mindset pervades the society, spreading anarchy and a cycle of revenge and retaliation. Discriminatory and unjust treatment on political considerations was certainly there before but this was usually very selective. The all-pervasive

activities today are totally new and unprecedented. The destruction of institutions is most pronounced in respect of parliament, judiciary, secretariat, district administration, police, election office, educational institutions, and media freedom.

The deep polarization of the polity is difficult to explain or to understand easily. Parties have differences – some, such as Awami League, are secular and others, such as BNP and Jamat, are communal or religious. Parties follow different ideas such as conservatism of BNP and Jamat or liberalism of Awami League. Awami League is identified for concern for the poor and the deprived and BNP and Jamat for a soft corner for the well-to-do and the middle class. But in Bangladesh the differences are much more deep and permanent. Awami League believes in a protracted process of the germination of nationhood and of the formation of the nation. It believes that a popular uprising and a peoples liberation war ultimately created the sovereign Republic of Bangladesh, while BNP considers that the military onslaught of 1971 overnight initiated a revolt by the armed elements that liberated the country. Jamat believes that an Indian conspiracy coupled with revolt of some misdirected Bengali Muslims and Hindu influence created the nation. BNP-Jamat does not consider that the minorities should enjoy equal rights while AL cannot accept discrimination among citizens of Bangladesh. Awami League stands for the syncretic Bengali nation as the reference state for all ethnic Bengalis scattered over many countries owing loyalty to their respective states. BNP-Jamat coalition stands for Bangladeshi nationalism to differentiate between Muslim Bengalis and Bengalis of other communities. It seems to me that we have practically divided the country into an Awami League Bangladesh and another “Muslim League”<sup>43</sup> Bangladesh and even social contact between the two is few and far between.

### **The Current State of Governance in Bangladesh: Economic Dimensions**

In economic management the claim of success by the regime is in respect of macroeconomic balance meaning low deficits, good accumulation of foreign exchange reserves, greater flow of remittances, promise of large flow of direct foreign investment and output growth rate of above 5 percent. They have at last finalized the three-year Poverty Reduction Strategy Paper projecting a growth rate of 7 percent and GDI of 26 percent in the terminal year FY 2008.<sup>44</sup> Bangladesh has been carefully managing macro balance since 1974 except for FY 1982 and FY 1989. But inflation rate of two digits as expected



this fiscal year has not been there since FY 1987. Investment growth, one of the weakest element of our economy, is stagnant now. In the second half of 1990s it grew from 20 percent in 1995/96 to 23.1 percent in 2000/01. Thereafter, it has not reached 24 percent yet. Agriculture that absorbs 55 percent of the labor force is stagnating; from an average growth rate of 4.6 percent per year for the previous five years (1996-2001) the performance in the four years is less than 2 percent per year. Food grains production is stagnant at 26.9 million tons achieved in 2000/01.

Output growth rate was brought down by sheer confidence shattering statements made by the new government from nearly 6 percent in 2000/01 to 4.4 percent in 2001/02.<sup>45</sup> It is still to climb above 5.3 percent as against the average of 5.4 percent in the previous five years. The Finance and Planning Minister has suggested that this year it will cross 6 percent barrier but it is very difficult to accept the statement as the culture of the leaders of this government is lies and distortions.<sup>46</sup> The reason for slowing the economy was the abandonment of the tested course of emphasis on rural and agricultural growth along with the strategy of export promotion. Employment suffered because of rural stagnation and slow-down in ICT growth. After two years the BNP-Jamat regime recognized the need to concentrate on the rural sector. But inefficiency introduced by corruption and politicization would not yield commensurate benefits from investment in rural infrastructure, rural electrification, rural sanitation, rural housing and rural water management. Subsidy provided to agriculture is mostly plundered by ruling party middlemen leaving the farmers high and dry. Social investment is not optimally productive because of BNP-Jamat reservation on devolution of powers to local government. There is no local level administration to do the investment and manage the program in the social sector. The rural and agricultural reorientation of investment has not yet been achieved. Is it due to the character of the regime and its lack of understanding of pro-poor and pro-rural bias of investment?

Aid utilization has drastically declined due to inefficient administration, high level of corruption and politicization of the executing agencies. From an annual disbursement level of around \$1.4 billion for several years, it declined to just \$1.033 billion in 2003/04 and no better performance is expected this year.<sup>47</sup> Some SOEs that were consistently losing have been closed but no arrangements for disposal of their assets have been made, thus providing for corrupt deals and waste of assets.<sup>48</sup> A matter for anxiety is the decline in public investment program. ADP

outlay was Tk 162 billion in 2000/01 or 7.2 percent of GDP; in 2003/04 it is only Tk 168 billion or 6.2 percent of GDP.<sup>49</sup> For poverty alleviation and rural growth, public investment program is very crucial. Perhaps because of a decline in public investment and rural growth, poverty reduction rate per year is now down to 0.52 percent from 1-1.5 percent in the previous five years.

The PRSP has been drawn up for three years keeping in view the global MDGs (Millennium Development Goals) for 2015. A separate and comprehensive long term vision for Bangladesh is not there, nor is there any medium term indicative plan for the total economy. There is also no break-down of expenditure for actual poverty alleviation, nor have the indicators for poverty reduction been constructed yet. The projection for employment generation is just a wish based on doctored statistics (manufactured after December 2004) and no real estimates of how the growth would occur are provided. Although much value has been placed on decentralization of development investment, no institution for local government is envisaged at a level higher than the uneconomic unit of the Union. Thus the implementation of the PRSP is highly doubtful and many of the MDGs such as halving poverty look simply unattainable.

FDI proposals of Tata, Dhahi and other investors are very heart-warming but chances of their materialization are questionable. The biggest problem, of course, is political instability characterized by the national malaise of lawlessness, insecurity, corruption, extortion and destruction of public institutions. Despite all the attempts over years no one-stop service has yet been possible and corruption cost for investment at various points becomes quite high. It is not so much the amount of actual underhand payments but the hassle and delay that are more troublesome. The next impediment is shortage of power supply and low investments in transport and communication. Another problem is archaic security perception that stands in the way of free movement of cross traffic, pipeline for energy resources, freedom of travel, efficient port facilities and rapid growth in ICT sector. Security considerations in this country, much against all security theory, are a virtual monopoly of the defense establishment and its public discussion is rare.<sup>50</sup> Transit traffic, open port facilities, regional gas pipeline or power transmission system are ruled out by false and thoughtless security considerations.

For FY 2006 a very ambitious budget was passed but even before the lapse of six months it was revised

downward. A crisis of financing is leading to excessive loans from the domestic banking sector and dependence on suppliers' credit, where the scope for corruption is the highest. The tax proposals were dramatically changed by the infamous SROs within just two months of approval of the budget by the parliament. The budget has a large allocation for political slush funds that may be around Tk 60 billion<sup>51</sup> and that is likely to contribute to inflation and further deterioration in incremental capital output ratio.

### **The Problems and the Remedies**

The state of governance is such that many citizens and foreign friends question if there is any governance at all. They also suggest that functional democracy that could remedy the situation does not really exist in the country. But that the country is moving forward economically means that its potential for growth and development is way beyond our imagination, possibly 10 percent a year. Misrule is the only factor holding back the country. Most people have turned cynical and do not think that things will improve with a change of government or leadership. But that cannot be true; if wise men do not find any solution, catastrophe will take its toll. So the moot issue is how do we overcome this awful predicament? I have listed twenty-two questions and all of them can be answered cogently for which remedial measures are also not too difficult to prescribe. In Liberia a failed state is being rebuilt with input from a Bangladesh contingent.<sup>52</sup> Why should we not be able to do it at home?

In this article I shall confine myself to answering only a few questions. I believe that good governance call for an action plan at least on eight fronts, if not more. There should be programs for establishing democracy, for effective parliamentary government, for empowering people at the grassroots, for decentralizing public administration, for suppression of terrorism and securing the rule of law, for eradication of corruption, for development of human resources and for social progress and poverty alleviation. I am attempting an action plan for all the issues in a book (or shall I say a manifesto) I intend to publish shortly as a contribution to the national debate on saving Bangladesh, restoring its character of a modern democratic secular state. Here I shall present very briefly a scheme for devolution of state functions to the district level and restructuring government and bureaucracy with a view to empowering the people. This is fundamental to effect change in the positive direction for this country. Thereafter I shall deal with governance issues of

three sectors only namely, (1) suppressing terrorism and establishing the rule of law, (2) making the parliament effective and (3) controlling corruption.

1. How do you protect our way of life and system of laws under the violent threat of the extremists against what they call Tagut ways?
2. How do you discharge the fundamental state functions of ensuring the security of life and property of citizens?
3. How do you ensure justice in a climate of impunity engendered by the Rajakar regime?
4. How do you get out of the cycle of political retribution and revenge?
5. How do you make the parliament effective and bring up national issues there?
6. How do you establish the integrity of the electoral system?
7. How do you empower people and take the government to their door?
8. How do you provide for the most optimal social investment?
9. How do you make the local government responsible for delivery of services and regulatory state functions?
10. How do you decentralize the development activities?
11. How do you reform a bureaucracy that is highly partisan?
12. What do you do with a police force dominated by rogue and political elements?
13. How do you arrest corruption when insatiable greed characterizes the family of the Prime Minister?
14. What systemic reforms may control corruption?
15. How do you give lessons in the true history of the country?
16. How do you produce school graduates worthy of entering the tough race for survival?
17. How can there be economic dynamism in an

environment of insecurity?

18. How can economic actors perform when extortion and hijacking are the rule rather than the exception?
19. How can you have development and progress if you cannot build it on an inherited edifice, however rickety it may be?
20. How can you have national prosperity if a large section of the population is prevented from undertaking worthwhile economic activities?
21. How can you have progress if you are bent on undoing all past measures?
22. Why is it so important that poverty be reduced and what should you do to eradicate poverty?

### **Devolution of State Functions and Restructuring of Government**

I have deliberately chosen not to elaborate but simply state my pet topic and a fundamental point in good governance that is devolution of state powers and restructuring of government and public administration. Such a move will empower people, ease the enforcement of regulatory functions, provide public services better at the doorsteps of citizens and get the highest return from investment for development. I would like our national government to deal with only limited subjects and devolve all other state functions to the Zilas. In my study I find that seventeen subjects should be dealt with in the districts including land administration and revenue, law and order and police, relief, primary-secondary-vocational education, and public health, sanitation and population. For the national government the list of subjects also is seventeen including foreign affairs, defense and state security, telecommunication and posts, higher education and research, national highways-waterways-railway, and trade and investment. 64 districts and 3 metropolitan areas will have their elected governments headed by a Minister level Chairman to do all regulatory functions, provide public services or regulate such services provided by the private sector and undertake most development programs, especially all social investment. An average Bangladesh Zila district has a population of 2 million and 2250 sq. kilometres of area. In an average district there are 280,000 agricultural holdings and 30 Tahsil offices, where land records are maintained and land revenue is collected. For education there are about 1160 primary schools, 190 secondary schools and a few institutions of higher learning. There are 15

hospitals and about 45 dispensaries, clinics and health or family welfare centres. About 250 kilometres of national highways, 170 kilometres of district or regional paved (pucca) roads and 2600 kilometres of unpaved (kutchha) rural roads are there in an average district. Besides the thana headquarters there are other growth centres and important habitation centres in a district; on an average there are also nearly 120 marketplaces called hats or bazars.

It is evident that the conglomeration of activities at the district level is quite significant. The size of a district by its population, geographical area as well as social and economic activities makes it a good candidate for an effective unit of local government. In order to set up a good and attractive local government service it is essential that civil servants be given career advancement opportunities. The size of the district and the range of activities that can be performed there make it possible to have worthwhile local government service in the country. An average district will have about 12,000 government employees including teachers, policemen, health and population workers and others. A legitimate question is: do we have the resources and manpower for setting up 67 governments in the country? The emphatic answer is yes. Then, overall the number of public servants will not increase substantially but they will have to be trained and equipped better. A massive redeployment and reorientation of government employees will have to take place and this can be done in just two years.

It should be noted that in this scheme of devolution of state functions and powers the national government will become a government of limited functions but with wide responsibility for coordination. The national government in the event may be composed of 25/30 ministries and 100 executing agencies requiring about 100,000 employees. The vast majority of personnel for the Zila governments will be the transferred central employees, who now number over a million. The duplication of work will be drastically curtailed and decision making will be more on the spot and highly decentralized. Political appointees will substitute career bureaucrats, many of whom in senior positions are now more devoted to policy making rather than execution and that way politicization of bureaucracy will be averted substantially. It is likely that political appointees numbering about 2500 in the national government and over 100 in each Zila will not be difficult to find. With such devolution of functions and restructuring of government and public administration, seven national evils can be addressed

in one stroke: i) the deep political divide ii) the white elephant of a huge centralized bureaucracy iii) the inefficiency and irresponsibility of centralization of power iv) the thin coverage by a centralized revenue raising system v) the absence of accountability and close supervision of public servants vi) the curse of a removed and corrupt government and vii) the utter lack of people's participation in decisions and actions of the government. For a proper presentation of the restructuring concept and methodology, however, a separate article is required and I recommend my book "Jelai Jelai Sarkar" (UPL 2002) for elucidation.

### ***Suppression of Terrorism and Establishing the Rule of Law***

Let us look at terrorism, spread of extremism, lawlessness and regime of vengeance. In a Convention on Unity against Terrorism held on 30-31 August 2005 at Dhaka some considered measures have been suggested. Some others can be added to have a comprehensive agenda in this respect. Such an agenda may have the following elements:

1. First, religion and affairs of state must be separated and kept apart. Religion is personal and religious freedom and non-discrimination, as enshrined in the constitution in Articles 27, 28, 29 and 41, should guide all state initiatives and activities. Preamble, Articles 8, 10, 38 and 66(1) must be restored in their 1972 version and Article 2 A must be deleted. Religion cannot be used in forming political parties or pressure groups and religious bigots such as the Pakistani collaborators cannot hold elective office. Secularism should be re-enshrined in the constitution as a fundamental state policy. The religious connotation carried by the term Bangladeshi in Article 6 should also be deleted; we should all be citizens of Bangladesh.
2. Education programs and institutions preaching fanaticism and indulging in training of militant cadres must be totally uprooted.
3. The militant extremist groups must be banned, broken up, suppressed with an iron hand and all sources of their financing must be forfeited and dried up.
4. A concerted and sincere drive should be launched to recover arms and ammunitions from the country and destroy all illegal arms and equipment as they are discovered.
5. The police personnel and civil administrators should be screened so that links of the police with the extremist groups are severed for good.
6. All the recent cases of bomb blasts, grenade attacks and arms smuggling must be investigated under the supervision of a politically neutral institution such as the one set up by the Supreme Court Bar Association for investigating the grenade attack of August 21. Such a body should be tasked to guide and direct all investigations so that all the cases are brought to trial in the courts of law. This body should draw on the resources of the UN Counter-Terrorism Unit, the Interpol and other reputed criminal investigation agencies of friendly nations.
7. Terrorism and extremism in Bangladesh is perpetrated by politically motivated goons, as well as, by pure criminals and fanatics who are taking advantage of the political cover that they can so easily access. The biggest problem with it is the involvement of important political leaders, including Ministers as godfathers of the *mastans* and protectors of the extremists. Extremism has only very limited following but they have the capacity to rouse sentiments against secular forces. Terrorism cannot be suppressed by force. It has to be demonstrated first that the rule of law is real and it prevails. Once this is set, right measures for its suppression or control will work.
8. The control of terrorism would be possible only if its political patronage is given up. The criminals in that case having lost the protection will go into hiding and law enforcing agencies can then treat them as real criminals. Hence, to arrest terrorism and dismantle the extremists' hold what is needed is an effort of strong political will. Party workers, golden boys, fanatic leaders and godfathers have to be motivated and asked to abandon the path of violence. Simultaneously measures have to be taken to rehabilitate those who want to follow the right path. Armed bands flourishing under political patronage have to be disbanded and rehabilitated in other walks of life. A social movement against *mastanism* must be earnestly started. Local resistance movement like that of Natore (Lathi Bash society) must be mobilized. A social revolution, indeed, must be launched because otherwise our very existence as a civilized member of the global community is threatened.
9. This must begin with a clarion call for tackling

the problem by the ruling political party, whoever it may be. In order to prove the sincerity of the call and shame the opposition into action it should start with unconditional cleansing of one's own house. All the godfathers have to be identified and forced to desist from violence. These godfathers should be excluded from elective offices, disarmed, rehabilitated if they seek it and punished if they prove to be difficult. The two major parties have to exchange lists of godfathers and political criminals first and then sit down to agree on a unified list. In fact, Awami League circulated sometime ago a list of about a hundred godfathers but BNP has yet to furnish any. The exchange of lists must be completed rapidly. Jamat must be very carefully handled as they are out to destroy the state; they will, however, be deprived of doing politics of religion. The law enforcing agencies have their own information on mastans and criminals. But because they have been criminalized and politicized so extensively they have lost all credibility. Even then they must be given a role in this identification exercise and their lists also should be scrutinized.

10. After an agreed short period during which the cleansing operation will be carried out, all acts of violence will be dealt with severely under the law of the land without fear or favor.
11. The specific points where *mastanism* flourish must be targeted for ruthless action under the law of the land. Transport stations (bus stand, inland water landing station, ferry ghat, railway station, port jetty, container station etc.), markets and shopping plazas, police stations, jail gates, lower court premises, land records offices, distribution points for private and public goods, offices undertaking civil works, procurement units selecting suppliers of services in particular as also vendors of goods are some such target points wherefrom extortionists and goons must be uprooted. Those who collect tolls from bazaars, shopping plazas, bus stands, railway stations, IWT landing stages and such other busy areas of monetary transactions; who monopolize submission of tenders for civil works, consultancy service or supplies; who seek sales agencies because of political connections; who terrorize investors, builders or shopkeepers into paying protection money; or who demand commission for permitting clearance of goods or its safe passage must be ruthlessly suppressed. These goons and anti-social elements do not belong to any political party; they take shelter

under whoever is in power at the time simply in order to perpetrate their wrongdoing and line their pockets. They should be left to the mercy of the law-enforcing authorities and denied protection of any kind. Men of influence should make no telephone call to the police on their behalf and they should simply be made to face unfettered justice.

12. In the institutions of higher learning, terrorism is a fact of life. Black money, arms and professional goons (mostly outsiders but sometimes perpetual students) have made the campuses their playground. This has happened entirely through political patronage and involvement of the law-enforcing and intelligence agencies of the government in students' politics especially at the initiative of military rulers. As a matter of priority the youth must be enticed away from *mastanism*. Ending terrorism in the educational campuses must be the first step here but it will be extremely complex. First of all, the intervention by government agencies, especially the intelligence agencies, must just cease. Students should not be used as cannon fodders or standard-bearers in a democratic set-up. They should be left alone by the political parties to do their own politics in their own way, evolve their own leadership and rely on their own resources. There should not be any associated or branch units of political parties among students. This principle should also be followed in respect of professional associations. Students have their unions in their individual institutions for their corporate activities and literary, cultural and sports and games activities. The students' unions are lifeless now and they are not reconstituted through election every year. What a shame that the DUCSU was last elected in the 1980s. The students' unions in colleges and halls must be restored and rejuvenated. It may be remembered that student politics in the subcontinent began with the demand of the students to have representative unions of their own in institutions of higher education. Non-students should be expelled from the campuses and perpetual students should not be allowed to indulge in politics. The regular students should be enabled to seek higher studies purely on the basis of merit and complete their courses of study in due time so that they can begin the long march of life at an early date. Students who are keen on national politics should join the political parties since these days a young man of eighteen has full political rights.

13. The organization of front units of student, youth and labor will require a close scrutiny and a fundamental recasting. Youth, student, and labor organizations are particularly notorious for extortion and violence. They should virtually cease to be front units and the umbilical chord that binds them with political parties must be cut. Youth or labor or ladies should be organized under the secretariat of political parties and separate bodies for them should be disbanded. Student organizations should function on their own. They should learn lessons in democratic behaviour in the student unions of their institutions and they should concentrate more on issues of education, sports and culture that concern them the most. They should, however, be free to take up issues of national importance on their own. As far as working in the national political arena, youth can be directly active as soon as they attain the age of 18. They should be involved in the party apparatus of their area. And area party organization should be the only way for political activities. Parties may have central units, district units, thana units, union or municipal ward units and then subordinate units as the parties may define in terms of territorial areas. In professional circles the parties will have no units either, but professionals can join the parties in their area units as they wish.
14. The separation of judiciary from the executive should be speedily completed and all courts of law, both civil and criminal, should be placed under the control and supervision of the Supreme Court. This means the implementation of the Supreme Court judgment in the famous Masdar Husain case of 1999. Appointment to judicial service or magistracy should be freed from political interference. And appointment of High Court Judges should be subject to stricter and transparent criteria and, as before, the Chief Justice should have a say in their appointment and confirmation.
15. To ensure the supremacy of law it is essential to bring to a close the trial of the assassins of the Father of the Nation. Similarly the trial of jail killing case must be revived as it has not been handled cleanly. These have been acts of terrorists under the protection of the "illegal" government of the time. We need to clean our slate for the rule of law.
16. The next step is voiding all special powers of coercion, harassment, arrest and preventive detention. This not only covers Section 54 of Cr. P.C. and the Special Powers Act of 1974 and similar laws but also concerns special and emergency provisions in many other ostensibly harmless laws. The Law Commission or a Task Force may be asked to identify such bad laws and suggest remedial measures. The High Court ruling of April 2003 on Section 54 should be acted upon promptly.
17. In view, however, of the rise of extremist groups and spread of terrorism under the patronage of BNP-Jamat regime, it will be necessary to pass a law on suppression of terrorism with powers for preventive detention. Such a specific law for a fixed duration may be separately considered.
18. Application of what is known as third degree methods by the law-enforcing agents must be made illegal as well as punishable. Remand under Section 167 of Cr.P.C. should be permitted only in serious cases where the available evidence is enough and the accused person is given full health examination immediately before and after the remand period. The power to grant remand should be exercised only by senior judges or magistrates. Death or serious illness of a person while in remand must entail instantaneous suspension of the officer in charge of the remand proceedings. The High Court ruling of April 2003 on remand authority should be implemented promptly.
19. Even small infractions of law by powerful and important people must be severely punished. In fact, they should be more careful than ordinary citizens in observing laws to the letters. Complaints against violations of laws by highly placed people by any person should be admissible.
20. The high powered Law Commission should be more proactive in reviewing outdated laws and especially the emergency laws. They should come up with recommendations for modernizing and humanizing the laws of the country. They should not only look at laws referred to them by others for review but should take initiatives themselves to meet the demand of the society. Compilation of all laws should also be in the agenda of the Commission.
21. Steps for setting up a Human Rights Commission should be completed rapidly. All violations and violators of HR including the members of the defense establishment should be subjected to scrutiny and justice. The neutrality

and independence of the Commission and its members should be ensured. All cases, reported in the press or alleged by individuals or learnt by the Commission by some other means should be taken into consideration and investigated as soon as a prima facie case is identified. The Commission should have its own offices at least in the districts and both investigators and lawyers should be working for it. The codification of human rights under various laws including those in the Constitution should be made for common use and an education program should be conducted to make people and law-enforcing agencies aware of these rights. Similarly punishment or remedial measures for violations of human rights should also be codified for public information.

22. The law of torts and public interest litigation should be accorded due importance in the judicial system. Probably composition of citizens' charter in respect of all services and regulatory functions of the government will help the process of seeking redress under tort or public interest legal procedures.

23. For handling security, both domestic and external, a high level National Security Commission should be set up with public representatives and experts in security. A National Security Commission should be set up as a constitutional body charged with national security strategy and superintendence of external defense and internal law and order. Two of its major functions will be compilation of military developments and intelligence across the globe and consideration of security issues in all its aspects. It will be the security think-tank and the planning unit for national security in its broadest aspects. It may be clarified that the defense establishment or the police force will maintain their independent and autonomous entity and will not be administered by this Commission.

a. For external security an appropriate policy based on the recognition of people power, post cold war security system, global interdependence and the reach of information technology should be adopted. A least-cost security establishment emphasizing national service and diplomatic mobilization should be designed and organized. Traditional enmity or perception of enmity with neighbours must be discarded in view of new global issues of conflicts and tactics of global computer

directed wars. The military intelligence unit should be concerned with global security issues and information on new technology. Their intrusion into domestic political matters should be strictly forbidden.

b. All the intelligence agencies concerned with civil affairs and domestic politics as well as crimes should be unified and the tasks of the unified service should be strictly defined and it should be placed under the supervision of the head of the government. The Prime Minister in the discharge of this function will be accountable to a council composed of people's representatives, acting as a sub-committee of the National Security Commission.

c. For internal security the processes of watch over law and order, cognizance of complaints and infractions of law, investigative procedures and skills, and prosecution of cases must be entirely revamped. The centralized police force, its high-handed persecution tactics, its limitless corruption, its strong political proclivities and its part in the rise and patronage of terrorism and extremism demand that it should be demobilized altogether. The police force as it exists now must be abolished. Instead fresh regional or district police forces with new blood should be created. It should be borne in mind that for security and education services the compensation package must be carefully and liberally prepared. It is high time to attend to restructuring the police force by establishing 67 district/metropolitan police forces in the country under the control of local governments. We may start with 23 forces, the three metropolitan forces and one each for the 20 old districts. No present employee of the police force should be given any preference for his/her experience in the recruitment of the new forces. Raising 23 forces all at once will not be an easy task but it will certainly be better than forming new units out of the existing force, which has been converted into a partisan terrorist gang infested with criminals in it. Presently the metropolitan police forces provide some idea of the more ambitious scheme of local police forces. And community policing, which has proved sound in the experiments, should be practiced as far as possible. The appropriate measures will be:

- There will be no special force like RAB to misuse coercive powers of the state. In order to meet special problems the police may form special units but not with unwarranted powers of life and death –of crossfire and heart failure.
- Death in custody is a matter of national disgrace and it must be strictly forbidden. Every case, if it takes place inadvertently, must be judicially handled.
- A system of supervision of police work and disposal of complaints against police excesses should be instituted. The appeal board should be led by public representatives and among others the social leaders should be in it.
- Centrally a strong and efficient criminal police unit will, however, be responsible for (a) a central registry of records, (b) forensic examination and laboratory services, (c) criminal investigation to deal with inter-district cases or assist the districts and (d) training the police forces of the country. This establishment may have regional units for ease of work. In addition, a lean but efficient striking force to render help to local police forces when needed should also be centrally set up.
- Police training should particularly focus on human rights, public service ethos, evils of torture and coercion and community undertaking. Police refresher courses should be given special importance.
- Criminal prosecution should be separated from criminal investigation. Criminal investigation will be the responsibility of the police while prosecution should be the responsibility of the office of Public prosecutor in the district administration. A prosecution establishment must be set up in each district under the guidance and supervision of the national Attorney General. In criminal investigation police may seek help from other national and international institutions dealing with crime investigation. Crimes should also be differentiated in the complex world

of business and finance, pressure groups, mafia circles, psychological disequilibria, and real crimes. And specialized expertise should be built up to tackle all kinds of crime.

### *Reforms for an Effective Parliament*

I should give attention to the electoral process as a matter of priority because without the integrity of the elections, democracy is a farce altogether and legitimacy of government is difficult to establish. But a lot of proposals are already available on this subject and public discussions have been going on.<sup>53</sup> Let me propose another agenda for making the parliament effective. This is not too difficult a task. The goodwill of the major political parties and a rule-based practice can be introduced. The following will be the ingredients of such a reform package:

1. In the parliament more scope should be provided for articulation of different views. Parliamentary party meetings must be held with greater frequency. It should be obligatory on all the parties to hold at least two parliamentary party meetings in each session. The provisions of article 70 should be relaxed to facilitate free discussion of issues. MPs should be free to voice their feelings and vote as they want on most issues in parliament. Some issues may be declared at the outset as crucial on the basis of agreement between the treasury and the opposition benches and in such issues negative vote would mean loss of confidence in the government. Only a vote against the party whip, given on such crucial issue so declared, will trigger the use of Article 70.
2. All MPs should be treated equally and there should be no discrimination in the allocation of resources to them from the treasury for service to their constituents.
3. The practice of arresting parliamentarians for political reasons must be discontinued forthwith. They can certainly be arrested for committing crimes but it should be done after making due scrutiny and after consulting the leader of the party to which the parliamentarians belong. When the parliament is in session no MP should be arrested; if he is required to be arrested because of serious charges the arrest should be made at the conclusion of the session.
4. A new convention may be followed under which the Speaker and his Deputy are elected from



opposing camps and on their election to parliamentary leadership they resign from the parties they have been elected from. However, they cannot be removed from their offices during the term of the parliament except by a vote of three-fourth majority of the members of parliament. In the voting on removal of Speaker or his Deputy Article 70 of the constitution would be inoperative i.e. no party whipping will be permissible.

5. At least one national policy issue must be discussed in each session of parliament. The parliament may have four regular sessions a year and their dates may be standardized: there may be one winter session devoted to discussion of national issues, two budget sessions – one on annual statements and another on mid-year revisions, and one legislative session. The Parliament must work for at least thirty weeks including days devoted to Committee meetings. No legislation should be brought for parliamentary consideration without going through parliamentary committee scrutiny. Even if an ordinance is passed, it should go through the regular scrutiny of a parliamentary committee like a routine legislative proposal when it is put up for ratification by the parliament. As a matter of principle a piece of legislation opposed in its totality by all members of the opposition should not be passed at all.
6. To develop healthy traditions, members of the opposition should preferably head half of the Parliamentary Committees. The Committees should continue to have proportional representation and members should be nominated by the respective parties at their discretion and not by the Speaker or the ruling party. Each Committee may have a Vice Chairman and he/she will be from the opposite party; i.e. if the Chairman is from the treasury bench the Vice Chairman shall be from the opposition bench and vice-versa. The Committees should not only process legislation, but also review the activities of the executive as they do now. All bilateral agreements or international conventions to be entered into as well as all public reports to be issued by the government should be subjected to the scrutiny of the Committees. Any matter of importance in a specific sector - political, social, diplomatic or economic - should be considered in the Committees at the request of parliamentarians. The sessions of the Committees should usually be open and the Committees should be provided

staff support.

7. The Speaker should be bound by rules to accept a certain number of motions and various other notices from the opposition bench during a session by lot. For example, for every week of parliamentary session at least one adjournment motion or call attention notice should be discussed.
8. Whatever is the proportion of the opposition bench in parliament, in each session at least 50 percent of questions answered by the government should be those from opposition MPs. And the PM's question hour, in fact, should be reserved only for questions from the opposition bench. The treasury bench members should be allowed to ask only supplementary questions at PM's question time.

### *Control of Corruption*

Let me now take up the important subject of tackling corruption; this is high on the national agenda and our reputation in this respect is a matter of national disgrace. It must be understood that this is the most difficult problem to handle and a national social movement is needed to tackle it.

1. There must simultaneously be a moral education program through institutions of learning and development of a pattern of social behaviour poised against corruption. Corruption of all kinds, and not simply bribe taking and extortion, should be socially condemned and the corrupt people ostracized from civil society.
2. The law by which the Anti-Corruption Council has been established should be amended to list all the corrupt practices and the punishments prescribed for them. This should also clearly state as to which cases should be tried in which courts of law, including special tribunals.
3. Salutory measures should be taken to check limitless greed and punish illegal and inexplicable acquisition of wealth. Holders of elective offices and senior bureaucrats holding policymaking or onerous responsibilities and top brasses of law enforcing and tax collecting agencies who wield enormous powers over life and death of people, must have an accounting system for their acquisition or enhancement of wealth. By law, they may be required to submit their wealth statement on assumption of office

that may be inspected by interested parties on demand. They should also be required to submit periodic updates on such wealth statement while in office and certainly when they leave office. Severe punishment for unaccounted or unjustifiable acquisition or addition of wealth should be prescribed including its confiscation by the state.

4. The area of discretion of public officials should be as limited as possible. Customs duties should be well publicized so that the collectors cannot make extra collections and rules for various licensing systems should be clearly defined so that discretion of licensing authorities is eliminated altogether. The Income Tax department except for the policy making and investigative branches should be abolished altogether. Tax returns will be prepared by taxpayers and accepted without question except

for the samples chosen randomly that would be submitted for scrutiny by authorized bodies.

5. Every public office should draw up and publicize citizens' charter delineating what the office can do for citizens and what the duties of citizens are. Along with this there should be a law on the citizens' right to information. This is the simplest instrument that conscious citizens can use to check the transparency and legality of public actions or omissions.
6. The area of operation of the Government and public bodies should be as restricted as possible. In service delivery more should be passed on to the private sector and competition should be encouraged. Electricity supply, telephone connection, gas supply, construction work should all be taken out of the monopolistic control of public corporations or enterprises. Public T&T and Power organizations should cease to exist altogether; all their assets should be sold off in auction in smaller bundles. RAJUK, for example, should function as a planning and regulatory body and not as a development agency for satellite towns, residential colonies and roads and buildings. It should be divested of development and construction duties.
7. Recognizing that most of the semi-public and public corporations are dens of corruption for the public functionaries of higher levels it is suggested that most of them should be closed down. For reasons of efficiency and economy

Secretariat Divisions and Attached Offices e.g., Directorates, Agencies, Authorities, Boards and Corporations should all be merged and transformed into independent Agencies under the Ministers. Roughly a hundred agencies will thus substitute over 300 separate institutions under Government who are so very wasteful and also so very inefficient and so very corrupt.

8. By restructuring government and reducing government functions and operations the bureaucracy should be substantially reduced and they should be paid living wages. Public service compensation should contain three elements viz. salary, transport grant and housing support and it should be differentiated according to regions or areas.
9. One of the most important measures to hold corruption in check is to devolve public authority to grassroots levels. In the scheme of good governance the highest importance should be given to transferring government to the districts, where the span of operation for the government will be manageable, accountability will be enforceable, responsiveness will be unavoidable and transparency will be optimal. A bureaucracy of about twelve or fifteen thousand employees can be better supervised and held accountable much more easily. The police force accountable to a civilian board at the district level will have a hard time to avoid recording a complaint or persecuting a lad in custody.
10. Another measure and an extremely important one to check corruption is computerization of records and activities of various public offices. To name a few, computerization of police records, progress of cases in the courts of law, tenders and awards, land records and mutations, facts relating to educational institutions, facts relating to health and population services or information on motorized vehicles can largely reduce unfair practices.

I shall only give one case of computerization to explain how technology can help mitigate corruption. Let us look at computerization of police records. As the records are computerized they should be open for inspection by anybody except where secrecy is maintained with proper reasons approved by the central records office. There will be records of all criminal cases in the computers. For each case the progress in its investigation or trial must be recorded. All FIRs and GD entries must be on record. How the

police is handling an FIR must also be recorded in the computer and it should be transmitted to the central record office so that it is not tampered with later. Entries should, for example, report on site visit, lists of accused persons and their interrogation or arrest as the case may be. The reasons for undertaking investigation of the case or dropping it must be on record. Information on further listing of suspects and their interrogation or arrest should be recorded. When, how and why of presentation of the case and detainees to court and subsequent court proceedings should be on the computer. The stages of investigation leading to charge framing or final report should also be provided. Such information should be publicly available. The so-called black book entries<sup>54</sup> should also be there. But access to this particular information, of course, will be restricted; it will not be for public consumption but only for scrutiny as needed or ordered.

11. A high-powered body vested with all the powers to look into corruption cases, hold investigations and prosecute the accused persons without dictation or influence of the government is undoubtedly essential. It must be equipped with not only competent investigating and prosecuting staff but also motivated and patriotic public servants. A law has been promulgated to set up a Commission but it is highly flawed in many ways and the Commission appointed under the law has failed to inspire confidence or even prove its effectiveness. This law, therefore, must be trashed at the first opportunity and a new law must be passed. The law by which the Commission should be established should, as mentioned earlier, list all the corrupt practices and prescribed punishment for these offences as laid down under various laws of the land and also indicate as to which case should be tried in which court of law. No case of corruption should be outside the jurisdiction of the investigative and prosecuting authority of the Commission. It should be constituted with members by consensus of the treasury and opposition benches of parliament. A nominating board set up by parliament with equal number of representatives from both the treasury and opposition benches will nominate these consensus candidates. The most desirable course will be to set up the Commission as a constitutional body. It will have autonomy in respect of its budget and staff. Its members will have constitutional protection for their tenure and independence.

## Concluding Remarks

Poor governance or virtual absence of governance is what describes the present situation of Bangladesh. It has not happened all of a sudden, although it has escalated very rapidly in the last four years. Rise of extremist groups is threatening the state system altogether besides endangering citizens' life and property. Corruption has enveloped the country like a dark cloud without any silver lining. The extremist threat is a symptom of the failure of the state system in delivering some measure of equity and improved living. It is thriving on frustration of hopes inspired by the War of Liberation. The people of this nation are dissatisfied with the way the society is functioning. They are simply without hope as their dreams are frustrated time and again. They are shocked by the expanding sway of corruption. They cannot reconcile the prestige that black money has gained. They are baffled by the success of the use of muscle power and violence. They find that everything that is ethically reprehensible is succeeding with great flourish, be it denial of justice, travesty of truth, unabashed extortion, misuse of powers, or economic unfairness. The time, indeed, is out of alignment.

What is disconcerting is that overcoming the crisis of governance seems next to impossible. Political development in Bangladesh has not taken place at all; rather, the nation has regressed into more divisiveness, greater chaos and utter frustration. Most citizens seem to have developed cynicism about the future of the country as if they have been overtaken by pyrrhonism. Hence, the way out is a comprehensive package of measures on several inter-related fronts that will restore hope and confidence among the citizens.

Bold and imaginative political leadership is the crying need of the time. And this cannot be in place if bright young people shy away from politics because of its present low prestige and status. The political parties need to drastically reform their culture and practices. The major parties are very much dominated by the top leaders of the parties and democratic decision-making tradition is by and large lacking. Top leadership dominates parties in all countries and that is not unusual. What is lacking is a built-in mechanism for consultation and accountability. The parties must institute regular policy making and policy coordination cells or committees with plural representation (i.e. incorporating all factions) and top leaders must cultivate the habit of listening to them. Dissent within the party must be articulated more. It is said that 'the iron lady' of UK, Prime Minister

Margaret Thatcher, could not get her proposals through the cabinet time and again and she learnt the art of persuading her opponents and critics in the cabinet through informal engagement with them. It was her willingness to listen, relentless perseverance and strategic accommodation that would get her policies and strategies, perhaps modified to some extent, accepted by her government and party. Thus, as accommodation of the top leadership is desired, so is the direct ventilation of dissent and criticism from other levels. The parties must also emphasize attracting new generations to its fold. The practice of subordinate or associate organs such as for youth, students, labor or women has not proved to be a good mechanism for processing party following. Instead membership drive that now does not take place at all must be given priority. The lower level tiers must have regular elections to throw forward new leadership. Presently, district councils of parties do not meet at regular intervals and whenever they are held they do not elect the district leadership. Some limited posts are filled up and the rest of the Committee becomes a subject of bargaining and even unfair means. At lower levels the nursing of new leadership is even worse. Political education must be a matter of the highest importance. Financing of political parties is very secretive and unhealthy and it must be rectified. The practice of collecting contributions secretly for political parties is a source of corruption and it subjects the party and its leadership to undue pressure of black money. Financing of political parties must primarily be by the state and accounts of political parties must be open to the public. Donations from people and corporations are fine but they must be open and individual contribution must be bound by limitations.<sup>55</sup>

A partnership for reforms must be assiduously developed. Its basis should be faster spread of education and extension of the period of compulsory education and creation of a literacy friendly environment in rural areas. Simultaneously political education must be given premium. It must ensure, however, that Rajakar elements and Rajakar mentality are ostracized from the society. It must fully accept principles not allowing for concessions such as strict secularism in the conduct of the affairs of the state or true democracy at every forum of society at all levels. The details of the reform program should be sufficiently and unambiguously articulated. In articulating such a program all elements – political parties, civil society organizations, professional groups – must be involved with the exception of Rajakar elements and religious fanatics. The culprits such as corrupt leaders

in any walk of life, the architects of persecution and misuse of power, the patrons of extremists and terrorists and the beneficiaries of plunder of national wealth must not be allowed to escape but their punishment may be humane. A mechanism like the Truth Commission of South Africa may be invoked to allow the culprits to earn forgiveness while misappropriated national wealth may be confiscated and they may be debarred from public life or public service for good.

The state on its part must respond simultaneously on many fronts. Yes, the extremist camps must be demolished and the religious parties must be banned. But justice must be demonstrably done and the rule of law must prevail. Corruption must be curtailed and the corrupt at high levels must be given exemplary punishment. Modern technology must be fully exploited and computerization of government offices and operations should be rapidly secured. Decision making will surely be a political process but its implementation must be the responsibility of apolitical public servants accountable to people and also close to them. Education should inculcate national pride but must also focus on skills formation and STEM (science, technology, engineering and mathematics) and above all it should be accessible to the poor and the deprived. People should be empowered by taking the government to the local level of districts and making it easy for them to participate in development enterprise or in ensuring law and order.

A package of measures, both traditional and unorthodox, must be implemented (i) for a Secular Parliamentary Democracy (ii) for the Integrity of Electoral System (iii) for Restructuring the Government and Empowering the People – focusing on the Zila Parishad as the real effective government in 64 districts and 3 large metropolitan cities, a small national government for limited functions, and a drastic reorganization of public administration with separate bureaucracies in 67 districts and a national bureaucracy of some 100,000 government employees (iv) for an Effective Parliament and Cabinet System of Government (v) for the Establishment of the Rule of Law and the Suppression of Terrorism (vi) for the Control of Corruption (vii) for the Development of Human Resources and (viii) for Economic Growth, Poverty Alleviation and Social Progress.

Many changes and allegations that will need to withstand the test of time. We publish this in the interest of making a controversial perspective available for rejoinder and another view.

## ENDNOTES

1. The report of the Commission on Global Governance: Our Global Neighbourhood. Oxford University Press 1995. p. 2.
2. Pakistan's Prime Minister ZA Bhutto was financing dissidents in Bangladesh. (see Stanley Wolpert: Zulfi Bhutto of Pakistan. OUP Karachi, 1993. p. 248.) Libya sheltered and bank-rolled all the killers of Bangabndhu.
3. For example, the present district Amir of Jamat in Sylhet Dr. Shafiqur Rahman was a JSD activist.
4. In March 1973, the World Bank at the prodding of USA and UK pressed the new nation hard to pick up a share of Pakistan's debt burden. Bangladesh stated that it could not discuss Pakistan's debt burden who not only did not recognize the existence of Bangladesh but also considered it one of their provinces. Bangladesh also pointed out that when a donor was providing new funds for completion of an ongoing project they were assuming liability not only for the fresh loan but also for previously incurred expenditure of the assistance provided by the same donor but during Pakistani rule. Bangladesh felt that ample indication of reasonableness was being demonstrated by the nation and the pressure on Bangladesh at that time to relieve Pakistan of its debt burden was wrong and inappropriate. (The author was party to these discussions). This contention of Bangladesh was finally accepted by the World Bank and a solution to the problem was found in June 1974. But resource squeeze that began to be felt in early 1974 was not relieved till the end of the year.
5. The author was personally aware of developments relating to two cases. Libya would not sell directly to Bangladesh and sold oil to India for Bangladesh, in other words Bangladesh made India sign a contract for it. Saudi Arabia would not allow shipment to Bangladesh even if the supplier was a western company such as BOC.
6. IMF membership required a contribution in gold but Bangladesh had no stock of gold as Pakistan appropriated all the gold reserves of the country. Bangladesh could become a member of IMF in 1972 only with a gift of gold from Canada. Till September 1974, it was denied UN membership
- by Chinese veto exercised at the request of Pakistan.
7. The Zonal Councils had substituted political leadership for bureaucratic executive head of the field administration, done away with the generalist dominance of the administration and cut the secretariat-executive differentiation.
8. Bangladesh suggested that World Bank members of the eastern block such as Czechoslovakia and Middle eastern countries such as Iran, Kuwait, Iraq, UAE, S Arabia should be invited to the club. Kuwait Fund and OPEC Fund actually became members.
9. The author had a role in defining the policy as he was working in the Planning Commission from February to April in 1972 as Secretary designate.
10. In 1970, a similar situation was faced by Pakistan on account of shipment of some goods to North Vietnam. In that case on a representation from Pakistan a waiver was granted and rice shipment under PL 480 program was allowed. The author was in the Pakistan team that lobbied for the waiver in the Congress and State Department.
11. The government tried to minimize the extent of loss of life and this resulted in inflation of the figures by unofficial sources. Government accepted a death toll of about 30,000 only while others estimated it at 500,000. The estimate of 1 to 1.5 million made by M. Alamgir appears to be on the very high side based on small and limited samples. (M. Alamgir: Famines in South Asia. OG&H, Cambridge UK. 1980. Pp 118-145.)  
  
USA withheld food shipments till deliveries of jute goods to Cuba were completed and thus contributed to late import of food. (Jack Parkinson: "Food Aid" in Just Faaland edited Aid and Influence. St Martins, 1981. Pp. 96-100.)  
  
Railway, roads and waterways were still to recover from the devastation of the War and there was an acute shortage of watercrafts that was the main means of transporting food.
12. The food stock at the end of 1974-75 was 760,000 tons, almost the highest till 1979-80. see Abul Maal Abdul Muhith: Bangladesh Punarghoton O Jatiyo Oikyomoth (in Bengali). UPL Dhaka 1991. P. 59.

The aid commitment in 1974-75 was \$ 1267 million, the highest level till 1978-79. The pipeline of external aid was \$1136 million when AL government was forced out of office. see Ministry of Finance: Flow of External Resources. Dhaka, April 1984. P.28.

Exchange rate adjustment in April 1974, coupled with demonetization of Tk 100 notes and liberalization in pricing and trade rapidly reduced inflation rate. Cost of living index registered an increase of 34 percent in the year 1973-74, it went up by 50.9 percent in January 1975, and then declined rapidly by 11.9 percent in June 1975. It came down further by 20 percent in June 1976. see Bangladesh Bank: Annual Report 1974-75. P. 8 and 1975-76 Report. P 18.

By upgrading the subdivisions 61 districts were formed and a Governor with a Council was to take over administration there under the new law: Act 6 of 1975: The District Administration Law.

13. From 1996 to 2001, in 5 years the index improved by 56 points but in the subsequent 3 years the improvement has slowed down and it is only 14 points. See Zakaria Khondker: Human Development catastrophe since 2001 in The Daily Star November 1, 2005.
14. Because it has managed foreign debt well, it does not qualify for any debt relief and debt servicing takes away nearly 2 percent of GDP.
15. Newspapers on March 13, 2006 reported on marketing expenses of the Chief Whip charged to National Assembly secretariat; but there are other practices of similar nature in other offices.
16. Jamat e Islami was launched in 1941 by Abul Ala Maudoodi, an accountant who became a self-taught religious scholar and a powerful editor. This was suspected to have been foisted by the British as it staunchly supported British Raj and denounced freedom movement. It also violently opposed the concept of Pakistan. But clever Maudoodi, although he opposed the creation of the state, actually moved to Pakistan after partition and led the anti-Qadiani riots in Lahore in 1953. He was sentenced to death for the atrocities committed and inspired by him but he escaped punishment through political machinations. The Jamat collaborated with Pakistan occupation force in 1971 and formed the Rajakar militia and the killer squad Al Badr. They killed large number of Bengalis and looted

their properties during the Liberation War. Their leader Ghulam Azam along with some others fled the country and took shelter in Pakistan, UK and Saudi Arabia and carried out relentless propaganda against the new state of Bangladesh. Most of their other leaders were arrested as collaborators and war criminals and some of them were also convicted. The general amnesty granted by the Father of the nation in 1973 allowed them to be free and some of them joined JSD as it emerged as an opposition party. At that time religion-based parties being forbiddenthey could not form a Jamat. General Zia allowed them to set up their party in Bangladesh in 1977 and also permitted Ghulam Azam to return to the country. They have the most disciplined and armed cadre among all political parties whose name evokes militarism i.e. Shibir. .JI uses religion for political ends and follows fascist tactics. In their creed ends justify the means, however heinous or inconsistent they may be, and they extol Jihad for gaining their objective. And political power is their ultimate end and they believe that exploitation of religious fervour can get them their goal.

17. Rajakar was the force of about 40,000 Pakistani collaborators constituted in 1971 and most of the recruits were Jamat and Muslim League mastans. They acted as agents and spies and also as killers and thieves of the occupation force. So the term Rajakar in Bangladesh is applied to anti-people, anti-nationalistic, mercenary stooges and killers whose only mission is service to Pakistani fanatics. Ghulam Azam still is a Pakistani loyalist; he visited Pakistan recently after a long time and his first statement carried by the press was an expression of extra-ordinary pleasure on a visit to a country that 'felt like my own'. BNP chose to have the Rajakar party Jamat as its partner.
18. Daily Star: November 9-11, 2001. Prothom Alo November 9-12, 2001.
19. This retired Chief Justice issued an order immediately after being sworn in shuffling 13 Secretary level officers of the government suspecting that they were on good terms with the predecessor Prime Minister and his government followed it up with transfer of fourteen hundred officers mainly at the field level covering DCs, UNOs and Election Officers of administrative cadres; and DIGs, SPs and OCs/Thanas of Police cadre.

20. PM's statement in parliament was carried in all national dailies of September 9, 2005.
21. The Daily Star of April and May 2004, detail government complicity in the rise of Bangla Bhai and his disappearance as well. On May 4, 2004, the DIG of Rajshahi police stated that Bangla Bhai is helping the police administration in ensuring law and order. State Minister Alamgir Kabir, MP of Naogaon, State Minister Fazlur Rahman Patal, MP of Natore, Deputy Minister Ruhul Quddus Dulu, MP of Natore, are alleged to be the patrons of Bangla Bhai and A. Rahman. The Daily Star of January 25, 2005, gives elaborate information on the flight of Bangla Bhai from Bangladesh.
22. From October 2, 2005, for over a fortnight all the newspapers were full of stories about Hannan and many of his criminal associates.
23. Prothom Alo November 29, December 2, 2005.
24. Newspapers from December 15-19, have been reporting the Sani story. His repentance and advice to others is carried in the dailies of December 29. Going soft on Sani is reported in Janakantha of December 29.
25. All the newspapers carried the story of Lutfur Rahman. See the Daily Star of December 28, on his spirited dialogue with the police.
26. The newspapers reported on December 30, 2005, that Sani was being taken on remand for 117 days.
27. The author happened to be in Sylhet from February 26 until March 3, 2006.
28. NTV is a private channel owned by Mosadeq H. Falu MP and a close associate of Khaleda Zia.
29. Janakantha March 8, 2006.
30. Sangbad February 8, 2006.
31. On January 25, 1982, a double murder was committed in Sutrapur of Dhaka and on July 20, three top terrorists were sentenced to death. Only one criminal was hanged while two others fled the country. Mohiuddin Jintu, a founder of Dhaka Jubo Dal, fled to Sweden and became President of the Sweden branch of BNP. Playing a fugitive from law for 22 years, he returned to the country on January 3, 2005, and surrendered after obviously receiving Khaleda's blessings. On January 13, he was pardoned by the President. Prothom Alo February 1, 2005.
32. One of the killers of Bangabndhu Col. Aziz Pasha was sentenced to death and died as fugitive from law before the Alliance came to power. The killer refused to abide by an order of his recall to headquarters. He was later made an accused person in the assassination case and he played a fugitive from law. He was duly dismissed from service and tried in absentia and convicted. Never did he prefer an appeal against his dismissal that he could do under the rules. But Khaleda arranged for a retrospective appeal by his wife and his posthumous reinstatement to enable his family to claim the benefit of pension and other facilities. Daily Star May 7, 2003.
33. The speech of Prof. Yunus of Grameen fame was carried by all daily newspapers of Dhaka on May 30, 2005.
34. See Sangbad October 20 and 23, 2005, Prothom Alo October 23, 2005, and The Daily Star October 27, 2005.
35. See The Daily Star October 8, 2005.
36. See The Daily Star October 18, 2005.
37. See Bhorer Kagoj August 25-26, 2002, and The Daily Star August 3, 2004.
38. Jamat is very clever in its dishonest deals. They favour their cadre members in recruiting government employees. When Nizami was the Agriculture Minister there were reports about Jamatization of the Extension service. They get their people in businesses such as healthcare facilities, shopping plazas, real estate and housing development, financial services and the like and channel income from such businesses for party activities including financing the terrorists. Mujahidi as Social Welfare Minister has grown their kind of NGOs like mushrooms and they are in the business of influencing large

sections of population for their cause of capture of state powers. Personal monetary honesty, however, presents them to the public in favorable light.

39. At the last minute the State Minister, widely reputed to be corrupt, was relieved of his charge and some arrangements were made to meet the crisis. It resulted in untold miseries for a number of pilgrims, death of a waiting pilgrim, additional financial burden for the pilgrims.
40. Prothom Alo August 1, 2005.
41. Both Prothom Alo and Daily Star September 21, 2005, and Bhorer Kagoj September 22, 2005, give a very detailed account of the process and the devious means through which the party stalwarts have been inducted. They also identify the important members of the party cadres.
42. Bhorer Kagoj: June 22, 2005.
43. BNP-JI coalition represents to me the archaic conservative vested interests of the Convention Muslim League and Jamat of Pakistan time.
44. Government of Bangladesh: National Strategy for Accelerated Poverty Reduction. Dhaka. October 2005.
45. By switching to new base year for prices the rate of 6.2 percent was lowered to 5.3 percent for 2000/01.
46. Look at some gleanings from newspapers in recent times. Prime Minister Khaleda Zia suggested in her address after the arrest of Sk Abdur Rahman on March 3, 2006, that militants are set up by AL. Local Government Minister A Mannan Bhuiya said on March 5, 2006, that power crisis is because of AL failure during their rule. Industry Minister M R Nizami stated that there is no fertilizer crisis in the country. M Rahman, Energy Advisor with the rank of State

Minister, suggested that he visited a large part of the country and found no evidence of any diesel crisis.

47. ERD: Flow of External Resources 2004 published April 2005. p48.
48. Adamjee has been closed three years ago. Its valuable equipment pieces are rotting and use of the vast estate is yet to be finalized. Meanwhile powerful people are making money while the state is deprived.
49. Ministry of Finance: Bangladesh Orthonoitik Shomikka 2005.p 236.
50. For a fuller exposition see "Security Issues" by A M A Muhith in 'Bangladesh Towards 21<sup>st</sup> Century' edited by Mohiuddin Ahmad. CDL Dhaka 1999. Pp. 209-237.
51. LGRD Ministry alone will disburse about Tk 36 billion and Revenue budget provides for Tk 18 billion of slush funds. source: Budget documents 2005/06
52. See The Economist. March 3, 2005.
53. A set of proposals were issued on July 15, 2005, in a press conference by the Leader of the Opposition and President of Awami League, Sheikh Hasina MP, on behalf of the Fourteen Party Forum. The same proposals were presented in parliament on February 12, 2006.
54. Each police station maintains a black book on crimes and criminals in the area. It is handed down from one O/C to the other and entries are updated continuously. It is a very restricted document for limited eyes only.
55. For more details see A M A Muhith: Bangladesh in the Twenty-first Century. UPL, Dhaka 1999. Pp. 403-407.

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## Commentary

*Ahrar Ahmad*

Mr. Abul Maal A. Muhith is one of the most distinguished citizens of Bangladesh. He comes from an illustrious family, belonged to the elite administrative corps of the country, and has been a freedom fighter, ambassador, civil society stalwart, international bureaucrat, parliamentarian and Minister. He has served his country, in various capacities, with dedication and distinction. He is also a highly enlightened individual, culturally refined, intellectually sophisticated, and socially committed. He has written extensively on Bangladesh, and his writings carry the imprint of his deep knowledge, broad experience and cosmopolitan sensibilities. Consequently, I approached his recent article with eager anticipation.

There is no doubt that this is an important essay – provocative, informed, and sharply expressed. It clearly establishes him as an “engaged intellectual”, unafraid to state his case with energy and forthrightness. His critique of the corruptions, inefficiencies and fecklessness of the current regime is intense and blistering. It is abundantly clear that today in Bangladesh the politics of convenience has trumped the politics of conviction, the rhetoric of power is expressed in increasingly polarized and exclusivist terms, and the pursuit of short-term political advantage has subverted the commitment to long-range national visions. It is natural to expect that a person of Mr. Muhith’s caliber and sensitivities will be outraged. But, he not only expresses his frustration, he also proposes solutions that are thoughtful and substantive. There is much to learn from his presentation, and much to ponder. However, there is also much to be disappointed about.

First, while I am fully aware that this was not an “academic” exercise, there is no doubt that the author is more than capable of delivering a paper that can meet the most rigorous scholarly standards. In this regard, a theoretical structure or an analytical framework would have added depth and focus to this essay. It should also be pointed out that, consistent with a popular idea that academics are really quite useless and unrealistic, he is perhaps too impressed with the development discourse generated by donor agencies, but ignores the work of academics that have dealt with issues of good governance for some time. The pioneering work in the 1960s led by academics such as Gabriel Almond, Lucien Pye, Myron Weiner, James Coleman, Sidney Verba and a host of others,

had routinely emphasized the importance of nation building, state building, participation and distribution, as necessary (though not sufficient) conditions for political and economic development. In the 1970s “dependency and world system theorists” such as Andre Gunder Frank, Immanuel Wallerstein, Samir Amin and others had excoriated the inability, or the unwillingness, of leadership in developing countries (usually considered as appendages of Western capitalist interests) to provide governments that could be honest, participatory or populist. Even “local” authorities such as Mahbubul Huq in Pakistan, Pranab Bardhan in India, Rehman Sobhan in Bangladesh (the 1997 assessment of Bangladesh issued by the Centre for Policy Dialogue under his direction was entitled “Crisis in Governance”), or if one extends the net a bit further, Amartya Sen, Akhter Hamid Khan, Muhammad Yunus, Rajni Kothari and others have repeatedly referred to the indispensability of political transparency, administrative rationality, and moral direction in order to foster an integrated development dynamic for a country. While it is true that, in the 1990s, donor agencies and international bodies began to talk about good governance as a sine qua non of development in Third World countries, the ideas were not “discovered” by them. I am not faulting the author for not mentioning any of this, but merely pointing out that academics have long been relevant contributors to this dialog.

Second, as a political historian the author is keen and bracing, but perhaps a bit incomplete. The first part of his paper is a brisk description of political development in Bangladesh in the first 35 years of its existence. It resonates with authenticity because the author was directly involved in the upper echelons of the administration and had first hand experience of many events that he describes. His revelations of some of the machinations and negotiations that transpired, particularly during the initial period, are illuminating and eye opening. The essay is also honest and astute in outlining the difficulties faced by the nascent government of Bangladesh (revitalizing a war-devastated country; rehabilitating millions of refugees and displaced persons; reorganizing an external network of diplomacy and support; restructuring a tentative administrative framework fragmented by misunderstandings between personnel who were “freedom fighters”, those who were considered “collaborators”, and still others who were “repatriates” from Pakistan; reestablishing a legal system in the context of poor resources and a turbulent environment, and so on). Moreover, the government faced the classic “crises of rising expectations” with people demanding much and the

government able to deliver little. The author also alludes to the difficulties that Bangabandhu Sheikh Mujibur Rahman experienced in terms of his inability to rein in rampant corruption, stabilize the law and order situation in the country, or control the recklessness of people, some close to him, who engaged in, what the author calls, the “grab game” of misbegotten status and wealth.

But, what is curious is that the author makes no effort to draw any relationship between the current pathologies Bangladesh experiences to the conditions that prevailed, and found institutional root, during that period. It is almost as if he knows where some of the problems lie, and then refuses to acknowledge his own insights. It is entirely possible to agree with him in that things have gotten worse, indeed, much worse. But, this decline was gradual and incremental not sporadic or spasmodic. Nor did it suddenly erupt in a vacuum through the activities of one or two malignant individuals. Rather, it followed a pattern that successive governments (including the Awami League administration in the late 1990s) helped to facilitate. To assert that all the problems in the country began with Ziaur Rahman, was exacerbated by Ershad Hussain, and is now reaching crisis proportions under the second Khaleda Zia regime, is either being a naïve partisan, or an observer with selective recall.

Nor does he mention some advantages that Bangladesh had at its formation. After all, it had a homogenous population, a charismatic leader, a well organized party, an administrative framework that enjoyed both psychological and historical legitimacy, a nation united and eager to move in progressive directions, a large and friendly neighbor with its own national interests but with no hostile intentions, an international community mildly impressed by the pluck and tenacity of the Bangladeshis in liberating their country and willing to help in order to get it on its feet. The point I am driving towards is simply this – the tragedy of Bangladesh is one of missed opportunities reflected, most clearly, in our ability to snatch defeat from the jaws of victory. And, at no point did we miss more than we did during the initial period. Part of this can obviously be explained with reference to the profound distractions and daunting challenges that we were facing at the time. But not acknowledging some of our strengths and advantages during that period allow the author to ignore the creative potentials of the moment, and gloss over mistakes and tragedies that occurred (e.g., essentially blaming external factors for the devastations of the famine of 1974, disregarding the anti-democratic tendencies of BKSAL, barely noting the alienation of

natural constituencies, etc). I can testify to the fact that as a freedom fighter myself, I felt that our idealism, youthfulness and eagerness to sacrifice was unappreciated and unutilized at the time, and it led to the despair, defiance and desperation that infected so many. Instead of becoming the bulwark of a new nation, we became its debris.

Third, there are also several lapses that jeopardize the merits of the paper. There is occasional rhetorical excess, and an inconsistent reliance on evidence and documentation, that plagues its credibility. Consequently, there are sweeping generalizations that are made that may be perfectly sensible and gain wide currency as part of drawing room discussions, but appear incongruent in a scholarly paper. Thus, Zia “had no scruples bribing even bureaucrats and institutionalized the purchase and sale of politicians; Ershad excelled in this line of business and amassed wealth for himself”; “a lot of Jamaat leaders of today were JSD stalwarts of 1973-75” (only one name was provided); every election between 1978 and 1990 was “rigged ... civil administration was tutored to doctor the voting ... fraudulent ... set up to return the incumbent at any cost ... a media coup fraud ...” (all of which may well be true but is presented without any basis or reference). The current administration is described as a “a nursemaid and patron of terrorists, criminals and extremist elements ...” (engaged) “in an insane competition for plundering national wealth and misuse of resources ... bent upon perpetuating their misrule by hook or by crook ... truly a government of the Alliance, for the Alliance, and by the Alliance ...” (and because of BNP’s alliance with Jamaat, is now) “really a rajakar regime ...” (which carried out) “purges in semi-Stalinist fashion ...” (demonstrating) “not mere post-election jingoism but a well orchestrated destruction of the edifice of the state”. The usual assumptions we tend to make about the ubiquitous and all knowing “everybody” (as in “everybody knows”) must have greater specificity to gain academic cache, and the language could probably be a bit more temperate and precise so that its shrillness did not interfere with the seriousness of the message.

The paper is strong in providing a factual basis to indicate the rise of religious extremism and militancy in the country. Names and dates are provided and logical connections suggested. The gradual abandonment of the secular character of Bangladesh by successive regimes is a painful reminder of the salience of these religious groups with ideological agendas and political ambitions. Clearly, the final denouement in this process of the national rehabilitation of these elements was reflected in BNP

striking a Faustian bargain with Jamaat and entering into an electoral coalition with that party in order to win the last election. Mr. Muhith's anger and exasperation with this development is obvious, understandable, and shared by many. His contention that it was the formation of this alliance that emboldened, perhaps protected, the fanatical elements in the society to carry out its program of intolerance and intimidation may be controversial but plausibly drawn. This is clearly a national concern with international implications.

But here again he could probably make a better case. For example, the persecution of religious minorities in the country (which is a scourge on our national conscience) can be better documented. He refers to the assassination of Gopal Krishna Muhuri, a respected and innocent college principal. But as powerful as that fact is, a more conclusive approach to demonstrating the problem would simply be to refer to the number of Hindus killed, temples vandalized, villages burned, women raped, and people forced to flee. These tragedies have occurred, and the statistics can be easily gleaned from newspaper sources, relevant NGOs, or even international agencies. His one reference to reports in Daily Star and Prothom Alo is ambiguous at best. Difficulties faced by the Ahmadiya and tribal communities have been neglected altogether.

The author demonstrates a similar propensity to rely upon anecdotal evidence instead of hard data to advance his central argument that the economic, social and moral situation in the country has deteriorated markedly under the current Khaleda Zia regime. For example, instead of providing details about the persecution, and even death, of some individuals and referring to the incidence of police brutality (which are, of course, terrible), it would have been far better to marshal statistics of crime and violence that are easily available. Ain O Salish Kendra as well as other NGOs, and perhaps global human rights organizations (e.g., Amnesty International etc.) maintain tallies of the number of journalists, intellectuals, professors and leaders of political parties who were threatened, beaten or killed; the number of people who died in police custody; lands illegally appropriated, money extorted, children kidnapped, women physically brutalized or victimized by acid throwers, pedestrians mugged, houses or businesses robbed, extra-judicial killings perpetrated, unfair and vicious sentences meted out (particularly against women) by village majlish or shura councils, and so on. Disregarding this wealth of information and depending upon descriptive narratives to make this point probably dilutes its

effectiveness.

It can also be mentioned that the idea of corruption is not as nebulous as it seemed at one time. There are individuals and organizations that have studied it with some degree of rigor and objectivity. Using some aggregate estimates of the costs of corruption from a speech made by Dr. Yunus, referring to the Transparency International ratings (which are intriguingly labeled as "index games"), and outlining several cases of administrative perfidy and malfeasance (as evocative as the examples may be), provide insufficient ammunition for his broadside. Of course all these conditions exist in the country, and no one can doubt the veracity of his descriptions of many such incidents. But there are no trend lines that are established. To what extent the situation has actually become worse over time needs to be demonstrated by the author, and not merely asserted.

The argument of economic decline is on better footing, but not too firmly. He provides a plethora of statistics, and some helpful comparisons, that are very useful and relevant. But the presentation is not very systematic. Comparative data on economic indicators (unemployment, inflation, foreign exchange reserves, trade, capacity utilization, external debt, energy production, infrastructural development, environmental conservation, food availability, poverty reduction, remittances from abroad, value of the currency, international investments, budgetary allocations, and so on) could be methodically explored, and sources of data credibly referenced, to examine how this government is faring in relation to previous regimes (particularly the AL government that preceded it). What could have been a devastating critique of the current administration gives the appearance, instead, of being a hurriedly organized brief.

The author is on very familiar territory (offering his "pet ideas") in the second part of the paper where he raises 22 questions about the current situation, and outlines some of his proposals to combat the problems of inefficiency, terrorism, corruption, and parliamentary ineffectiveness. One may quibble about priorities, or why this was included and not that. But, overall, his approach is logical, his intentions noble, and his recommendations eminently judicious.

There is perhaps no doubt that decentralization of administration would be a more sensible approach to bringing government closer to the people, providing better services, and becoming more locally accountable. But, in his zeal to suppress terrorism

and establish the rule of law, his ideas can sometimes tend to be a bit fanciful. For example, how realistic is it to expect that godfathers will simply become law-abiding citizens, or politicians will give up the mastans under their patronage?

Sometimes his suggestions may be a bit controversial. For instance he indicates that “secularism should be re-enshrined into the constitution as a fundamental state policy”, and that militant extremist groups must be “banned, broken up, suppressed with an iron hand”, and so on. It should be pointed out that the first is not necessary to achieve the second. The culprit, obviously, is not Islam. The vast majority of the people are humane, honest and honorable Muslims. Therefore, instead of alienating them, and providing the extremist elements with a potent cause for mobilizing support, it may be better to present the religion of Islam in a way that will shame, corner and de-legitimize the criminal elements who distort its meaning and manipulate it for political benefit. It is probably better for the country to challenge and defeat the Jamat-Shibir forces at the intellectual level, and not give the impression that they will be confronted and destroyed at a physical level. This is a more complex challenge, but one that, I think, has richer potentials. Vigilance about their funding, training, and mischief mongering must be maintained firmly and their hateful activities must be combated vigorously. But, we should try not to throw the baby out with the bath water.

His reforms for a more effective parliament are reasonable. Having the speaker from one party and a deputy speaker from the other, reinvigorating committee functions (and making them based on proportional representation), extending the working days of the parliamentary sessions, making sure that MPs are not arrested when parliament is in progress, etc are all interesting ideas. But, they deal with the mechanics of the functioning of the parliament. One cannot help noting that perhaps a proposal that would require all elected members to actually participate in parliamentary deliberations (and not cripple it through boycotts or frequent walk-outs), or a suggestion that parliamentarians must treat each other with civility in their language and conduct so that the decorum of the august body is maintained, will be more important to strengthening the democratic tradition than the procedural changes he suggests.

His ideas to root out corruption are commendable. Moral direction, strict enforcement of laws, transparency in government, computerization of criminal records, punishing inexcusable acquisition

of wealth, and so on, are wonderful ideals to pursue. However, do we have the political culture, the leadership, or the institutional resources through which any of this can be done? More importantly, how is the “will” to undertake any of this going to emerge?

The “problem” of Bangladesh is not one about which party governs, but what political class most of our leaders come from, and the behavioral/attitudinal patterns they represent. We live in an environment of conspicuous consumption by the elite, a culture of arrogance, cynicism, and bullying where the ability to circumvent the laws is claimed as a hallmark of status and power, an atmosphere that has led to the criminalization of politics and the politicization of crime. Our leaders impugn the patriotism of anybody who disagrees with them, use the word “conspiracy” as a weapon in their demagogic repertoire, and hound the opposition (whoever it may be) with sneering impatience and petty vengefulness.

There is often a contradiction between the rhetorical flourishes they employ and the personal example they set. For instance, they will speak about the need to preserve the Bangla language and culture with seeming passion, but will send their children to English medium schools; they will cry themselves hoarse warning us about environmental crisis, but build high-rise buildings without any concern about their impact on urban blight; they will be eloquent about the need for moral clarity, but will have no problems winking their way through the ethical thicket of institutionalized graft and bribery; they will decry the politics of agitation, confrontation and brinkmanship, but engage in it themselves at the first opportunity; they will glorify the democratic process, but then undermine the parliament; they will loudly proclaim that religion is a private matter and there must be a wall of separation between mosque and state, but will make sure that their visits to Saudi Arabia and their participation in religious functions are widely publicized; they will forever express their solidarity with the people, but not care about the suffering their public policies or political strategies impose on them; they will be eloquent in defense of freedom of the press, but attack journalists and file cases against them if their investigations cut close to home; they will encourage political constancy and ideological commitment in others, but themselves function in a system of shabby bickering and horse trading, fluid alliances and fungible loyalties, and be chameleon-like in their ability to change color and direction depending on immediate advantage and opportunity. The political elite dismisses concerns

about intellectual honesty or charges of hypocrisy as the work of, what else, “conspirators”. They seek power, and are not bothered that they do not have moral authority. There are, of course, striking and outstanding individual exceptions (and the author represents one such). However, generally, they have collectively helped to institute a system of “crony capitalism” through the formation of a “klepto-patrimonial”, rent-seeking, predatory state, which has not “failed” but has probably been “struggling” for some time. In the hands of the same leadership class, it is destined to continue in the same direction. If we leave the foxes to guard the hen house, does it matter what party comes to power, what administrative changes are instituted, and what procedures are put in place?

Unless Mr. Muhith can suggest ways to change the political culture within which we function, and affect the attitudes, values and indulgences of our political elite, I am afraid his ideas, however laudable and bold, will not achieve much. Similarly, any changes that do not address the issue of poverty, inequality and injustice in the country will remain inadequate. And finally, unless there are ways to make our elections free, fair and regular, and are popularly perceived and accepted as such, our democracy will remain shrouded in ambiguity and confusion. (He has indicated that electoral issues are being discussed

in other venues and therefore he has not dealt with it. But, I feel it is so vital that he must).

I would like to reiterate that I am deeply respectful of Mr. Muhith, consider him to be one of the proudest sons of Bangladesh, and think that his current effort is a serious, well-intentioned and meaningful exercise, full of shrewd observations, astute judgments, and sound recommendations. It is a most impressive contribution to a dialog on Bangladesh, and I hope that it generates lively debate and discussion among relevant stakeholders. I am looking forward to the fuller manifesto he has promised us herein. But, in the meantime, I am grateful for the opportunity to read the article, and respond to it. If I have caused offense, I am sincerely sorry, and crave his, and the reader’s, indulgence. I am, after all, only an “academic”.

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## Commentary

### *Lawrence Ziring*

Abul Maal A. Muhith's article is an important and timely examination of contemporary Bangladesh. The study offers historical perspective but is more centered on the years immediately leading up to and following the dawn of the new millennium. In many ways Bangladesh was and was not meant to be a sovereign independent state. Had circumstances been different the country might have remained an important component of the Pakistan federation created in 1947. It also might have emerged on the world scene as a new independent political actor in that same year-- had more indigenous developments been allowed to fully express themselves. Indeed, the tragedy of the 1971 civil war might have been avoided had the latter been the case. But history and historical forces ruled otherwise and Bangladesh entered the world stage as a province in a hastily established and largely inchoate Pakistan union.

The civil war therefore, not the retreat of the British from India, was the *real* beginning of Bangladesh. Unlike Pakistan that was surgically cut from the British Indian Empire amid pomp and ceremony, Bangladesh was created as a consequence of failed community in a failed state and the horrific events that were visited upon the people of eastern Bengal are burned into the memory of the nation. Bangladesh represents a different beginning from that of any of the other nations of South Asia and it is because of that origin that the country has had so much difficulty in identifying its true ethos.

Muhith's paper reveals how tortured the task has been to assemble meaningful and functional government in Bangladesh. The Bengalis have sacrificed so much in forming their independent experience and indeed they have earned the right to be free and expressive of their heritage. Muhith is one voice of many in Bangladesh crying out for greater success in the matter of governance, and like others, perhaps not so articulate, he calls upon the leaders in the current political realm to take the full measure of their work and to do right by the people in their charge. Muhith is properly distressed by the infighting among the political principles who have dominated the nation's political life. He laments their inability to grasp the meaning of rational choice or to work toward genuine equilibrium.

Muhith cites the flowering of extreme elements and their willingness, more so, desire, to sow even more chaos in Bangladeshi society. Aided and abetted to a

large extent by those who have aggrandized themselves at the expense of the national interest, Muhith calls for reform of the political scene before these forces capture the main stream of Bangladesh political life and turn the country away from its objective of a single, unified, resolute, and democratic nation.

There are sufficient philosophical issues as well as substantive content to transform this lengthy article in to a monograph and one can only urge Muhith to consider such an undertaking. But this piece is offered as a journal article and hence it cries out for more detail. It is so vital to the ongoing story that the reader be informed about the origins of Bangladesh and how what has been called "the legacy in blood" shapes and directs the course of Bangladeshi politics and development. The author however does his best to center the reader's attention on the last four years after the BNP resumed power and how and why it forged "alliance" with the heretofore discredited Jamaat-i-Islami. Bangladesh has been caught up in a frightening display of violent fundamentalism that seems so out of character with the culture of the people inhabiting the northeaster quadrant of the subcontinent. History has known a more tolerant and perhaps even secular Bengal, a Bengal capable of bridging the divide between people of diverse expression. It is that Bengal that Muhith addresses in this paper and for which he offers a set of guideposts that lead away from the forces of destruction and toward a new age of enlightenment and fulfillment.

Muhith's detailed examination of the economic scene is important because Bangladesh's economy has never achieved high marks for responding to popular need. The country has been marked by poverty from the day Sir Cyril Radcliffe formally divided East from West Bengal and left the people of East Pakistan with minimal means to realize their goal of a viable society. Making good with little in a region of dense and ever growing population presents problems of a magnitude that would challenge the most knowledgeable and selfless leaders. In conditions where leadership is less than admirable the problems of poverty and environmental indifference are made even more challenging. Muhith is to be cited for at least making an effort at grappling with the consequences of so many people and so few resources.

Muhith's sustained optimism that good governance leads to better material results is found in his emphasis on change and reform. And while the remedies he proposes are something of a wish list and perhaps devoid of realism they nevertheless do point

to a better future for a people who have so much to condition. Muhith is to be complimented for his sincerity as well as his profound wisdom. Vision is sometimes more important than the hardnosed realities that are so much a part of the current literature. Bangladesh, according to Muhith, needs to turn its energies and attention to the positive tasks of sustainability. While the legacy of Bangladesh cannot be wished away and the current political environment at home and in the region are huge obstacles to *real* growth, the author believes it is absolutely necessary that Bangladeshis seize the moment and begin the tedious and difficult process that leads to true political development, indeed the construction of acceptable and popular political institutions. It is time for Bangladesh leadership to emerge that is singularly influenced by the need to construct and manage compassionate civil order.

The changes Muhith envisages call for the existence of a veritable army of change-agents who are selfless, wise, and committed to the building of a national experience at every level of social, political, and economic activity. His vision calls for enhanced educational opportunities and a higher standard of living for a Bengali nation of almost 200 million people. Muhith believes and others would share his dream that a dedicated and educated work force will have the means as well as the determination to change Bangladesh society at all levels and in all

contribute to the development of the human practices, beginning with the army and police, the judiciary and the parliament, the political parties and the vested interests. If Muhith's call for monumental and revolutionary change is possible, after thirty-five years of independence Bangladesh might well be on that proverbial road to *real* achievement.

Muhith recognizes that that reality, however, demands the reconciliation of the desirable with the possible. But thoughtful and sensitive people like Muhith know what the problems are. The question is how to manage those initial steps. Muhith no doubt is concerned with the need for incremental approaches; he knows only too well that there is no magic wand in the building of good governance. Nation-building is an arduous task but the alternatives are even more so.

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## Commentary

*Craig Baxter*

This lengthy paper by Mr. Muhith is in two parts. The first part is a strenuous criticism of the present regime led by Khaleda Zia and the coalition in which major partner is the Bangladesh National Party. The BNP is allied with two Islamic parties (and a faction of Ershad's party). The opposition, that Mr. Muhith supports, is the Awami League. The timing of this paper is apparently timed on the approach of the 2007 parliamentary election.

I have known Mr. Muhith since the early 1970s when he was economic minister in the Pakistan Embassy in Washington and I was posted in the Department of State and working on Pakistan and Afghanistan. He, along with the deputy chief of mission Enayet Karim and political counselor S.A.M.S. Kibria, were relieved of their duties as the war that would lead to Bangladeshi independence became imminent. We have remained in touch over the years.

Mr. Muhith had cabinet level experience as the first finance minister in the Ershad cabinet. He has since been active in academic and political pursuits. Thus he is excellently qualified to undertake this study and put forward the proposals contained in the paper.

He cites the report of a body of the OECD on good governance, noting what are obvious criteria for judging whether a state is being governed well or not. Among these is rooting out corruption and improving this goal is related to working the government with total transparency. Bangladesh regularly rests at the bottom of the annual rating by Transparency International; this unwelcome rating precedes the formation of the present government. Similarly, other international rankings of governance and development often also place Bangladesh at the bottom or near it in the ranking.

As the political system of Bangladesh was established under the principles of secularism and democracy, the comments on the coalition led by the BNP that gained office (for the second time) in the 2001 election with the two Islamic parties in association, notably the Jama'at-i-Islam, are pertinent. Although Mr. Muhith proposes that such Islamic parties be banned from participating in elections, this proposal seems to violate the principle of open elections in which all may participate whatever their political positions are. The remedy may be the strengthening of the secular parties, although this may be impractical to do in the entire

country as the Islamic parties often have specific geographical areas of influence.

He states that "cold war politics encouraged strong man rule or military dictatorship..." However, in the neighborhood of Bangladesh some states, notably India, Malaysia, the Philippines and Sri Lanka have maintained democratic systems, although Sri Lanka is plagued with ethnic divisions that have provoked military action. A question that the author could raise is that to the west of India many states are dominated by Islamic populations, often dominated by fundamentalist parties, and these states are not democratic including Pakistan. Recall that Pakistan inherited the same concepts of government from the British as India and might have retained these ideas had Jinnah and Liaquat lived for longer periods. Nascent democracy faded with their deaths. It seems, although this statement will be challenged, that Bangladesh inherited many of the non-democratic ideas that the post-Jinnah, post-Liaquat system of Pakistan to which Pakistan degraded. To support this appraisal, see the anti-democratic, military revolutionary regimes of Ziaur Rahman and Ershad and Mr. Muhith's citing of the "rigged" election of 2001 as well as the doubtful elections of Ayub Bhutto, Ziaul Haq and the group that supports Pervez Musharraf in Pakistan.

It may appear that it is difficult to run a "clean" election until the concepts of democracy and secularism develop further. Here a well run education system beginning at the primary level might help develop the principles of democracy, secularism, and, if I may so, patriotism, that is the idea of belonging together as a nation. When I was in school we saluted the flag and recited the pledge of allegiance daily. Whatever religion we followed or whatever political party our parents supported, we were collectively Americans and asserted this each school day. I wonder if this pattern in school daily might be replicated in Bangladesh. Muslims, Hindus, Christians, Buddhists and others would have one common identity as Bangladeshis despite differences in religion. Fortunately, unlike most of its neighbors, Bangladesh is effectively unilingual.

Mr. Muhith has put forth 22 questions (pp. 23-24) whose answers could serve as a model for the developing a Bangladesh that is democratic, secular and without corruption. How these questions can be answered in the future, one hopes in the near future, can change a state that is at the bottom of the ranking table of Transparency International and is corrupt and non-secular. The question is how well, or even if, the answers can be carried out. For more than three



decades little progress has seen toward the goals put forward by Mr. Muhith. Will the future bring progress?

An extraneous comment: should there be 67 local government leaders each at the “minister level”? The country could hardly need more ministers! It would appear that officers from the

Bangladesh Civil Service should be appointed.

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# THE ROLE OF PRIVATE (NON-GOVERNMENT) UNIVERSITIES IN HIGHER EDUCATION

M. Alimullah Miyan

## ABSTRACT

Bangladesh faces many difficulties in meeting the quality needs of higher education due to its reliance on conventional approaches. Furthermore, failed governance has led to chaos and anarchy in the public universities that has been exacerbated by partisan allegiance of faculty and political unrest among the students. This predicament motivated leading academicians to lobby for the enactment of the Non-Government University Act of 1992 to expand the base of higher education in Bangladesh. The goal of the Act has been realized through the establishment of 54 non-government universities, accounting for 6% of student enrollments in private higher education as contrasted with around 11% in the government universities. The relevance of private higher education to socio-economic needs is noteworthy as reflected in the employment records of its graduates. Much needed discipline in the academic arena has also been established in the non-government universities by eradicating the session jam concept. Academic life in these universities is devoid of student and faculty politics. The burden on public exchequer has been reduced, permitting in turn better funding and reform of the public institutions. Non-government universities are also market responsive, reflecting global perspectives in higher education. Brain drain has been minimized through retaining students and faculty and attracting faculty and young scholars from abroad. Through the establishment of non-government universities, a homegrown reform agenda in higher education has been set in motion, which has begun to produce positive results. The knowledge culture created by non-government universities may eventually take over the 'muscle culture' prevailing in the society, provided the government's attention shifts from regulating inputs to measuring outputs. The acid test of such output is the extent of absorption of graduates in the employment market. Most significantly, the private universities are inducing changes even in the way the government universities operate.

## Introduction

Knowledge is the engine of growth for any nation. An advanced level of instrumental knowledge and skills enable people to contribute towards national development. All over the world, economies are changing as knowledge is supplementing physical capital as the source of present and future growth. As knowledge becomes more important, so does higher education. The quality of knowledge generated within higher education institutions and its availability to the wider economy is becoming increasingly critical to national competitiveness. According to UNESCO, higher education is a long term social investment in productivity, social cohesion and cultural development. Basic and applied research within higher education and collaboration between universities with international orientation and national business and industry can foster innovation and efficiency in resource utilization while properly addressing environmental concerns. Higher education enhances knowledge generation and cultural development including institutional autonomy, intellectual freedom and a culture of peace based on democracy, tolerance and mutual respect. A properly functioning higher education system can also lead to enhanced quality in basic education.

Funding is central to the success of the higher education system in terms of both institution building and access. Unfortunately, traditional public funding is falling short in meeting quantitative expansion and qualitative improvements. Hence, alternative funding modalities are gaining ground. Private (non-government) universities are emerging as a substantial supplement and more importantly, as a model for market-driven, dynamic and quality higher education. The importance of private universities is gaining momentum and is taking on an increasingly larger share of enrollment, reaching as high as 50 percent of the student body in higher education in certain countries.

## Critical Role of Higher Education in Developing Countries

Higher education is critical to the developing countries as it needs to cater to increasing numbers of students, especially from disadvantaged backgrounds.. It promotes general education in addition to technical skills to ensure flexibility, innovation and continual renewal of socio-economic structures in a fast-changing world. Higher education in developing societies can ensure optimum utilization of limited resources and effectively make

up for scarcity of material resources through developing human resources as an alternative to achieving socio-economic development. Developing societies are endowed with people, but have very limited natural resources and financial capital. By developing the people into human capital, they can overcome some of the limitations of financial capital and at the same time lay the basis for generating capital resources. Education and skill development may be chosen as the route for creating human capital.

Higher education also acts as a means of attaining enhanced social mobility. A vast number of people in the developing countries are caught in a vicious poverty trap. Spreading higher education among underdeveloped segments of the population can empower them to move up to a higher level of enlightenment and prosperity. Individual achievement benefits the wider community and acts as a propellant for inducing others to pursue higher education. In terms of intellectual capacity building, from individual, family, and community level up to the national administration and policy making, higher education plays a vital role. Quality higher education can result in a more pro-poor and pro-development policy framework and increased income generation from home and abroad by skilled human resources. Effective higher education plays a central role in promoting productivity, innovation, entrepreneurship, gender mainstreaming and overall socio-cultural advancement. A new vision of higher education in developing societies should combine the demands for universality of higher learning and greater relevance to the society. This vision stresses the principles of academic freedom and institutional autonomy, while simultaneously emphasizing social accountability.

### **Dimensionality of Higher Education**

To achieve its anticipated goals, higher education must be relevant, internationalized, effective, dynamic and accessible to all. Relevance is about being responsive to the market and society in terms of learning content. Relevance is not confined to gainful employment alone. It is also about capacity building in policy issues and introduction of ethical standards, democracy, peace and equity. Internationalization and cross-border cooperation can enhance relevance and marketability of higher education through exchange of experience and expertise between universities in the developed and developing countries and also through continuously adapting to the ever-changing skill requirements in the global milieu. Simultaneously, to be effective, the quality of education must also be of the highest

standard, encompassing the existing body of knowledge along with dynamic exploration of emerging frontiers. To ensure propagation of learning and its resultant benefits to all segments of society, higher education must also be accessible to all.

Quality of higher education hinges on the adequacy of resources, infrastructure, curriculum, research, faculty, management, and governance. Infrastructure in terms of premises, laboratories, libraries and modern teaching aids (Internet, multimedia) constitute the basic prerequisites of quality in higher education. The curriculum must cover all the basic skills and knowledge required for the present and future contexts of market and society at home and abroad. Research should focus on creating new knowledge, both local and international. Competent faculty is a function of education, training, experience and research for continued advancement. Management involves efficient administration of higher education institutions in operational terms while governance relates to institutional autonomy and academic freedom in terms of meeting quality parameters.

In developing societies, conventional approaches to meeting the different dimensions of higher education seem to be having limited success. Increased public funding and emergence of new public and non-government universities only partially meet the quantitative and qualitative challenges. More remains to be done in terms of devising a comprehensive solution to the issues of relevance, internationalization, effectiveness, dynamism and accessibility. Policymakers and stakeholders in developing societies are searching for viable and sustainable alternatives.

### **Present Scenario in Higher Education**

Pressure on higher education is on the rise due to increasing demand for it worldwide. Today, higher education confronts the new realities of expansion, differentiation and knowledge revolution. The challenge gets more pronounced in developing countries, forcing policymakers to think creatively. Previously, higher education in developing countries was available to a small number of students. Today, a dramatic shift from class to mass has occurred and half of the world's higher education students live in the developing countries. As more students complete primary and secondary education, demand for higher education keeps increasing. Developing countries have also seen a rise in real income, thereby bringing higher education within their reach.

Expansion has produced a variety of consequences. Existing institutions have grown in size and traditional institutions have been replicated by public or private ones. A more creative response has been differentiation, leading to new types of institutions and providers. Non-government institutions have joined public ones, while a range of vocational and professional schools now complement the traditional universities.

The public universities, despite substantial expansion, cannot cope with the rising demand. Emergence of non-government universities has proven instrumental in making higher education responsive to changing demand while complying with quality parameters. The proportion of students in private institutions is on the rise, reaching over 50 per cent of total enrollments in some countries, mostly developing ones.

According to the Nuffic Conference (2002), the major challenges facing governments and higher education institutions in the developing societies include access, massification, privatization, commoditization, quality assurance and maintenance, relevance, digital divide, international mobility of staff and trends in donor policies.

Access relates to improved opportunities for women and students from poor families or regions. Massification relates to coping with the enormous growth in the number of students. Privatization signifies growing need of private funds and means to attract private investment without compromising access and quality.

Commoditization implies maneuvers by the developed countries to create a free global market for higher education as a commodity. The challenge for developing countries is to resist being flooded by second-rate, sub-standard courses that do not match their cultural setting or socio-economic needs. Regarding quality assurance and maintenance, in a backdrop of proliferation of national, private and cross-border institutions, the challenge is to ensure minimum quality and pursue continuous improvement.

Relevance signifies connection to the world of work where curricula are geared to the local circumstances, developed in conjunction with employers, thereby avoiding blind replication of irrelevant foreign values and ideas. Digital divide relates to new information and communication technology (ICT) opportunities with implications for huge investments. The challenge is to attract donor support and private funds

to facilitate ICT access and simultaneously match online theoretical teaching with guidance and practical assignments. International mobility of staff, while offering great opportunities for the individuals, can easily lead to brain-drain in favor of the developing societies. The challenge is to resist this brain-drain and to create better opportunities for a well educated staff within the country. Finally, trends in donor policies relates to minimizing the cost of donor support while maximizing the benefits.

### **Emergence of an Alternative Mode of Higher Education in Bangladesh**

Historically, higher education in Bangladesh was organized in the public sector only. That is, all universities were funded by the government through its budgeting process and there was hardly any involvement of the community in the running and management of these institutions of learning.

The university programs operated mostly on antiquated examination systems, leaving little opportunity for frequent or continuous evaluation of students, feedback to the students in terms of their performance, as well as providing a climate of interactive learning process.

The universities in the country went through a chaotic situation and there was hardly any professionalism in managing the educational programs prevailing in the universities. The faculty members, generally, were not attentive to their duties; and, in most cases, classes were not held on schedule due to political unrest and in-fighting among the faculty members, students and administration that created a condition where the universities could hardly function as academic entities. Most university academic sessions were behind schedule by three to four years with outdated curricula irrelevant to the needs of the society, leading to widespread 'educated unemployment' in the country.

On the other hand, the government was not in a position to create jobs. This resulted in a large group of educated, but unemployed young people in the society who felt very frustrated but were not in a position to translate their knowledge and skill into anything meaningful or productive. The public universities had all the elements of a good university in terms of structures and systems but, unfortunately, there was hardly any professionalism in terms of academic decisions related to student admission, teaching, training, research, faculty promotion, motivation and evaluation, resulting in campus irregularities causing qualified faculty to move out of

the country.

This also led brighter students to leave the country if they were financially solvent. Parents felt that it may be cheaper in the long run to send their children abroad for education because of more than twice the time period required to earn a degree in the country and because of the poor quality of education being offered.

A phenomenal and quantitative expansion in higher education, chiefly during the last decade, was driven by the widespread advancement of free primary and secondary education through state financing and donor funding. The public universities found themselves incapable of handling the quantitative expansion, despite the fact that a large number of new public universities had been established to meet the growing demand. Thus, the government, induced by the leading academicians and policymakers, decided to introduce private initiative in the field of higher education. Ultimately, the Non-Government University Act 1992 was enacted to facilitate the establishment of non-government universities. Today, there are 54 non-government universities delivering modern, market driven education through international cooperation, competent faculty and modern teaching methods. They contribute to 6% of the total enrollment while the public universities contribute 10%, the rest is accommodated in the degree colleges. Enrollment in private universities grew rapidly from 8,718 in 2001 to more than 63,000 by the end of 2005. The Act of 1992 in Bangladesh is a pioneering one among the SAARC countries which provided a framework for the establishment of different universities without resorting to separate enactments for each university. The legislation survived changes in government and went through minor amendments in 1998. Thus, the non-government university concept has been accepted across the political divide and has become a social reality in Bangladesh.

Although, non-government universities have succeeded in supplementing the capacity of the public sector, their contribution is more commendable in terms of modernization of content and delivery. By definition, non-government universities are tuned to the demand of the market at home and abroad, facilitating propagation of critical expertise and resisting the abysmal brain-drain that is considered devastating to the nation.

Thus, the community efforts supported by the then government by creating an enabling environment through legislation created an alternate mode of

delivering higher education in Bangladesh. Private universities have made rapid strides in expanding higher education in the country and laid the framework of sustained growth in the future to meet skilled manpower needs and social expectations.

### **Expansion in Opportunities for Higher Education**

Private universities have made significant contributions in terms of expanding the base of higher education in the country in the face of growing demand. In quantitative terms, the growth in enrollment size has been phenomenal, being 8,718 in 1998, 27,245 in 2001 and 62,856 in 2004. More significant is the increasing trend as observed from the data compiled by the University Grants Commission of Bangladesh as shown in Table 1.

Public universities, excluding National University and Bangladesh Open University, have a total intake of 10.9% of all students in higher education, while the private universities have approximately 6% of the students. This is a phenomenal growth within a short span of time. The rate of increase is sustained and will increase further as the recently established private universities go through their maturity cycle.

More private universities are likely to be established in the coming years, and there certainly is a desire on the part of the community to establish such institutions as can be seen from the number of applications pending approval. Even though there may be some reduction in the existing number through consolidation and other processes, it may be reasonably assumed that the existing private universities will enroll more students in the coming years through opening new disciplines, expansion in existing disciplines, branching and other growth models.

It is reasonable to assume that the private universities will equal the contribution of public universities in enrollment in the coming decade and thereafter attract proportionately more students. Thus, it can be seen that the private universities have already made a significant contribution in expanding the opportunity for higher education and are well poised to make further gains in this respect.

### **Ensuring Relevance of Higher Education**

As indicated earlier, society expects higher educational institutions to perform several functions including preparation of skilled manpower, development and transfer of technology and providing equitable access. Relevance is the criterion

**Table 1. Enrollment Growth in Non-Government Universities**

<b>Year</b>	<b>Number of Universities</b>	<b>Total Number of Students</b>	<b>Rate of increase over the previous year in percentage</b>
2000	17	32,791	+145.81
2001	22	27,245	-16.91
2002	37	34,432	+26.38
2003	52	46,080	+33.83
2004	53	62,856	+36.41

Source: University Grants Commission – 2006

by which the outputs of the system are compared in general terms with needs and expectation.

On the criteria of relevance, the private universities have performed remarkably well. They have concentrated on providing market-relevant and demand-based education covering areas like business education, computer science, engineering, medicine etc. These universities have demonstrated more attunement to labor market demands as compared to public universities.

Besides the issue of reflecting market demand regarding the areas of study, the more important question of relevance relates to the creation of knowledge, skills and attitude necessary for productive work in the economy. The employment record of private university graduates is good and from the quality of entry level job offers received by the early generation of graduates, it can be concluded that the quality of the graduates is reasonably high. In other words, the private universities are mostly able to produce graduates who can meet the skill requirements of the employers. The rate of acceptance of private university students into higher degree granting institutions of the developed countries is another reflection of the rigor of training in the private universities.

The private universities are also not adding to the large pool of educated unemployed in society; rather they are producing skilled manpower to meet market demand and to a limited extent contributing to job creation through entrepreneurial efforts of their graduates. The economic and social spin-off from such contributions is manifold and commendable.

#### **Ensuring Academic Discipline in Higher Education**

Mention has already been made about the session jam in public universities. This is created by extended closure of public universities due to strikes and other

unexpected causes. This means, on average, it takes 2 to 3 years longer than the planned time for

completing a degree. This situation is pervasive in most public institutions with some variation across institutions and in different years.

As opposed to this, almost all the private universities have the enviable record of graduating students on schedule as per academic calendar. It may be mentioned here that the private universities in Bangladesh have mostly adopted the North American model of higher education involving four years for an undergraduate degree and two years for Master's while semesters serve as academic terms. Concurrent with this, most of them produce an academic calendar of activities and ensure its effective implementation. The result is valuable cost and time saving on the part of students and parents, early job entry and a competitive edge over fellow students of the same age in public universities.

This enforcement of academic calendar has contributed to economic and social progress as well as satisfaction of students and parents. This model of academic discipline is a welcome addition to efficiency of academic activities and is increasingly gaining popularity among academic institutions in the country.

#### **Appropriate Governance and Administrative Effectiveness**

Mention has been made earlier that the public universities have appropriate structural arrangement in place for good governance and administrative efficiency but they are unable to serve their purpose for many reasons including politicization, inappropriate manning, and lack of professionalism. As opposed to this, private universities, mostly established by philanthropists, have been to a great extent, been able to evolve good governance and administrative effectiveness despite many environmental constraints.

The founders of these universities have been working earnestly to put in place policies that will ensure good governance and, consequent success, with few exceptions. Similarly, these universities are reasonably well administered with a client focus, and a reasonable level of accountability has been established for administrators, faculty and other staff members. There is no report of politicization in the private university campuses and most institutions have a record of uninterrupted operation. The oversight function by the founders and professionalism of the administrators and faculty have contributed to good governance and administrative efficiency in the private universities. This aspect will be further strengthened as the universities gain experience.

### **Reversing the Trend of Indiscipline in University Campuses**

Public universities are characterized by student unrest which at times turns violent. This is caused by political activities in the campuses primarily by students; faculty politics also contributes to this situation. The prevailing chaotic situation is the biggest obstacle to teaching and learning in these campuses.

As opposed to this, the private universities have been able to reverse this trend by instilling a sense of discipline in their premises. A culture of education has been created in these universities which deters student and faculty politics. This atmosphere is likely to be further strengthened through a healthy tradition of discipline that is being continually reinforced.

### **Reflection of Global Perspective in Higher Education**

It has been mentioned earlier that for higher education to create skilled global manpower it must reflect ever-changing knowledge and skill requirements to be relevant as well as competitive. Exchange of experience and expertise between universities in the developed and developing countries can enhance relevance and adaptation of global perspectives in educational programs.

Most private universities have established linkages with universities abroad, partly to ensure that credits are transferable and accepted for further education, and partly to transfer academic knowledge and skills through various mechanisms. A good number have also joined the international network of academic bodies both for recognition and cross fertilization of programs and ideas.

Thus the private universities are well poised to keep-up with changes in global perspectives in academic service delivery as well as skill requirement since regional and overseas job markets are an attractive source of employment for skilled Bangladeshis.

### **Promotion of ICT**

Reducing digital divide between developed and developing countries calls for increased promotion of ICT education and training in developing countries. Bangladesh is no exception to this situation. Private universities are making commendable contributions in development of ICT in Bangladesh. This is reflected in the result of a countrywide survey conducted by the ICT in Higher Education Expert Group in July-August, 2005 to assess the condition of higher education institutions offering ICT degrees. The survey shows that private universities have the largest proportion of students enrolled in ICT degree programs (around 68%). The survey also found that the private universities offering ICT programs are reasonably well equipped and have a teacher student ratio of 1:13 as compared to 1:18 for public universities. Clearly, the private universities are producing much needed skilled manpower required for development of the ICT sector in Bangladesh.

### **Introduction of New Educational Programs**

Private universities are working as a platform for launching new market based modern educational programs in the country. In this respect, mention may be made of educational programs like hotel management and tourism, hospital management, nursing, graphic design, performing arts, etc. These have widened the horizon of higher education in the country and also reflect global changes in education and market demand. This trend of developing innovative programs is continuing. At the same time, the private universities are flexibly responding to changing skill requirements of the market place in existing programs through frequent curriculum reviews, contacts with developed country academia and introducing new content elements as and when necessary.

Thus the private universities are leading in program innovation and curriculum modification in line with the ever-changing job market at local and global levels. This in turn is strengthening the higher education base in Bangladesh.

### **Initiating Reform in Higher Education**

On a limited scale, the advent of private universities,

with semester system of education, credit hours, grading system and teacher-centric continuous student performance evaluation and feedback, have set in motion a reform process in higher education which earlier had been impossible, due to resistance from different quarters. The salient aspects of reform that have been implemented include structural shift towards 4 years undergraduate education in all disciplines, adoption of semester system with credit hours as well as grading. The medium of instruction in favour of English is also gaining favor in academic parlance of the country. These reforms carried by the public institutions would have been unthinkable without the alternate competitive mode of higher education offered by private universities.

As the private universities become more institutionalized, greater reform created through a healthy competitive culture can be foreseen in the delivery of higher education. Such a situation will lead to further development of higher education in the country in both the private and public universities.

#### **Reducing Burdens on the Public Exchequer**

Until the advent of private universities, public universities with almost 95% of government funding used to cater to the needs of higher education in the country. Private universities receive no grant from the government and operate on self funding and are now enrolling around 6% of the students numbering around 63,000 as of 2004. The government is relieved of providing funding for these students out of the public exchequer, amounting to 139 billion takas as shown in the following computation.

Presently 10% of the eligible students get admission in the public universities. In the Strategic Plan for Higher Education in Bangladesh: 2005-2025 (January 2006) of the University Grants Commission, it has been estimated that at the present rate of 10%, around 185,000 students will seek higher education in public universities by the year 2025. Creation of this additional capacity in the public sector will require the establishment of 12 new universities at an investment of Tk. 160 billion with around 6,000 students per university.

It is possible for the existing private universities and the new ones to be established to take on the enrollment of most of these students and thereby relieve the public sector from incurring most of this expenditure. The argument that the public sector universities reach the needy segment of population is hardly tenable as seen from the results of socio-

economic background of public university students as reported later.

Clearly, the private universities serve as a safety valve to meet the increasing demand for higher education, as well as a mechanism for public expenditure saving in the country's higher education sector.

#### **Cost Effective Service Delivery**

Private universities are also cost-effective in educational service delivery. The average cost per student exclusive of capital cost has been estimated at 2,50,000 for a business undergraduate student and the all inclusive costs of such a student vary from Tk. 200,000 to Tk. 700,000 in private universities. In the public university, 95% of the cost plus the capital investment cost is borne by the government. The entire capital investment cost and recurrent cost of the private universities are borne by the students and founders. The unit-wise cost of operation of private universities is better than the public universities, thus creating more value for money invested.

#### **Promoting Faculty Development**

Private universities are promoting faculty development through various mechanisms, although on a limited scale. However, the faculty base of private universities is no less strong in qualitative terms as compared to public universities as can be seen from the data compiled by the University Grants Commission in Table 2.

Given the nascent character of private universities, the proportion of faculty with higher degree of around 57% compares very favorably with the proportion of little over 61% in the public universities. Thus the private universities are operating with a healthy faculty base and are promoting faculty development through education, training, academic retreat and other mechanisms.

#### **Building Political Consensus and Community Engagement in Higher Education**

Higher education has been treated with apathy by the government, community and donors as can be seen in the very low allocation of funds in the budget compared to other countries in the region. The community has also demonstrated an ambivalent attitude to the disarray in higher education and donor contribution has been literally absent from the early 1990s.

The private university initiative, piloted by a few philanthropists, triggered the interest of the political



**Table 2. Proportion of Faculty with Different Degrees in Public and Private Universities of 2004**

Level of Degree	Public Universities	Private Universities
1. PhD	36.42	26.33
2. Other Higher Degree	24.82	30.59
3. No Higher Degree	38.76	43.08
Total Number	6462	3653

Source: University Grants Commission – 2004.

parties, the community and the donors to issues relevant to higher education. The Jatiya Sangshad witnessed a stormy debate around the Besharkari Bishwabiddalay Ain bill of 1992, when as many as 82 cut motions were moved. The bill was eventually passed by the Jatiya Sangshad under the auspices of the ruling party. In the next round, when the opposition came to power, the party preserved the main character of the law and only enacted some minor amendments in 1998. Thus, in an otherwise confrontational political atmosphere, a consensus among major political parties have been built around the establishment and operation of private universities. This engaged the political parties to ponder the issues of higher education and seek alternate ways of service delivery in the field of education.

The community has also begun partnering with different private universities in different forms. There is also a favorable views in the media about the development of private universities.

The donor community has taken the home-grown effort of the community in creating access to higher education and has begun engaging itself in broader issues of strategy formulation in higher education for the nation as a whole.

Thus, the private universities have contributed to the development of concern for higher education among the stakeholders and interested parties through consensus building and engagement.

#### **Contribution to Equity and Access**

It has been observed that admission to higher education is not only limited (4% of 17-23 cohorts in Bangladesh as compared to 11.9 in India, 29.3 in Malaysia and 37.3 in Thailand) but also highly inequitable. Children of professionals, businessmen, civil servants and teachers are almost exclusively represented in higher education institutions. A World Bank review of 1990 found that “the financing arrangements in the education system and the struc-

ture of enrollments result in highly inequitable distribution of public spending on education, with the 10 percent best educated people in a generation receiving as much as 76 percent of the cumulative public spending appropriate to the entire generation through publicly financed education”. Although around 10 percent of the budget for higher education is allocated to students in the form of stipends and subventions, these do not benefit the poorer segment because of being awarded on the basis of merit, not on the basis of economic need. Thus, the marginal impact of public spending on the disadvantaged section is quite clear.

It follows from this that the mandated allocation of 5% of the seats to the poor but meritorious students in the private universities is a definite contribution to equity. In practice, in many private universities, more than the minimum proportion of students receive free education on the basis of economic needs. Thus, the private universities contribute to equity and also increase access by expanding the base of higher education in the country.

Besides, private universities also encourage entry to higher education by offering additional financial support in the form of scholarship, grant, fee waiver, rebate, student loan etc. This creates social mobility and to a limited extent contributes to the Poverty Reduction Strategy Program of the government without utilizing any public fund.

#### **Saving and Earning of Foreign Exchange**

As of the early 1990s, all enrollments in higher education were in the public universities which could not keep pace with the increasing demand for entry. This led to the exodus of a large number of students for studying abroad, primarily in the neighboring countries where enrollment of Bangladeshis reached almost 100,000 students. Education in the advanced countries is very expensive; it is not very cheap in the region either. In any case, a large amount of remittance had to be made from the country for the tuition and living costs of this sizeable student body abroad.

The private universities with steadily increasing enrollments have halted this mass exodus of students and the related foreign exchange. This trend in foreign exchange saving will continue to increase as enrollments increase from the existing 6 percent to 10 percent in the coming years.

The private universities are also attracting foreign students and thereby beginning to earn foreign exchange for the country, even though at a modest scale at present. Foreign students are finding the educational standard of private universities attractive and are enrolling in their educational programs. Within this short span of time, the private universities in the country have been able to attract more foreign students to study (487) than public universities (185) as of 2004. This trend of attracting foreign students is likely to increase in the coming years with the consolidation of private universities and their enhanced internationalization.

Thus private universities have contributed to substantial savings of scarce foreign exchange and are contributing to a modest increase of the same.

#### **Generation of Employment**

The private universities have contributed to job creation in society through faculty, administrative and staff positions at no cost to public funds. Around 5,000 faculty positions have been created. Precise data on staff and administrative positions are not available but this will be similar in magnitude. Given the high rate of unemployment and limited size of the job market, employment generation by the private universities is a positive contribution.

#### **Development of Knowledge Culture: Reversing the Brain Drain**

Mention has been made of the large scale migration of student and faculty from Bangladesh for different reasons. Loss of good students is a potential for brain drain since many do not return. The migration of faculty is almost an irreversible loss to the country.

By providing good educational opportunity with efficient management and promoting a knowledge culture through professionalism, the private universities have been successful in halting substantive brain drain in case of students and starting brain gain by attracting academics from abroad. The non-resident Bangladeshi academics have already started making short to medium term commitment to work in Bangladesh, some are thinking of resettlement, while students working for higher degrees abroad are looking at private

university academic positions as one of the options to consider for choice of work location.

Thus, the private universities are making significant strides towards creating a knowledge culture by offering good education for retaining talents, attracting non-resident Bangladeshi academics, Bangladeshi young scholars studying abroad, foreign faculty as well as foreign students.

#### **Conclusions**

The Non-Government University Act of 1992 was enacted to encourage the founders to expand the base of higher education through establishment of self-reliant, autonomous and well organized universities in the country. The purpose of establishing non-government universities in the country was to restore discipline in the field of higher education, promote qualitative improvement, and reduce the burden on the public exchequer for higher education. Good education can be promoted under different paradigms and approaches and this perspective was reflected in the Act of 1992 by keeping a provision for establishing many universities under the law.

The purpose of the law has been largely realized through the establishment of 54 private universities. The growth in enrollment is substantive; at the same time the relevance of the education imparted for the socio-economic needs of the country is heartening as reflected in employment records. The much needed discipline in the academic arena has been established in the private universities by erasing the session jam concept. The universities have demonstrated good governance, as well as effectiveness in administration of academic life. The academic life in these universities is devoid of student and faculty politics in contrast to the situation in other higher educational institutions.

They have reduced the burden on public funds by taking over a significant load of higher education students. This will permit better funding of public institutions and consequent reforms.

Private universities are market responsive in terms of innovative programs, curriculum review and content modification, and in the promotion of ICT. They also reflect global perspectives in higher education through extensive linkages and networking which in turn make the graduates competitive in the global marketplace. The global reflection is also getting recognition abroad by attracting foreign students in the country. There are more foreign students studying in private universities than public universities. Brain

drain has been minimized through retaining students and faculty and also by attracting faculty and young scholars from abroad.

Through the establishment of private universities, a home grown reform agenda in higher education has been set in motion and this indigenous approach is already producing good results in view of private university friendly attitude of successive governments under a broad legal umbrella. Private universities are successful in creating a knowledge culture by reversing the trend of indiscipline in higher education. The knowledge culture is gaining momentum and may take over the 'muscle culture' prevailing in the society, provided the policy makers in the government continue to sustain the broad framework for growth of higher education in the private sector and gradually shift from regulating inputs to measuring outputs of these universities. It should be remembered that the acid test on output is the extent of absorption of graduates in the employment market both at home and abroad.

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# ADOPTION OF ARSENIC-SAFE DRINKING WATER PRACTICE IN RURAL BANGLADESH: AN AVERTING BEHAVIOR MODEL

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## ABSTRACT

The aim of this paper is to analyze the factors that influence adoption of safe drinking water practices in arsenic affected rural Bangladesh. In this study, households from two severely arsenic contaminated areas of Bangladesh were asked about their behavior and actions to reduce potential health risk associated with drinking the contaminated water. Based on averting measures undertaken by households to reduce potential health risk, the paper analyzes the factors that influence households' decision to collect water from arsenic free sources using a binary logistic model. Among all explanatory factors included in the model, awareness of health consequences from drinking arsenic contaminated water and ownership characteristics of safe drinking water sources had the highest explanatory power. Households that are aware of negative health consequences of drinking arsenic contaminated water are more likely to adopt safe drinking water practices. Furthermore, places where safe drinking water option is owned by Government (GO) and/or Non-Government (NGO) organizations, households are more likely to collect water from arsenic free sources compared to places where available safe drinking water options are privately owned. The relevance of the explanatory variables in the estimated model suggests that effectiveness of 'arsenic safe drinking water adoption campaign' requires raising awareness about health risk associated with drinking arsenic contaminated water. As access to print media (like newspaper) is constrained by high level of illiteracy in the rural areas, radio and TV must play a more important role in publicizing negative health consequences of drinking arsenic-contaminated water.

## Introduction

The World Health Organization (WHO) considers the widespread arsenic contamination of tube well water in Bangladesh as a public health emergency (Smith et al. 2000). A majority of shallow tube wells that used to be the primary source of drinking water for rural inhabitants in Bangladesh have recently been found to contain arsenic levels that are higher than safe levels. According to conservative estimates by WHO, five to ten million tube wells in Bangladesh may be contaminated with arsenic. Estimates show that 265 out of 469 upazillas (sub-districts) in Bangladesh are now affected (DCH, 2002) and 20-30 million people live close to a contaminated well (World Bank, 1999). Long term consumption of arsenic contaminated water leads to serious health effects including localized gangrene and cancers of skin, lung, bladder and kidneys. Bangladesh Arsenic Mitigation Water Supply Project screening team found 1.1 cases of arsenicosis per thousand people (BAMWSP, World Bank 2002).

The government, along with some leading NGOs, installed arsenic safe drinking water options like deep tube well, filtered pond-water system (pond sand filter), rain water harvesting system, and dug wells in highly arsenic concentrated areas. The installations of safe drinking water options were mainly community based (one safe drinking water option for each

community consisting of approximately fifty families) and supply driven instead of being demand driven (Implementation Plan for Arsenic Mitigation in Bangladesh, 2004). For quite a long period the government, NGOs, and other development organizations have been campaigning to encourage rural households to adopt arsenic-safe drinking water practices. However, the response from the households has been less than expected. Even when community-based safe drinking water options and household techniques to remove arsenic from drinking water are available, none of these have been widely adopted either because of their cost or perceived inconveniences. The question therefore is why do some households choose to collect water from arsenic-safe options or choose to treat water using arsenic removal techniques, while other households continue to use arsenic-contaminated sources. From a policy perspective, it is urgent to investigate what factors induce rural households most in adopting arsenic safe drinking water practices.

The purpose of this study is to empirically examine the factors that induce safe drinking water practices in rural Bangladesh. In a large-scale survey carried out toward the end of 2005, more than nine hundred households in two highly arsenic concentrated upazillas (sub district) of Bangladesh were asked about their drinking water practices. The study

revealed that 'awareness of arsenic related health risk' (measured through respondent's stated knowledge about negative health consequences of drinking arsenic contaminated water) is the most powerful indicator for adoption of safe drinking water option. The study further revealed that awareness is highly correlated with the education of adult male and female family members and respondents' exposure to print and electronic media.

The remainder of this paper is organized as follows. The next section discusses the relevant literature on averting behavior, followed by development of the model of the present study. Next, a description of the case study area is provided, followed by the methodology, including a description of the general survey and sample characteristics. Output from the regression analysis, the conclusions and recommendations follow subsequently.

### **Averting Behavior Approach of Safe Drinking Water Adoption**

The literature on averting behavior is divided into two major branches: one calculates averting expenditures in an attempt to measure a lower bound on Willingness to Pay (WTP), while the other estimates determinants of averting behavior (Whitehead et al., 1998). A number of averting expenditure studies have measured average monthly expenditure made by households to avoid health risk associated with contaminated water. A study carried out by Harrington et al. (1989) found that nearly one hundred percent of the sample households adopted a combination of different water purification methods like hauling water, boiling water, and/or purchasing bottled water. The estimated averting expenditure per month on averting measures varied from \$153 - \$483 in 1996 price. A similar type of study carried out by Abdalla (1990) obtained substantially different results in terms of averting expenditure. The survey conducted by Abdalla in Pennsylvania revealed that seventy-six percent of the sample households adopted more than one water purification technique and the estimated average monthly expenditure on averting measures ranged between \$26-\$32. The estimated average averting expenditure in rural West Virginia ranges from \$32 and \$36 per month in a study by Collins and Steinback (1993) and between \$16 and \$35 per month in the study by Laughland, et al. (1993).

A considerable literature exists in the second branch of averting behavior study that focuses on determinants of averting behavior. A study carried out by Smith and Desvousges (1986) found that the adoption of water purification techniques depends on perceived health

risk from contaminated water, age of the respondents, smoking habits, and respondent's subjective rating of their water supply safety. Abdalla et al. (1992) showed that households' averting action depends on information about water quality, perceived health risk, and the number of children in the household. Laughland et al. (1996) found that perceived convenience of averting behavior measure largely determines averting behavior. An empirical examination carried out by Whitehead et al. (1998) revealed that respondents' awareness about negative health impact of contaminated drinking water increases the probability of safe drinking water adoption. The study also indicated that the perceived quality of present drinking water and respondents' level of education act as strong determining factors of safe drinking water practice. Jalan et al. (2003), based on a sample drawn from Delhi population, argued that listening to radio and reading newspaper increased likelihood of safe drinking water adoption. Dasgupta (2001) and McConnell and Rosado (2000) used data from Delhi and an urban area in Brazil respectively to show that education of the household head is statistically significant in a household's decision to purify drinking water.

We are not aware of any previous research in Bangladesh investigating household's decision of adoption of safe drinking water practices. The existing literature on safe drinking water practice in Bangladesh consists of one contingent valuation study by Ahmad et al. (2004). The study measured benefit of arsenic-safe drinking water to the rural people and concluded that rural people in arsenic-affected areas of Bangladesh place a low value on arsenic-free drinking water (estimated benefit from arsenic safe drinking water was only 10 to 14 percent of the cost of safe water supply). Furthermore, the study reveals that WTP for arsenic safe drinking water varies significantly with different levels of awareness, household income, the level of education, and occupation of household heads.

### **The Model**

Water collection in rural Bangladesh traditionally has been free of cost. In our case study area, expenditure data on safe drinking water do not truly reflect averting behavior (if a household does not spend money for water collection/purification it does not mean a lack of averting behavior). In most of the cases, GOs and NGOs installed safe drinking water options without any charge or fee. Other than GO/NGO installed water sources, households collect water from neighbors' tube wells which are cost free options as well. Given the partial and incomplete

nature of payment for drinking water collection in our study area, estimation of lower bound of willingness to pay for collection of drinking water seems methodologically inappropriate. As a result, the study aims to focus on determination of factors that influence adoption of safe drinking water practice rather than estimation of lower bound of WTP.

The theoretical model of this study is based on standard microeconomic principles and previous research. Existing empirical literature shows evidence that respondents' perceived health risk from contaminated water has a significant impact on household decisions to adopt safe drinking water practices (Smith and Desvousges 1986; Abdalla et al. 1992; Whitehead et al. 1998). Moreover, the perceived convenience of averting measures has been found to play a role in decision to adopt safe drinking water practices (Laughland et al. 1996). Some socio-economic and demographic characteristics (i.e., education, income, occupation, etc.) were found to have a significant impact on a household's choice of drinking water sources. The context of the present case study requires the testing of an additional explanatory factor: the ownership of drinking water source.

In our model, health risk exposure is measured through people's source of water collection: households that collect drinking water from arsenic contaminated sources are exposed to arsenic related health risk and vice versa. Household may reduce their risk exposure to zero level by switching to an arsenic safe water source. In the case study area, a household does not incur any monetary cost for switching to arsenic safe water source; so the only impediment that may explain households' behavior for not adopting safe drinking water practice is 'inconvenience'. Several factors may contribute to 'inconvenience', i.e. psychological adjustment cost of changing from a water option to which the households have been habituated for a long time, the different taste of water collected from the new water source, the psychological adjustment cost of traveling to a different place or house (courtyard) for water collection, opportunity cost of time to travel the extra distance, and restricted access to safe drinking water sources. We assume perceived health risk is a function of awareness level (knowledge about health risk associated with arsenic contaminated water) and realized health risk (family members affected by arsenicosis disease increases health risk perception).

Each household "i" chooses between drinking water from contaminated but convenient source or collecting water from an arsenic safe source by undertaking 'inconvenience cost'. Let  $q^0$  and  $q^1$  be denoted by

arsenic contaminated water and arsenic safe water source respectively; 'Y' denotes yearly average household income; 'R' indicates the arsenic related health risk exposure which is a function of respondent's awareness (denoted by A) and realized health risk (denoted by H); other socio-economic characteristics of the respondent/household are denoted by vector S. The utility functions associated with decisions regarding water collection from different sources can be written as:

Arsenic contaminated source

$$U^0 = v^0(q^0, Y, R(A, H), S, e_0) \quad (1)$$

Arsenic safe drinking water source:

$$U^1 = v^1(q^1, Y, I, S, e_1) \quad (2)$$

$e_i$  is a residual that captures unobserved household characteristics and errors in optimization. The " $e_i$ "s are assumed to be identically and independently distributed. 'I' is the inconvenience vector that includes all factors that discourage households from adopting safe drinking water practice. A household's utility decreases in both with increases in 'inconvenience cost' and 'health risk exposure'. Again, 'health risk exposure' and 'inconvenience cost' are mutually exclusive within a household's utility function as we assume adoption of arsenic safe drinking water practice reduces arsenic related health risk to zero. A household's decision to adopt safe drinking water practice depends on the utility obtained from reduced health risk and disutility obtained from incurring psychological 'inconvenience cost'. We assume that a household's marginal utility gain from health risk reduction is at least equal to or higher than the marginal utility loss incurred by the inconvenience cost of safe drinking water collection  $[(\partial U/\partial R) \geq (\partial U/\partial I)]$ . As a household's perceived health risk largely depends on awareness level of health risks from arsenic-contaminated water, it might be expected that higher awareness level will contribute to higher disutility from health risk exposure to households who collect water from arsenic contaminated sources and hence a risk reduction by adopting safe drinking water practice will cause higher utility gain. Hence, the marginal utility gained from incurring 'inconvenience cost' will vary across awareness levels. Respondents/households will choose to collect water from arsenic-safe source only if:

$$v^1(q^1, Y, I, S, e_1) \geq v^0(q^0, Y, R(A, H), S, e_0)$$

Based on the above theoretical reasoning, a household's decision to adopt arsenic safe drinking water option can be elaborated for this specific study in the following form:

A household's decision to bear inconvenience costs in order to reduce arsenic related health risk exposure is expected to depend on several factors. First, the decision to collect water from an arsenic safe source is expected to be positively related to awareness of arsenic related health consequences. Second, safe drinking water practice is expected to be influenced by household characteristics such as education level of adult male and female household members, occupation of heads of households, and types of latrine used by household (an indicator of health consciousness). Again, it could be expected that all these household characteristics are highly and positively correlated with household income level. Therefore, we expect household income to have a positive impact on the adoption of safe drinking water practice. Third, the number of times a household collects drinking water is expected to be negatively related to the dependent variable based on the assumption that the higher the number of times a household collects drinking water, the higher is the inconvenience cost and hence it leads to the household being discouraged from adopting safe drinking water option. Furthermore, we expect ownership of safe drinking water option to be an important determining factor of safe water practices since access to drinking water option in rural areas is largely dependent on ownership type. The functional form of the model to be estimated can be written in the following form:

$$D = f(\text{INCM}, \text{AWARE}, \text{NGO\_D}, \text{NTIMES}) \quad (3)$$

The binary variable D is the indicator for whether or not a household adopts safe drinking water practices (D=1; if household collects water from arsenic safe option or use home purification technique; D=0 otherwise) where,

- (i) INCM= total annual household income (in thousand taka) from all sources
- (ii) AWARE=knowledge about arsenic related health consequence (Aware=1, Not Aware=0)
- (iii) NGO\_D=GO and NGO owns arsenic safe drinking water technology (GO/NGO owns drinking water technology=1, otherwise=0)
- (iv) NTIMES=number of times households collect water per day

### **General Survey and Sample Characteristics**

#### ***Survey set-up and Sampling Procedure***

Data for the Averting Behavior study was taken from a sub-sample of an extensive rural household survey looking at the sustainability of different arsenic-free drinking water options in some severely arsenic-affected upazillas (sub districts) of Bangladesh. Study

sites for the original study were selected after studying available information about arsenic concentration levels, the number of arsenic-affected people, and GO/NGO interventions in different upazillas of Bangladesh. We selected fifteen villages from two unions of Sonargaon (Narayanganj), and nine villages from three unions of Hajiganj (Chandpur) as they cover two different highly arsenic concentrated areas of the country and also are similar in nature and degree regarding interventions by GOs and NGOs. Sonargaon Upzilla is only thirty kilometers (km) away from Dhaka City beside the Dhaka-Chittagong highway. Hajiganj Upazila is situated 95 km southeast of Dhaka City in the southeastern part of Bangladesh under Chandpur district: 90% of the tube wells in both upazillas are arsenic contaminated. The Department of Public Health Engineering (DPHE) installed deep tube wells, tara pumps, pond sand filters, rainwater harvesters, ring wells etc. in Hajiganj. BRAC (Bangladesh Rural Advancement Committee) installed (and provided) both community (and household based) arsenic free and arsenic removal technologies in Sonargaon in association with DPHE and UNICEF. For details of the study area see Table 1. Villages were selected from upazillas that met the criteria of having high arsenic concentration, where there is a drinking water problem due to arsenic, and where they have ongoing external mitigation projects. Systematic random sampling method was used to select households for the study. In each para (a small village unit consisting of around fifty households), every fifth household located near an arsenic-free drinking water option was interviewed. For details of the area-wise distribution of sample, see Table 2.

For this study, a subset of approximately nine hundred and thirty five households was selected from the original sample of 2,000 households surveyed for the sustainability study. The head of the selected household was administered a structured questionnaire in a face-to-face interview that lasted approximately 30 minutes. Primary data were collected from mid-December 2005 until mid-January 2006. The household survey was developed by the research team in mid November 2005 and was finalized after two pretests on fifty respondents in Nilkanda village of Sonargaon (Narayanganj) and Putia village of Daudkandi (Comilla). The eleven field interviewers were trained before administering the questionnaires in the pre-test and main survey sites.

Items in the questionnaire were organized around several variables. The first set of questions referred to socio-economic characteristics such as the main profession of the family, family size, education level etc. Questions that addressed averting behavior asked

respondents about:

- Household’s present source of drinking water;
- The respondent’s knowledge about the presence of arsenic in past and current drinking water sources;
- Whether or not the household was aware of the consequences of drinking water from arsenic-contaminated sources.

One of the averting behavior questions was: Do you collect drinking water from arsenic-contaminated source? (YES or NO). Households who said ‘no’ were subsequently asked what alternative arrangement they had made after their previous drinking water source was found to have a level of arsenic higher than the safe level. Households were then asked a series of questions regarding features of safe drinking water options, i.e. how long had the household been using safe drinking water option, who was the owner of the water option, and the cost of water collection.

**Basic Statistical Results of the Survey**

An upazilla-wise summary of socio-economic and demographic variables is presented in Table 3. Of the nine-hundred and thirty-five respondents interviewed, the average household consisted of about six family members, of whom more than one (usually male) member is earning an income. The average age of the respondent is around 40 years. About ninety six percent of the households interviewed were Muslims and the rest were Hindus. Only 46% of household heads completed at least 5 years of primary education, 33% of households depended on agricultural activities for their primary income, principally crop production, livestock rearing, and open water fishing, and the remaining households relied on a salaried job or trading as a source of income. Almost all houses are made of tin (both roof and walls) and around half of the sample households (55%) use sanitary latrines. Around eighty percent of the sample households have electricity connection in their dwellings. The 5%

trimmed average annual household income is about seventy three thousand Taka (\$1091), while half of the households have per capita income per month of Taka 962 (\$14) which is close to the national per capita average rural income (Taka 924: BBS, 2005).

Ninety-nine percent of the respondents indicated that it is very important for them to ensure arsenic-free drinking water for their family. However, only forty percent of the respondents said they were aware of the negative health consequence of drinking water from arsenic-contaminated sources. A majority (87%) had their tube wells tested for the presence of arsenic under the screening programs undertaken by GO and NGOs, and in fifty percent of the cases the tests turned out to be positive (arsenic above the safe level). Households that did not test for arsenic in their drinking water source indicated that no one had ever come to test their drinking water source and that they did not know how to and where to get the test done. Eight percent of the households had at least one family member affected by arsenicosis disease and one-third of them had more than one family member affected.

**Correlations among different variables**

When relating respondents’ stated knowledge about awareness of arsenic-related health consequences to socio-economic characteristics of household, a number of interesting results were obtained (see Table 4). First, on arsenic related health awareness male respondents seemed more aware of arsenic related health impact than female respondents. Second, educational attainment of adult male ( $r=0.308$ ;  $p<0.01$ ) and adult female family members ( $r=0.266$ ;  $p<0.01$ ) in the household are positively correlated with respondent’s arsenic-related health awareness level, implying that the higher the educational attainment (in number of years of schooling) of male and female adult family members, the more likely the respondent is aware of arsenic-related health impacts.

**Table 1: Details of Study Site**

Division	District	Upazilla	Unions	% TW Contaminated
Chittagong	Chandpur	Hajiganj	Purba Barkul	97
			Uttar Rajargaon	96
			Hatila	96
Dhaka	Narayanganj	Sonargaon	Aminpur	75
			Sonmandi	89
			Uttar Rajargaon	96



**Table 2: Distribution of Sample Across Study Area**

Upazilla	Frequency	Percent
Sonargaon	601	64.1
Hajiganj	337	35.9
Total	938	100.0

**Table 3: Upazilla Wise Summary of Socio-Economic and Demographic Characteristics of Sample**

	Sonargaon	Hajiganj
<b>Number of households</b>	601	337
<b>Mean yearly income (in Tk)</b>	84599	89342
<b>Mean calorie consumption per person/ day (in Kcal)</b>	3497	3197
<b>General characteristics</b>		
<b>Respondents age</b>	37	42
<b>Occupational distribution (%)</b>		
Farmer, fisherman, forestry & livestock	38	30
Salesman, trader and transport worker	33	26
Service holder and professional	14.2	29
Day laborer	11.8	11.5
Others	3	3.5
<b>Educational qualification (%)</b>		
Illiterate	31.3	10.1
Primary school (Class 1-5)	26.6	31.2
<b>Average family size (in numbers)</b>	5.44	6.05
<b>Family members generate income (in numbers)</b>	1.37	1.62
<b>Main material of the walls (%)</b>		
Brick/Cement	15.6	11.6
Tin	83.5	78.5
<b>Main material of the roof (%)</b>		
Tin	92.7	88.1
<b>House having electricity (%)</b>	95.3	59.6
<b>Source of energy (%)</b>		
Wood/Coal	78.8	96.5
<b>Type of latrine used (%)</b>		
Sanitary	42.4	76.7
<b>Respondents read newspapers daily (%)</b>	10.3	17.5
<b>Respondents listen to radio prog./news daily (%)</b>	16.6	63.2
<b>Respondents watch BTV prog./news daily (%)</b>	65.5	41.8

As expected, a positive relationship was found between respondents' exposure to different types of media (both print media and electronic media) and arsenic-related health awareness. This indicates that the higher the respondent's exposure to both print and electronic media, the higher is the health-related awareness level. Amongst the different types of media, print media was found to have the highest positive correlation (0.301,  $p < 0.01$ ) to awareness of arsenic-related health consequences. Furthermore, the type of latrine used by households was found to be positively and significantly correlated (0.275,  $p < 0.01$ ) with arsenic-related health awareness level, indicating that respondents who have

sanitary latrines have a higher level of knowledge about the negative health impact of drinking arsenic-contaminated water than respondents who do not have sanitary latrines in their house. Finally, we found a statistically significant (Mann-Whitney Z statistic equals  $-9.116$ ,  $p < 0.001$ ) relationship between respondents awareness level and a household's yearly total income (respondents who belong to a high income household are more aware). This result is not surprising as all the variables that are correlated with awareness are also positively correlated with income level (see Table 5).

**Table 4: Correlation between Awareness about Arsenic Related Health Consequences and Some Socio-Demographic Variables**

	Awareness	Education level of male adult family members	Education level of female adult family members	Respondent's sex	Respondent's age	Type of latrine use	Any family member affected by arsenicosis	Read newspaper at least once in a week	Listen to radio program at least once in a week	Watch TV program at least once in a week
Awareness	1									
Education level of male adult family members	0.308**	1								
Education level of female adult family members	0.266**	0.611**	1							
Respondent's sex	0.154**	0.137**	0.000	1						
Respondent's age	0.054	0.153**	0.046	0.256**	1					
Type of latrine use	0.275**	0.412**	0.422**	0.045	0.090**	1				
Any family member affected by arsenicosis	-0.046	-0.079*	-0.076*	0.005	0.032	-0.094**	1			
Read newspaper at least once in a week	0.301**	0.382**	0.303**	0.197**	0.100**	0.300**	-0.036	1		
Listen to radio program at least once in a week	0.263**	0.253**	0.281**	0.026	0.099**	0.234**	-0.038	0.242**	1	
Watch TV program at least once in a week	0.150**	0.188**	0.184**	-0.015	-0.080*	0.115**	-0.010	0.172**	.097**	1

\*\* Correlation is significant at the 0.01 level (2-tailed).

\* Correlation is significant at the 0.05 level (2-tailed).

However, we failed to obtain any significant positive correlation between respondent's awareness level and incident of arsenicosis disease in the family. It was expected that respondents who have at least one family member affected by arsenicosis disease would be more aware about arsenic-related health consequences than respondents who did not have family members affected by arsenicosis. This finding can be explained by several factors. First, several variables (i.e. education level of adult male and adult female household members, and use of latrine type) that were found to have positive correlation with awareness, are significantly negatively correlated with incidence of arsenicosis disease in the family. Though the correlation is very low, it indicates households that have family members affected by arsenicosis disease are less health conscious (as they do not use sanitary latrine) and less educated (adult male and female family members have fewer years of educational attainment). Second, households that have family members affected by arsenicosis disease earn significantly lower average yearly income (Mann-Whitney Z statistic equals -1.923,  $p < 0.10$ ) than households that do not have any arsenicosis patient in the family. This result implies that relatively poor households are more likely to be affected by arsenicosis. Finally, the correlation coefficient between households having arsenicosis disease and all types of media exposure is negative, though the correlation coefficient is not significant at the ten percent level. Therefore, the fact that awareness and incidence of arsenicosis disease in the household do not have any positive relationship can be explained by lack of education, health consciousness, income, and insufficient access to media.

### **Factors Explaining Adoption of Safe Drinking Water Practices**

Although all respondents indicated that ensuring the supply of arsenic safe drinking water for their families is very important for them, in practice less than two-thirds of the sample households collect drinking water from arsenic free sources. The most cited reasons for households not adopting safe drinking water practice (or not collecting water from arsenic free source) is 'safe water option is located far away from the residence (61%)' followed by reasons like 'arsenic level is not very high in my drinking water source (22%)' and 'I am not aware of the harmful health consequences of drinking arsenic contaminated water (13.3%)'. Ten percent of the households adopted household technology for arsenic removal from drinking water, and the most common household-based arsenic removal technology was the 'Three

Pitcher Method' followed by the 'Bucket Filter' system.

Binary Logistic regression was applied to estimate effects of the explanatory variables on binary discrete choice to use water from arsenic free source. Table 6 summarizes results of the estimated regression models. We came up with two statistically significant models that differ because the two variables, household income and awareness level, could not be used together in the same model due to high multicollinearity. Both models turned out to be significant at less than one percent level (see Table 6 for likelihood ratio test) which implies that the models (as a whole) are significantly different from the one with constants only. The models have an identical predictive ability (73%). The Wald test statistics (commonly used to test significance of individual logistic regression coefficients) turned to be significant at less than five percent level for each independent variable identified in the theoretical model (see equation 3).

In the first model, household income, as predicted, has a significant positive impact on a household's safe drinking water adoption decision. Each one thousand taka increase in the annual income level increases the likelihood of adopting safe drinking water by 1.007. In the second model, awareness level about arsenic related health consequences was highly significant regarding safe drinking water adoption decision. Indeed, the awareness of arsenic related health consequences seems to have the highest explanatory power among all other variables included in both models. Households aware of the negative health consequences of drinking arsenic contaminated water are 1.7 times more likely to adopt safe drinking water practices. This finding is highly consistent with the theoretical set up of the study where it was predicted that high awareness level of households regarding arsenic-related negative health consequences will, in turn, cause high utility gain from health risk reduction from adoption of arsenic safe drinking water.

In both models, all other explanatory variables turned out to be significant with stable coefficient values and signs. The estimated coefficients in both models indicate places where GO and NGO intervention in terms of installation of safe drinking water technology took place, households are more likely to collect water from arsenic free sources compared to places where available safe drinking water options are privately owned. In privately owned drinking water options, neighbours' unrestricted access is not guaranteed, whereas GO/NGO installed water options are treated as common property and, therefore, households feel

they have more unrestricted access to the water source. This implies that given the nature of ownership of safe drinking water option (privately owned or public), ‘inconvenience’ cost varies (higher inconvenience cost if water option is privately owned and vice versa) significantly.

Finally, the variable ‘number of times a household collects drinking water per day’, as predicted, is negatively related to collecting water from an arsenic-free source, and the coefficient is highly significant (less than one percent) in both models. This implies that the more trips the person who collects water for the household has to make to the drinking water source each day, the lower the likelihood of the household adopting safe drinking water practice. The number of times drinking water is collected for the family is positively correlated with family size ( $r=0.185$ ;  $p<0.01$ ) i.e. the bigger the family, the more trips made to collect drinking water, which means more work for the water collector who then is more likely to feel reluctant to travel a long distance and finds it more convenient to collect water from the source located nearby even though the water source carries arsenic above the safety level.

### Summary and Conclusions

This paper investigated the determinants of safe drinking water practice in rural Bangladesh using an averting behavior approach.

The analysis based on a binary logistic model showed that the explanatory variables explained attitudes of the target population as posited. Explanatory factors such as awareness of arsenic-related negative health

consequences, GO/NGO intervention in terms of safe drinking water option installation, number of times households collect drinking water, and total annual household income were theoretically justifiable and statistically significant.

The relevance of the explanatory variables in the estimated models suggests that effectiveness of ‘arsenic safe drinking water adoption campaign’ requires promotion of complementary services. The first and foremost requirement for adoption of safe drinking water option is ‘awareness of health risk associated with drinking arsenic contaminated water.’ Mass media can play a very effective role in awareness building. As access to print media (like newspaper) is constrained by high illiteracy rates in the rural areas, radio and TV can play an important role in publicizing negative health consequences of drinking water from arsenic contaminated sources. As water collectors in rural households are usually women, awareness raising programs should target women first. Once women are informed and convinced about the danger of drinking arsenic contaminated water, they will be ready to bear the ‘inconvenience cost’ of switching water sources. Furthermore, the study reveals that ownership of safe drinking water option works as an obstacle for rural households in water collection as, in privately owned water sources, a neighbour’s access might be restricted. This ownership issue should be addressed by the government and other implementing agencies. Since the government is unable to provide safe drinking water to each and every community, access to privately owned safe drinking water sources should be unrestricted.

**Table 5: Correlation between Household Yearly Income and Socio-Economic Characteristics**

	Yearly household income	Respondent’s occupation	Type of latrine use	Education level of adult male family members	Education level of adult female family members
Yearly household income	1				
Respondent’s occupation	0.100**	1			
Type of latrine use	0.244**	0.022	1		
Education level of adult male family members	0.330**	0.093**	0.315**	1	
Education level of adult female family members	0.330**	0.107**	0.335**	0.565**	1

Explanatory note: **Spearman rho**

\*\* Correlation is significant at the 0.01 level (2-tailed).

**Mann-Whitney Z Statistic (2-tailed sig.): Yearly Income and Awareness.**

	Aware	Not Aware	MW test Z-statistic (2-tailed sig.)
Total income of household from all sources (US\$/Year)	1599 (570)	970 (439)	-9.116 (p<0.01)

Explanatory notes:

- a) Mean values (standard deviations in parentheses)
- b) MW: Mann-Whitney test

**Mann-Whitney Z Statistic (2-tailed sig.): Yearly Income and Arsenicosis Disease**

	Family members affected	Family members not affected	MW test Z-statistic (2-tailed sig.)
Total income of household from all sources (US\$/Year)	1003 (691)	1251 (705)	-1.923 (p<0.10)

Explanatory notes:

- a) Mean values (standard deviations in parentheses)
- b) MW: Mann-Whitney test

**Table 6: Binary Logistic Regression (Dependent Variable = Water Collection from Arsenic Safe Sources)**

Explanatory variables	Marginal effects	
	Model 1	Model 2
Constant	1.130*** (0.207)	1.159*** (0.206)
Household income (in thousand Taka)	0.007*** (0.001)	-
Awareness about arsenic related health consequences	-	0.556*** (0.159)
Number of times households collect drinking water per day	-0.351*** (0.082)	-0.282*** (0.071)
GO/NGO intervention	0.327** (0.152)	0.419*** (0.157)
-2 Log Likelihood	1030.12	1053.02
Chi-square	53.35 (df=3, p<0.01)	34.41(df=3, p<0.01)
Percentage correctly predicted	71.8	72.1
N	935	935

\*\* p < 0.05 ; \*\*\* p < 0.001

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# TRANSPARENCY STATUS OF THE NGOS IN BANGLADESH

A.K.M. Ahsan Ullah

## ABSTRACT

The paper addresses the role of the NGOs in capacity building of the rural poor by providing institutional credit; it also examines their transparency status in Bangladesh. Data were collected through face-to-face interviews with 96 randomly selected beneficiaries of two NGOs by using both structured and semi-structured questionnaires. The findings suggest that all the respondents benefited from the credit programs when judged against the indicators of institutional performance. About one-fourth of the respondents used local arbitration (or *shalish*) to resolve local problems, a slightly higher percentage made demands on government resources, around 39 percent took action against human rights abuses in society, while about 11 percent protested dowry demands. About 15 percent resolved divorce attempts and about 9 percent received legal aid from the NGOs. Most NGO members used institutional sources for borrowing money. Regarding transparency and accountability, both the NGOs were very weak. In order to be more effective NGOs should strengthen the programs relating to institution building and maintain upward and downward transparency.

## Introduction

NGOs<sup>1</sup> evolved in Bangladesh immediately after the liberation war in 1971 as ambassadors of development for the historically disempowered section of society, i.e. the rural women. The NGOs spent time and effort designing their programs to best address the poor who lack access to institutional credit and thereby depend on the rural traditional money lenders (TML<sup>2</sup>, hereafter). In striving to shift the trend from TML to institutions the NGOs claim to be trying to build the capacity of the poor to transform their labor into market-oriented commodity through offering a diverse set of skill training. Given the skewed distribution of land (Howes, 1996), the landless and functionally landless account for nearly half the rural households that delimits their access to rural credit. Not surprisingly, only 15 percent had access to institutional credit. This is largely due to high social competition and cumbersome formalities for subsidized credit, particularly where government resources have been insufficient to meet the high demand for credit (Mujeri, 1993; World Bank, 2001; Ahmed, 2000). This condition is exacerbated by the fact that the commercial/rural banks do not recognize that the poor are creditworthy; thus they remain reluctant to lend to the rural poor, in view of the administrative costs of delivering and recovering numerous small loans.

Bangladesh has been experiencing unprecedented growth of NGOs, the number being beyond 20,000. After three decades of NGO operations in Bangladesh, their role, efficiency and transparency issues are in question, the most critical factor being that the desired level of achievement in terms of

economic emancipation of the poor is not palpable (Ullah and Routray, 2003).

The focus of the NGOs is on institution building as a strategy to bring the rural poor into the mainstream of development. In this process, they build local women's leadership among the poor with their local organizations through social mobilization. The Village Organization (VO, hereafter) is the primary unit of institution building and the base for delivering services and inputs (BRAC, 1996). Through discussions in small groups and in village meetings the NGO staff convince the participants to organize themselves (BRAC, 2001; Lovell, 1992). Small groups, formed initially, combine themselves into a bigger body, i.e. village organization or VO. The NGO staff conducts an orientation course on the proceedings of the VO<sup>3</sup> (BRAC, 2001; Proshika, 2001). Since society is unlikely to change unless social, economic and political institutions change (Ullah and Routray, 2003), it is imperative to push for collective action and advocacy to bring about this change in key structures and processes. Weekly savings, a mandatory condition for the NGO members, is said to help develop an inclination toward savings among the poor. Other than this, NGOs organize *polli shamaj* (Ward Federation), popular theatre, human rights and legal education and legal aid services. They convene workshops between VO leaders and community leaders to discuss local socio-political and legal issues in an open forum to make the traditional elite leadership more accountable to their communities. Similarly, certain unjust, illegal and exploitative practices of the society are highlighted through the Popular Theatre Program,



a new strategy of institution building of the NGOs (Ullah and Murshed, 1999; Goetz, 1996).

Presently, the large-scale development of NGOs, backed by increased donor funding, has generated contradictions between the state and the NGOs and has brought the issue of NGO accountability in the political discourse (Hashemi, 1996; Shah, 1996; Huq, 1998). The ordinance promulgated to regulate NGO activities [The Voluntary Social Welfare Agencies (VSW) Ordinance-1961] allows the government to intervene in the governance structure of the NGOs. The Department of Social Welfare (DSW) as the registering body is also authorized to suspend the governing body of an NGO without any right of appeal; on the contrary, the governing body of an NGO cannot dissolve the NGOs without the approval of the DSW. However, evidence suggests that the government has little control over the NGO activities. In fact, a few of the NGOs in Bangladesh (for example, Gano Shahajjo Shangstha-GSS, one of the biggest NGOs in Bangladesh) went bankrupt due to widespread corruption within the organization by the ir chief executives, rendering more than six thousand employees jobless and the future of the beneficiaries uncertain. Evidently, the NGOs intend to profit greatly by imposing high rates of interest on the poor in the name of 'micro-credit for poverty reduction'; they hide the magnitude of the scale of their business to evade taxation (Bari, 2002).

According to Tandon (1996) one of the most common practices is that the commitment of the NGOs to improve the lives of others transforms into a desire to improve their own. The government of Bangladesh is also critical of NGOs' expenditure patterns, which it considers to be biased toward high overhead costs that result in reduced cost effectiveness of their programs (World Bank, 1996). NGO survival has been almost de-linked from performance since they are under little obligation to tell the truth to their benefactors (Edwards and Hulme 1996; 1992; Bari, 2002). This situation has further deteriorated because they have never considered developing a countervailing system of downward accountability to the poor (Hashemi, 1996; Tandon, 1996). Furthermore, other opportunistic organizations do not concern themselves about ideology, but obey the dynamics of the market and call themselves NGOs in order to gain access to funds.

NGOs have been thought of as occupiers of the moral high ground when compared with governmental corruption and inefficiency. However, this notion has been questioned and according to Korten (1992),

NGO officials draw large salaries, use expensive cars, and occupy air-conditioned offices. Sadly, they have strayed from the moral high ground by the money that they are empowered to put to good use. This paper looks at the institution and capacity building efforts of the NGOs, and their current transparency status.

## Methods

This paper draws on information both from primary and secondary sources. Relevant literature, journal papers, and annual reports of the respective NGOs (under study) served as secondary sources of information. Interviews with the NGO beneficiaries were conducted using both open and structured questionnaire; a semi-structured checklist was used to collect data on qualitative aspects.

The objective of the study was to gather information on the impact of institution-building interventions of the sample NGOs by investigating pre- and post-NGO situation of the beneficiary households. Four experienced field interviewers were engaged to collect data through face-to-face interviews, while the author closely supervised data collection activities to ensure data quality. Two NGOs, BRAC and Proshika<sup>4</sup>, were selected purposively. A total of 96 households [respondents] were selected using random sampling.

Different statistical tests of significance were applied to determine the difference between 'after' and 'before' situations. Chi-square ( $\chi^2$ ) was used to test for difference in borrowing from institutional sources between pre- and post-NGO period. To assess the state of transparency, three basic indicators were developed: a) whether the borrowers knew the rate of interest on the amount borrowed; b) whether the NGOs had explained the reasons for deducting money from the principal amount; and c) whether seed, poultry birds or saplings were given to them forcibly.

The state of transparency and institution building situation 'before' joining NGOs was assessed against each institutional and transparency indicator and the 'after' situation was also measured accordingly. Selection of the two study villages in Babuganj *Thana* of Barisal district was based on the following criteria: (i) the villages incorporate all major NGO activities; (ii) the sample NGOs (BRAC and Proshika) have been working in this district for the last 15 years; (iii) the socio-economic characteristics of the district are homogenous in terms of income, household consumption, health, etc., except literacy;

(iv) both NGOs' interventions focus on institution building; and (v) the range of activities and programs of the two NGOs in the sample villages are almost the same as in other areas (BRAC, 2001).

### Core NGO Activities and Importance of Local Structures

Training, one of the key components of the NGOs' development activities, aims to build the capacity of the poor and thereby enhance their ability to achieve specific objectives. Most NGOs in Bangladesh provide training in three broad areas: empowerment-related, health and nutrition related, and skill-based. Training related to empowerment includes literacy, leadership, awareness raising, group formation procedures and management, accessing government services, legal rights and women's rights. Health and nutrition training includes hygiene, sanitation, diet and kitchen gardening. In a few programs some specific skills such as those of Traditional Birth Attendants (TBA, thereafter) are included (BRAC, 1996; Proshika, 2001; Irish and Simon, 1999). Skill centred training includes agriculture, pisci-culture, sericulture, tailoring, poultry and other livestock raising, plantation, environmental protection and a variety of specialized topics, including those provided by NGOs operating in urban areas. Many poor people have strong preference for skill-centred training in association with credit. Data show that nearly 29 percent of the respondents received training within their membership period both from the NGOs and the government agencies: Only eight categories of training courses were offered to the members on nursery, poultry vaccine, human rights and legal education (HRLE, hereafter), livestock, health and hygiene practice, life skill development, fish farming and TBA. Data also show that the training received on poultry and poultry vaccine, and HRLE were provided solely by the NGOs. However, the government provided training only on TBA practices.

The number of training courses related to health and hygiene offered by the government was higher when compared with the NGOs. About 26 percent of the respondents received training once, while 3 percent received it twice in post-NGO period. In the pre-NGO period, around 11 percent received training once only, while about 2 percent received it twice. A significantly higher percentage of training courses was offered in the post-NGO period as compared to pre-NGO period ( $P < 0.001$ ).

The principal objectives of forming groups of the rural poor women are to ease credit operation, and resolve problems encountered within the community through the local arbitration bodies formed with local leaders and VO members. The data show that NGOs' institution building activities play an important part in resolving problems. As a result the members have been able to solve many problems raised in the community by themselves. About 28 percent resolved local problems through the local arbitration or *shalish*, while about 35 percent made demands on government resources. Around 39 percent protested and took action against human rights abuses in the society, while about 11 percent protested dowry demands. About 15 percent foiled divorce attempts, while about 9 percent received legal aid on various issues from the NGOs (Table 1).

### The Centrality of Micro Credit

The programs of the NGOs constitute a package of which micro-credit is a central component. One of the main goals of micro-credit is to provide the rural poor with access to money and empower the women by reducing economic dependency on informal sources such as traditional money lenders (Ahmed, 2000). Data show that none of the sample beneficiaries borrowed money from the NGOs before they joined, while all of them borrowed from the

**Table 1 Uses of Group Cohesion in Daily Life**

Uses of Institutions	<i>f</i> (n=96)	%
Resolved local problems through arbitration*	27	28.13
Received legal aid from NGOs	9	9.38
Participated in demanding government resources**	34	35.42
Protested dowry demand	11	11.46
Resolved household crises	3	3.13
Action taken against human rights abuses***	37	38.54
Resolved divorce attempt	14	14.58
Total	96	100.00

\*Conflict with neighbors over land distribution etc.

\*\*Demand for road construction and renovation, installation of tube well etc.

\*\*\* Rape, acid burning, or other forms of violence against women.

**Table 2 Sources of Loan Borrowed During Pre and Post NGO Period**

Sources of Loan Borrowed	Pre-NGO		Post-NGO		Total		Significance
	<i>f</i>	%	<i>f</i>	%	<i>f</i>	%	
NGOs	0	0	96	100.0	96	100.0	-
Informal sources*	39	100	4	10	43	100.0	P<0.000

Source: Field Survey 2002.

\*Traditional money lenders (relatives are excluded).

**Table 3 Purposes for which loan was used**

Purposes	Borrowed (n=43)	Used (n=43)	Significance
	(%)	(%)	
Paddy husking	7	4	P<0.000
Purchasing rickshaw/van	12	4	
House construction/renovation	5	34	
Consumption	-	19	

Data sources: Survey 2002 (data reflect multiple responses)

NGOs after they joined. However, 39 (100 percent) respondents borrowed money from informal sources, while this number went down to only four (10 percent) in post-NGO period. A significantly higher percentage of respondents borrowed money from informal sources before joining NGOs (P<0.000). This indicates that the NGOs play a very important role in motivating the rural poor toward institutional sources for loan.

Over the years, savings and credit programs have formed the backbone of most NGO activities. Compulsory savings provision for retaining membership is used as their capital. Most of the NGOs claim to have been successful with their recovery rate when compared with any formal bank's recovery situation. NGO loan is purpose-specific and hence it is disbursed among the members accordingly. However, it is often noticed that the loan is used for another purpose, referred to as 'wrong purpose'. Clearly, 7 percent borrowed money for paddy husking but only 4 percent used it for the same purpose. About 12 percent of them borrowed for purchasing rickshaw/van, while only 4 percent used it as promised. Five percent of them borrowed for house construction or renovation, but about 34 percent used their loan for that purpose. About 19 percent of the members consumed the loan during a crisis (Table 3). However, the difference between the purposes of taking loan and using loan was significant (P<0.000). It means that NGO beneficiaries used their loan for purposes that the NGO did not approve. This might be explained by the wrong selection of the target group and insufficient time given to invest money before installment payments were collected.

Data further shed light on the 'real users' of loan money showing that the money borrowed from the NGOs were used both by self (beneficiaries) and spouse. Around 46 percent of the respondents borrowed Tk<sup>5</sup> 4,001 – 7,000, followed by category of Tk 7,001 – 10,000 (38 percent). Only about 3 percent and 8 percent of primary members and their spouses respectively borrowed the lowest category of Tk 1,000 – 4,000. The mean loan size is Tk 7,412.5. Statistical tests show that there is no relationship between the loan size and the users. It means the loan size does not determine its users [i.e. male or female]. The key informants questioned why NGOs offer loans to those who were well off. They accused NGOs of making profit only, irrespective of how poor or how rich their clients (Table 4).

Data show that about 27 percent of the female members handed over their money to their husbands to invest in more profitable schemes. Money is often handed over under pressure and around 19 percent said that if money was handed over, husbands didn't ask for money everyday. The highest percentage of respondents (41.4 percent) said that husbands became happy when they got the money. Seven (10 percent) of them reported that only money could placate their husbands, while about 3 percent reported that it increased their prestige in the family. Regarding the dilemmas they encountered, around 50 percent of the respondents thought that handing over the money made them more dependent on their husbands. To the majority, the loan did not help empower them. About 10 percent reported that since husbands are not accountable to their wives, they asked their husbands about how the money was spent and about 11 percent claimed that their husbands spent the money and did

**Table 4 Distribution of Users of Institutional Credit by Amount**

Loan Category (by amount)	Loan Used by the Spouse	%	Loan Used by Self	%	Total	%
1,000 – 4,000	8	8.33	3	3.1	11	11.5
4,001 – 7,000	33	34.4	11	11.5	44	45.8
7,001-10,000	25	26.1	11	11.5	36	37.5
1,0001-20,000*	4	4.2	1	1.04	5	5.2
Mean			7412.5			
Significance ( $\chi^2$ )			P<0.481			
Total	70	72.9	26	27.1	96	100.0

\*Class interval has jumped for making the frequencies statistically analyzable.

Source: Computed from Survey Data 2002.

**Table 5 Sources of Money for Repaying Current Installment**

Sources	f	%
Cutting short the number of meal	4	4.89
Sale of crops/trees	7	8.54
From the loan received	19	23.17
Selling household valuables	12	14.64
Taking another loan	9	10.98
Borrowing from relatives/neighbour	13	15.85
From NGO activities	18	21.95
Total	82	100.00

Source: Field Survey 2002

not care about the payment of installments. About 23 percent stated that their husbands spent the money lavishly. The members thought that they did this because it was not their hard-earned money. Nearly 7 percent reported that issues like payment of installment, asking for some money from their husbands for personal expenses etc., often made their husbands abusive

### Loan Repayment Dilemmas

Loan repayment has caused landlessness and pauperization among many of the NGO members. 'As the stormy wind destroys the little branches of a tree, loan crushed us just like that'- said an NGO member in a village of Bangladesh (BRAC, 1995). During the survey, 82 respondents were current on paying their installments. They were asked about the sources of money they used to pay their installment. The replies simply reinforce the above quoted statement. Around 5 percent reduced their food intake to pay back the loan. Around 9 percent sold out their yield crops during harvest or their growing trees, while about 15 percent sold out their valuables, such as livestock, ornaments, utensils etc. The highest number of the respondents (23.17 percent) paid their installments from the principal loan. This has been a long debated issue that there should be an

'installment holiday' so that they can invest the money before they start paying the installment,

because it is very unlikely that they can invest the money for a productive scheme in a week. About 11 percent were getting entrapped with another loan. They paid their installment with another loan made either from the respective NGOs or other NGOs, while about 16 percent borrowed money either from relatives or from neighbors to pay back the installment. About 22 percent of the respondents paid their loan back from the income of NGO related activities (Table 5).

### The Loan Repayment Score Sheet

Poor loan repayment is often the single most important factor affecting the NGO's reputation and sustainability. When loans are not repaid, the funds available for new loans are reduced unless new capital is secured (Chowdhury, 1989). Loan recovery performance is best measured by the repayment rate on loans. The repayment rate indicator includes the amount past due in previous periods. Since NGOs often have a large number and high amount of loans delinquent from previous periods, repayment rates that include these loans are preferable. Ideally, the amount received would not include payments made in advance, as they tend to overstate the repayment rate which is helpful to make cash flow projections as

they provide information on the amount an institution can expect to recover each day, week, or month. A 95 percent repayment rate means that 5 percent of the amount due has not yet been paid, not that 5 percent of the portfolio is past due. The repayment rate is above all a useful internal management tool for monitoring recovery and making projections (Fowler, 1996).

The NGOs often proclaim greater than actual success in recovering the loan. The claims go even up to 100 percent and range from 98 percent to 100 percent, exceeding Goldmark and Rosengard's standard (for more see Ullah and Routray, 2003), which seems to be a miracle. The high recovery rate of NGOs brings reputation and reliability to the NGOs. Uncontrovertibly, the recovery rate of NGO loans is much higher than that of the formal banks. It was hypothesized that regular monitoring and rigid regulations helped bring about this success. An attempt was made to delve into a deeper issue pertinent to the NGO members with reference to Khan's (BRAC, 1995) study, which revealed that extreme misbehavior with and threats made by the NGO officials to their beneficiaries are among the basic tools for recovering loans. That study was undertaken by BRAC following a huge dropout of members in one area of its programs in Bangladesh. Respondents were asked if they could repay their first or second loan. Data show that 70 percent borrowed money more than once. Most of them reported to have paid their first and second loan back. The question was how was it repaid. About 24 percent reported that half of their first loan was repaid by the respective NGOs themselves by deducting the outstanding from the principal amount of the second or third loan when they showed their inability to repay. About 9 percent repaid three-fourths of the first loan the same way. About 12 percent complained of misbehavior and threats of NGO officials. Misbehavior of NGO officials with the beneficiaries has become a threat to the sustainability of the credit program because to many researchers this behavior prompts the dropout of its members (BRAC, 1995). About 29 percent sold their valuables and 18 (26.8 percent) borrowed from different sources for repaying the loan. Literally, collateral is a security of either cash or kind for ensuring repayment from the beneficiaries. Commercial banks usually keep the deed or document of moveable or immovable assets of value equivalent to the money to be disbursed, while NGOs are said not to need such collateral security. However, the NGOs adopt some strategies to disburse loan. For example, none can get money from NGOs whenever they want it. They have to go through exacting processes<sup>6</sup>.

### Question about Transparency and Accountability

*Mora shud janina, mora khali kistee dei, amgo kokhono koina koto taka shud, khali koe kistee dite oibo*"-We do not know the rate of interest, we just pay installments, we are never told the rate of interest, just asked to pay the installments.

Kohinoor, a NGO beneficiary in Kalikapur village of Chandpasha Union is not aware of the concept of 'transparency or accountability'. She just unraveled what she experienced in relation to her loan and membership. Respondents were asked whether they knew the rate of interest of the loan taken from NGOs; only about 9 percent knew it, and 91 percent claimed total ignorance of the rate of interest. Statistical tests show that a significantly higher percentage of respondents ( $P < 0.000$ ) claimed their total ignorance of the rate of interest as compared to those who knew. They were asked if the NGOs explained the reasons for deducting money from the principal amount of loan. Again, 88.5 percent of the respondents replied 'No'. Respondents were also asked, if they took poultry birds, seed etc, on their own from the NGOs during loan disbursement. A significantly high percentage ( $P < 0.000$ ) of respondents (74.0 percent) reported to have been forced to do so. The above findings clearly answer the question of transparency of the NGO activities. Karim (1996) argued that Bangladeshi NGOs are regularly answerable to at least four different authorities: their boards of governors or executive committees and through them to their general members; to the government, which approves their projects and budgets; to the people; and to the donors. Tandon (1996) characterizes the NGO boards as follows. Family board: One of the most common characteristics of many NGO boards is their family character. In both composition and style of functioning, these boards operate like a family, with all the necessary informalities, affection and trust that a small family-held business demonstrates (Tandon, 1996; Ullah and Murshed, 1999, 2002; Uphoff, 1996). Invisible board: Many NGOs have largely invisible boards comprised of small coteries of friends and family assembled by the founder or founders for the purposes of meeting statutory requirements on paper. The board acts as only a "rubber stamp" (Tandon, 1996). Downward accountability is thus poorly instrumentalized in most NGOs. Their accountability is also currently seen as satisfying the donors who support them; thus downward accountability is weak. In fact, NGOs have no readily acknowledged parameters against which their performance can be measured (Bari, 2002).

**Table 6 How the First Loan Was Repaid**

How was First Loan Repaid	<i>f</i>	%
Half of the first loan was reduced from second, third or fourth loan	16	23.8
Three fourths of the first loan was reduced from second, third or fourth loan	6	9.0
Threats to lodge cases with police	8	12.0
Selling out valuables	19	28.4
Borrowing from relatives and others	18	26.8
Total	67	100.00

Source: Field Survey 2002.

## Conclusion

The beneficiaries use their group cohesion and strength in resolving local problems which indicates that they have achieved a certain level of empowerment in the society, as well as in the family during post-NGO period. A shift of dependence from traditional money lenders to institutional sources is also clearly visible. They were less likely to be vulnerable to exploitation by the TML. This indeed reinforces proclamations of the NGOs' success. All the sample beneficiaries had access to institutional credit and about two thirds borrowed more than once. However, for most cases, the women borrowers, did not use the loan for themselves. They were either pressured or they willingly handed over the money to their husbands. Unfortunately, NGOs still use pressure and threats to recover the loan as their most primary mechanism. The income from NGO related activities are not the principal source, for most cases, for repayment of installments. Whatever the level of success the NGOs claim in the empowerment indicators because of their innovative interventions, economic emancipation so far has largely remained more rhetoric than substance. Significant economic rejuvenation of the rural economy is required to establish the effectiveness of their activities. However, the prominent question today is: How far can the NGOs go with their mission of economic emancipation of the rural poor, when the most important issues of governance (e.g., transparency and accountability) remain ignored in their program strategies?

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#### End Notes

1. Non-governmental organizations
2. Who lend money with a very high rate of interest, some time it goes up to 60-100 percent.
3. The VOs, comprised of 35-55 members meet once a week to discuss and facilitate credit operations and again once a month to discuss various socio-political and legal issues, including social inequality and injustice, discrimination and violence against women (BRAC 2001; Proshika 2001).
4. BRAC, formerly known as Bangladesh Rural Advancement Committee, was established as a relief and rehabilitation organization in 1972 after the Bangladesh Liberation War. Over the years BRAC has gradually evolved into a large and multifaceted development organization with the twin objectives of alleviation of poverty and empowerment of the poor. Its programs cover all the districts of Bangladesh. The budget for the year 2003 was US\$174 million. Today it is known to be one of the largest NGOs in the world. Proshika, the

second largest NGO in Bangladesh, took its first step in 1976 although the Proshika development process started in a few villages of Dhaka and Comilla districts in 1975. The name Proshika is an acronym of three Bengali words, which stand for training (proshikkhan), education (shikkha), and action (karmo).

5. Bangladeshi currency. About 58 Takas (Tk) are equivalent to 1.0 US\$ (as of April 2004).
6. One has to be a member of NGO *Samitee* headed by one president (*shovanetri*) from among the members of the respective village, who is held responsible for holding regular meetings, and collections: she is empowered to take harsh steps to get the loan back from the members. Depositing a

particular amount of money on a regular basis, which NGO terms as building the practice of savings among the poor, is obligatory. Members needing a loan amount of Tk 1,000 have to have at least Tk 260 as savings with the respective NGO (Hashemi, 1996; Wils, 1996). In case, membership is alive but one has no savings and they want a loan, the NGO reduces a particular amount from the principal during disbursement. But interest and installments are determined over the total amount. The amount of loan each member is eligible to borrow depends on her total savings. In addition, the borrower must also deposit Tk 50.00 as security for every loan of Tk 1,000. Therefore, a client who asks for Tk 3,000 receives Tk 2,850 cash in hand.

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