

ISAS Insights

No. 196 – 17 January 2013

469A Bukit Timah Road
#07-01, Tower Block, Singapore 259770
Tel: 6516 6179 / 6516 4239
Fax: 6776 7505 / 6314 5447
Email: isassecc@nus.edu.sg
Website: www.isas.nus.edu.sg



Bangladesh Enters Election Year: Perspectives on Polls and Politics

Iftekhar Ahmed Chowdhury¹

Introduction

The Bangladeshi is an intensely political person. It is his, or, as is somewhat more apt in Bangladesh given the gender of its leadership, her historical heritage. This extrapolation is easily derived from behaviour-pattern dating way back to Bengal's past. Unsurprisingly, therefore, elections in Bangladesh generate considerable heat and dust! This January the nation of nearly 160 million entered its election year. The government, a 14-party coalition led by the Awami League (AL) and Prime Minister Sheikh Hasina, has now completed exactly four years in office. The timeline for election would be anytime this year starting October. In parliamentary systems, it is the government's prerogative to call for elections even before the expiry of its term (in this case, five years).

Bitter Inter-Party Relations

Hasina commenced her campaign with a speech in early January where she enumerated the government's achievements, while as critics from the Opposition parties were quick to point out, neglecting to mention its failures. The Opposition, a collection of 18 parties including some right-wing Islamic ones is led by the Bangladesh Nationalist Party (BNP) of Begum Khaleda Zia. Both women are extremely powerful, their clout within their parties well nigh unchallengeable (those who chose to offer a modicum of challenge have found themselves

¹ Dr Iftekhar Ahmed Chowdhury is Senior Research Fellow at the Institute of South Asian Studies (ISAS), an autonomous research institute at the National University of Singapore. He is a former Foreign Advisor (Foreign Minister) of Bangladesh, and he can be contacted at isasiac@nus.edu.sg. The views expressed in this paper are those of the author and do not necessarily reflect those of ISAS.

severely discomfited!). Sadly, though, there is no love-lost between the two, and their bitter relations mark the overall tone of politics across the length and the breadth of the country. Khaleda Zia, too, has started her electioneering, more, however, by action in the streets than by the offer of alternative plans and programmes. In the absence of an agreed method for holding the elections, the government recently having used its preponderant parliamentary majority to alter the Constitution by scrapping the earlier prevalent ‘Caretaker system’ and the Opposition insisting on it, the great concern is of an inexorable heading towards a train-wreck!

Positive Economic and Social Matrix

The economy, despite this sorry political matrix, is not in shambles. While it will not be easy for governmental spokespersons to claim that this has happened because of the government, it will be just as difficult for detractors to prove that this is taking place in spite of it! The truth is that it is the entrepreneurial spirit of the Bangladeshis that has found fruition in this positive development. Garment exports earn over US\$ 18 billion annually. This year over US\$ 14 billion has been sent home as remittances by Bangladeshi workers abroad – the penchant for the Bangladeshi to travel anywhere in the world to work and earn is phenomenal, and legendary – and foreign exchange reserves have been growing steadily, to also over US\$ 14 billion at this time! But this favourable situation remains shaky. The physical infrastructure remains weak exacerbated by corruption; garment exports are under some threat after labour unrest following fires in some factories leading to many deaths, allegedly because of non-compliance of safety regulations by owners; the job market abroad is shrinking due to global downturn; and declining trade tending to reduce the positive perceptions of large accumulating reserves! The social sector indices show improved performance, with the capacity to meet a number of key Millennium Development Goals of the United Nations by 2015. A rational consideration for the government would be to time the election before the ‘negatives’ override the ‘positives’, which may mean sooner than later.

Another factor that could prompt an earlier election is an assessment by the government that the allegations of corruption surrounding the Padma Bridge issue may grow out of hand before long. This was a project, which was also an AL election pledge, designed to improve the poor communications infrastructure. The proposed 6.15-km long bridge spanning the mighty Padma river was to have been one of the largest projects of its kind in South Asia.. The cost was calculated at US\$ 3 billion. But in course of the current financial year the World Bank withdrew US\$ 1.2 billion as soft credit for the project, alleging corruption. The Asian Development Bank and Japan, both co-funders, followed suit. The government raised Cain, but following some tough negotiations, agreed to an investigation panel set up by the Bank, headed by Luis Moreno Ocampo, a former United Nations prosecutor. On the Panel’s urgings, and because the World Bank’s release of funds hinged on its report, the Bangladesh Anti-corruption Commission (ACC) ordered the arrest and indictment of some senior officials named as ‘conspirators for corruption’. But this list excluded the then Minister, an AL veteran, Abul Hussain, against whom the Bank assessed that sufficient, but not

conclusive, proof of culpability existed. The Bank was not amused at this exclusion and wrote a strongly worded letter to the Anti-corruption Commission on 9 January 2013 (made public in the media on 15 January) – making the point. It asked for a response from the ACC, which will undoubtedly have to be more carefully crafted than the preceding correspondence which argued that the reason for the Minister’s exclusion was apprehensions of ‘political uproar’, which the Panel found ‘deeply disturbing’. Should the ACC’s response be unsatisfactory to the Panel, the withholding of funds could be final, with unsavoury political consequences.

Ce grand malheur, de ne pouvoir être seul, so goes a French saying, meaning that sad events do not come singly. The ACC appears to have its hands full with other issues involving financial scandal. Two large corporate entities, ‘Destiny’ and ‘Hallmark’ are alleged to have obtained incredibly huge loans from public sector banks using connections. The major accused persons have been arrested and are likely to undergo trial, but the general view is that there is still ‘something rotten in the State of Denmark’.

Short-term Budget and Long-term Mega Projects

The Budget placed on 9 June last year before the Parliament by Finance Minister M A Muhith was indicative of gradual electoral preparations. It had an outlay of Taka 163,589 crores –roughly US\$ 22 billion – and projected growth at 7.2 per cent. In deference to practical realities, it was later scaled down. There were three major thrust areas: poverty alleviation, employment generation, and power and energy sector development. Power shortage was a critical issue, but the manner in which this is being addressed – quick rentals – has come in for some criticism in terms of both licit and illicit costs (comparison with the Pakistani situation, where the arrest of Prime Minister Pervez Ashraf has been ordered by Chief Justice Iftikhar Mohammad Chaudhury for graft when he was Power Minister and unkindly nick-named ‘Rental Raj’, may not be out of place for some critics). The debates that followed in Bangladesh identified implementation as key. Food production, an important element in a nation where so many live below the poverty-line, was assessed as being satisfactory. The lack of exposure to the global financial system has stood Bangladesh in good stead, largely sheltering it from the adverse effects of global crises. The Budget was overall carefully balanced, but it was not quite an election-year budget which the one tabled this year is likely to be. The government might want to give the next budget sometime to yield, or at least point towards desired results, before calling for elections.

Short-term benefits derived from such fiscal measures may, however, be derailed by the failure to complete some of the long-term ‘mega projects’ the government was committed to. Apart from the Padma Bridge issue, there are some others which are likely to suffer costly delays. One such is the proposed deep sea-port in Chittagong whose first phase was supposed to start at the end of 2011 and be completed by 2015. China has submitted a proposal and says it is prepared to partner with others, but the progress from the governmental side to date has been minimal. Another is the idea of Metro Rail, whose first phase was meant to end in

2015, but which is suffering from indecision as to its routes. Yet another project is one of elevated expressway in Dhaka which was awarded to an Italian-Thai joint venture in 2010, and was scheduled to be completed in 42 months. Alas, due to land acquisition problem and lack of investment funds, the project is in cold storage.

Pre-Election Surveys and Possible Election Timeframe

Another factor that may feed into the government's decision with regard to the election schedule is the results of a number of polls or surveys organised by the media recently. One designed by The Daily Star and conducted by the Centre for Strategic Research from 2 December to 14 December 2012, covering 2,510 respondents in 44 of the country's 64 districts, showed the AL in slight lead, with the BNP closing the gap so much so that the future looked wide open for both parties. It showed the support base of the AL at 42 per cent with the BNP now at 39 per cent but narrowing the gap. The yet undecided constituted 10 per cent and the rest was divided among other smaller parties. The AL did better in rural areas with its popularity in urban areas dipping markedly. If this trend continues, soon the predictions will be too close to call.

Another survey was conducted by the popular Bangla language daily Prothom Alo. It was carried out in November 2012 and covered 5,000 individuals. According to its findings, 45 per cent were satisfied with the government's overall performance over the last four years, and 49 per cent were not. Sixty-five per cent assessed the Prime Minister's performance positively, and 34 per cent negatively. On whether the country was going the right way, 40 per cent said 'yes' and a much larger 60 per cent said 'no'. Both polls showed that an overwhelming majority preferred elections to be held under a 'neutral' or 'caretaker' system. In the case of The Daily Star 67 per cent thought that a party-led government would not be able to hold a free and fair election, and 26 per cent believed it to be possible. In the case of Prothom Alo 76 per cent were of the opinion that a credible and neutral election would not be possible without a caretaker government, while 22 per cent considered it possible. In this respect both polls pointed to similar results.

A similar poll by another Bangla newspaper Shomokal focused on the government's fulfilment (or the lack of it) of election pledges made earlier. On the negative side of the ledger, it included the failure to control price-hikes of essential commodities, inability to adopt adequate measures against corruption, non-compliance with the commitment to declare the wealth of political leaders, the persistence of extra-judicial killings, non-appointment of an ombudsperson and the failure to stem politicisation of the administration. In the positive column was the substantial resolution of the power crisis, the on-going trial of the alleged 1971 war criminals, free distribution of text books at the beginning of the academic year, emphasis on rural economy, stabilisation of administrative reforms and freedom of information, and the creation of a new administrative Division in Rangpur in northern Bangladesh. The assessment in other words was a mixed report-card of successes and failures.

No opinion polls are perfect. Nor is any of the above that have been mentioned. They can at best be indicative of sentiments. Four were most evident. First, the two major political parties are in dead heat, with the narrow gap, that gives AL the lead, closing. Second, both major parties retain their basic vote-banks/constituencies, which mean the outcome will be decided by those who are yet to make up their mind, and by the other political parties, which mean a small number. Third, any failure of the government is not generally being translated into additional support for the main opposition, reflecting a general disappointment with the nature of overall politics in the country. And, fourth, there is a general tendency to believe that free, fair and credible elections are unlikely to be possible under any party-led government. Particularly the narrow gap between the two major parties will further widen what is already an enormous trust-deficit and aggravate apprehensions that a small amount of engineering could lead to a significant impact on the election outcome. This would sharpen the BNP's demand for a neutral mechanism and also the AL's opposition to it. A Tahir-ul Qadri-type phenomenon, as is being experienced in Pakistan, can possibly be ruled out because a postponement of elections would not perhaps be acceptable in Bangladesh on any account.

Conclusion

The government will need to decide soon its preferred time-table for elections. Much careful consideration will go into whether it would gain by having it earlier, or later as per the normal schedule. But this would have to mean that the imbroglio surrounding the method of the elections will require to be addressed forthwith. There is no obvious indication that this is being done. As is often wont in Bangladesh, foreign diplomats, particularly western ones, at such times become very active. But this time round the fall-out from the Yunus issue (the government's removal, the stated reason being his advanced age, from the headship of the Grameen Bank of the Nobel Laureate, Professor Mohammed Yunus, who has close links with western leadership including the Clintons of the United States) has increased their distance from the powers that be. The Americans in Dhaka are said to complain privately of their lack of access to the Prime Minister, who tellingly was very warmly received this month in Moscow, while any official visit to Washington is still pending! Luckily Bangladesh prides itself on a very vibrant civil society with vast intellectual resources all of which will be needed to be pressed into service to avoid a collision course that appears to be on the cards.

.....