



October-December 2006
Vol V Issue 4

CPD

Centre for
Policy
Dialogue
Bangladesh

Quarterly

FROM
the editor's desk

Highlight of the last quarter of 2006 was the Citizens' National Forum held on December 9th. The National Forum was the concluding event of the series of activities CPD had undertaken throughout 2006 on the theme of ELECTION 2007: CIVIL SOCIETY INITIATIVE FOR ACCOUNTABLE DEVELOPMENT. Members of *Nagorik Committee 2006* presented the eight Goals of *Bangladesh: Vision for 2021* prepared under the aegis of the committee through consultation with major stakeholders. The event attracted a lot of attention from media because of the presence of Secretary Generals of both BNP and Awami League along with a number of advisors to the then Caretaker Government. About 1200 people attended the Forum; a large number of participants who had taken part in various regional dialogues travelled from far away districts to join the Forum. A set of recommendations that evolved from the regional dialogues was formally handed over to the political parties for their consideration.

Another major event during the fourth quarter was the three-day Trade Policy Appreciation Workshop which CPD has been organizing once every year since 2000. The objective is to contribute towards trade-related research and policy making in Bangladesh. Workshop participants came from various professional backgrounds and included representatives from the government, NGOs, research institutions, academia, business houses and trade bodies. The participants at the workshop were exposed to an in-depth discussion on themes such as NAMA, GATS and development dimensions of the WTO Doha Round. They also participated in a simulation exercise on negotiation which was conducted by Dr Shishir Priyadarshi from the WTO Secretariat. The workshop was followed by a dialogue on Doha Round Talks: Next Steps for Bangladesh which provided a forum to discuss the latest developments in WTO negotiations and Bangladesh's concerns and interests in this context.

The last quarter of 2006 was also marked by the presence of two Nobel Laureates at a CPD dialogue entitled 'Towards an Inclusive Globalization'. Nobel Laureates Professor Muhammad Yunus and Professor Amartya Sen spoke about the distinctive features of the ongoing process of globalization, the winners and losers in the course of action, and how countries such as Bangladesh should position themselves in view of the emerging architecture. George Soros, an eminent international financier and philanthropist also spoke at the dialogue.



Nagorik Forum 2006

Civil Society Initiative for Accountable Development rounds off its initial phase

Set of recommendations handed over to the major political parties

General Secretary of Awami League Abdul Jalil and Secretary General of BNP Abdul Mannan Bhuiyan expressed positive views as regards curbing the influence of black money in the elections and the need for good governance. They felt that appropriate measures have to be taken to strengthen democratic practices in governance. The two leaders were speaking as Special Guests at the Nagorik Forum 2006 on December 9th organized conjointly by CPD, The Daily Star, Prothom Alo and Channel-i at the Bangladesh-China Friendship Conference Centre. The Forum was organized as a round off dialogue to the CPD programme on NATIONAL ELECTION 2007: CIVIL SOCIETY INITIATIVE FOR ACCOUNTABLE DEVELOPMENT. About 1200 people from various segments of the society including participants of the regional dialogues organized as part of the aforesaid programme took part in the Forum. Advisor to the Caretaker Government for Finance and Planning Dr Akbar Ali Khan was present as Chief Guest while CPD Chairman and Nagorik Committee 2006 Convener Professor Rehman Sobhan presided over. CPD Executive Director and Nagorik Committee 2006 Member Secretary Debapriya Bhattacharya conducted the Forum.

In the beginning the participants viewed a twenty two minute video film, an edit version prepared by channel-i based on the series of programmes on regional dialogues encapsulating people's uninduced opinions.

Dr Bhattacharya, in his inaugural speech, provided the background to the initiative and pointed out a number of outcomes. He elaborated on the challenges that are to be faced by the country on its way to good governance. He, then, read out a set of recommendations that had evolved from the 15 regional dialogues held across the country. The recommendations were formally handed over to the political leaders. Major recommendations included: strengthening democratic institutions, ensuring electoral as well as political reforms, mandatory registration of the political parties, bar on the public servants to contest in the elections for at least three years after retirement or leaving the jobs, disclosure of relevant information about the candidates such as educational background, professional experience, source of income, tax returns, the total amount of wealth owned, any previous criminal record and/or default of bank loans and so forth, formation of an election disqualification commission to probe electoral irregularities, disposal of election

(Continued on page 2)



disputes and petitions within 180 days, introduction of an electoral college to elect the President, separate electoral roll for the three hill districts, increasing the number of reserved seats and direct elections for women and bringing in necessary amendments to the Representation of People Order (RPO), 1972.

Abdul Mannan Bhuiyan urged the political parties to accept election results whether it is in one's favour or not and to restrain from politicization of the administration. He added that the civil society leaders and intellectuals should rise above any kind of political bias and work towards a consensus that no political party boycotts parliament or enforces hartal and blockade, the parliamentary standing committees are formed within the first three months and a transparent operational system is in place within the government. He underscored that bureaucrats, academics and other professionals had an equally important role to play along with the politicians to ensure development of the country.

Abdul Jalil stressed that Awami League (AL) is committed to establish an accountable and capable civil administration, independent judiciary, strong local government system, free flow of information and rights of the women, indigenous people and minority community. He remarked that the CPD's initiative for accountable development, especially in the context of upcoming elections, was important and AL would consider the set of

recommendations for implementation. He, however, suggested that the amendment of RPO should be left to an elected government to decide. He concluded by saying that all citizens must try to keep the political and economic arena free from corruption if the spirit of Bangladesh's independence is to be upheld.

Dr Akbar Ali Khan said, 'The country is still passing through a deep crisis and top leaders of both the political parties should come forward to resolve it.' Much depends on the move of the political parties, he argued. Dr Khan cited examples of democratic countries all over the world and emphasized that the system could never be perfect. But, of course, it can be somewhat ameliorated. He sought guidelines from the Supreme Court for a permanent electoral roll.

Members of the Nagorik Committee 2006 briefly spoke about the preparation of Bangladesh: Vision for 2021, which comprises eight inter-related goals. Among the members were: economist Professor Wahiduddin Mahmud, Vice Chancellor of BRAC University Professor Jamilur Reza Chowdhury, Professor of Sociology, Dhaka University Dr Mahmuda Islam and Chairman of Bishwa Shahitya Kendra Professor Abdullah Abu Sayeed addressed the gathering. Appraising Bangladesh's achievement in poverty reduction Professor Mahmud hoped that the country would graduate into a middle income country given the current trends of poverty reduction.

Professor Chowdhury stressed on the need to integrate the three streams of education, Bengali, English and madrasa, and bring these under a core curriculum. Professor Mahmuda Islam advocated in favour of working for empowerment of women and suggested that there should be more seats for them in the parliament. Professor Abdullah Abu Sayeed observed that 'democratic dictatorship' is often more harmful than a 'military dictatorship' as it rules under the guise of legal coverage and democracy. Editor of The Daily Star Mahfuz Anam, Editor of Prothom Alo Matiu Rahman and Managing Director of Channel-i Faridur Reza Sagar also spoke at the Forum on behalf of the co-organizers.

Professor Rehman Sobhan pointed out that a number of dramatic changes have to take place 'if the Caretaker Government is to establish enough authority to preside over a credible election.' He cautioned that we might end up with confrontations instead of elections or with an election which commands a diminished credibility in the eyes of the electorate as well as the international community. Either of these would compromise the legitimacy of future governments and would not in anyway do service to the cause of democracy.

He reiterated that the demand for honest candidates who are not associated with 'acts of violence or command over a sizeable undeclared wealth' was now gaining

DIALOGUE

Towards an Inclusive Globalization

Utilize potentials of globalization to uplift the poor

Nobel Laureates Amartya-Yunus call forth

Nobel Laureates Professor Amartya Sen and Professor Muhammad Yunus urged the world leaders to make use of the potentials of globalization and to help the countless have-nots come out of abject poverty. Both were present as speakers at a dialogue entitled 'Towards an Inclusive Globalization' organized by CPD on December 26th at the BRAC Centre Inn auditorium. Chairman of Open Society Institute George Soros was also present as one of the distinguished speakers at the dialogue which was chaired by Professor Rehman Sobhan.



'I am not in favour or disfavour of globalization, but I am very much anti-anti-globalization', Amartya Sen remarked. He urged for countering the drive against globalization which has become nothing but 'a slogan-only campaign'. At the same time, he said, the pros and cons of globalization needs to be weighed in the context of each society and there was nothing wrong with a comprehensive analysis and criticism of the process. Referring to communist China which has accepted market economy up to an extent, Sen went on to say that although he did not support market economy strongly it could be introduced

depending on the country's need. He was, however, against market fundamentalism.

Soros termed globalization 'a market fundamentalist project'. Property right is creating business monopoly instead of competition, he added.

Yunus defined globalization as a highway on the global market where bigger countries are plying all their vehicles while a lightweight rickshaw cannot find its way. It ought to accommodate all kinds of vehicles, he commented. The citizens all over the world should have a free access to the privileges of globalization. He pointed out that 60-70 per cent of the world's population had no access to

information technology (IT) and stressed on the need for equal access to IT so that the citizens who have a weaker voice can have some knowledge to decide whether globalization is right or wrong. He further added that he was trying to introduce a new idea of social entrepreneurship which would root for setting up non-profit companies for overall well-being of the society.

Sen, Yunus and Soros, however, appeared to be at different wavelengths on the racing globalization process, and probing role of the media.

Eminent economist Professor Wahiduddin Mahmud, former Chairman of SEC and Sonali Bank Mirza Azizul Islam, President of Bangladesh Economic Association Q K Ahmad, former President of Dhaka Chamber Sayeeful Islam and Executive Director of RIB Professor Meghna Guho Thakurta took part in the open discussion. Among others, Professor Emeritus Jamal Nazrul Islam, former Advisors to the Caretaker Governments C M Shafi Sami and Syed Manzur Elahi, President of ICCB Mahbubur Rahman, President of MCCI Latifur Rahman, Chairman of Unnayan Shamannay Atiur Rahman, former President of BGMEA Annisul Huq, Professor M M Akash and Research Director of CPD Professor Mustafizur Rahman were present at the dialogue.



DIALOGUE

Doha Round Talks: Next Steps for Bangladesh

Strengthen trade related capacities, urge the speakers

Speakers at the dialogue organized by CPD on December 28th at the BRAC Centre Inn Auditorium, stressed the need for establishing effective relationships at the sub-regional, regional and global levels with a view to making globalization work for development of developing countries and to restart the stalled Doha round trade talks of the WTO.

Debapriya Bhattacharya, Executive Director of CPD chaired the dialogue while Professor Rehman Sobhan, Chairman of CPD and Rajani Alexander, Head of Development Cooperation of CIDA attended as the Chief Guest and Special Guest respectively. Rehman Sobhan felt that some countries who were afraid of competing with the developing countries are the ones responsible for undermining progress of the WTO Doha Round Talks while Rajani Alexander stressed on the need for trade-related capacity building, energizing trade-related institutions, reforming policies, and need for creating trade cadres.

Shishir Priyadarshi, Senior Counsellor of the WTO secretariat made a presentation: 'The How, When and Why of the Suspended Doha

Negotiations'. He expressed his apprehension that the suspension of the Doha Development Round (DDR) might result in further delay in implementing the agreements and withdrawal of the promise made to the LDCs for a duty-and-quota-free market access which might lead to dire consequences like a weaker multilateral trading system. Mode 4 and aid for trade issue were identified as the thrust sectors for Bangladesh and emphasis was laid on stricter implementation of the Intellectual Property Rights (IPR) by the LDCs.

Other participants were: Mustafizur Rahman, Research Director, CPD, who emphasized on signing bilateral free trade agreement with countries where there is business potential, Manzur Ahmed, Advisor to the Federation on Bangladesh Chambers of Commerce and Industry, who felt that WTO was already dead and its sensitive list which covers 98% products of this region have borne no fruit, Suhel Ahmed Chowdhury, former Commerce Secretary, Zaidi Sattar, Senior Economist, World Bank and S M Fazlul Hoque, President, BGMEA.

DIALOGUE

Sustaining Democracy in Bangladesh: Learning from Global Experience

Combined effort in favour of democracy in practice

CPD organized a dialogue with young professionals on the issue of 'Sustaining Democracy in Bangladesh: Learning from Global Experience' on December 26th. George Soros, Chairman of the Open Society Institute and also a renowned financier and philanthropist spoke at the dialogue as the Guest Speaker. Rehman Sobhan, Chairman of CPD presided over. Soros initiated his presentation with a brief description of the Open Society Institute's objective highlighting the initiatives taken by the organization in promoting democracy in the Eastern Europe following collapse of socialism, in South Africa and in the East Asian countries. Sharing his experiences from Georgia and Ukraine, he went on to state that revolution does not necessarily establish democracy but pave the way of democratic institutions which is a prerequisite for a sustainable democracy. He appreciated the existence of a strong civil society in Bangladesh and felt that the government should pay attention to the civil society's initiatives.

Taking part in the discussion, Professor Imtiaz Ahmed compared the open society system of the *Bauls*, *Sannasi* and *Sufis* with the modern system of democracy where tolerance was often found to be rare.

Professor Asif Nazrul criticized the open market economy by saying that even in an open society like the one in United States people were so self-obsessed that they were hardly bothered about what was happening within the country or outside. Referring to Bangladesh, he said that there was a non-functioning democracy existing in the country. Barrister Sara Hossain pointed out that the rise of extremist political forces was a great threat to democracy and a concerted effort was needed to have the democracy in practice.

Among others, Barrister Tania Amir; Syed S Kaiser Kabir, Managing Director of Renata; Ifath Sharif of Maxwell Stamp plc; Dr A S M Abdun Noor Tushar, Managing Director of Gati Media; Tasneem Khalil, Editorial Assistant of *The Daily Star*; and Nazim Farhan Chowdhury, Deputy Managing Director of Addcomm Ltd.; and Zafar Sobhan, Assistant Editor of *The Daily Star* took part in the discussion.

In his concluding remarks, Professor Rehman Sobhan said that abuse of the constitution by the political parties was a great threat to democracy, and called for efforts to create a genuine civil society for upholding the democratic process.

National Seminar on Implementation of the Citizen's Social Charter: Bangladesh

Too many targets and weak implementation of policies: What is the solution?

A national seminar jointly organized by CPD, South Asia Centre for Policy Studies and Nijera Kori on December 2nd at the BRAC Centre Inn Auditorium focused on the inadequateness of policies adopted by Bangladesh that fell far short of the need to achieve the milestones identified by the SAARC Social Charter adopted by the seven South Asian heads of state and government in Islamabad in 2004 aiming to reduce the poverty by half by the year 2010 and eliminate poverty by the year 2015. A keynote paper was jointly presented by Khushi Kabir, Coordinator of Nijera Kori and Rashed Al Mahmud Titumir, Chairman of Unnayan Onneshan. They pointed out that according to the government report poverty eradication rate was .052% per year which implies that it would take 81 years to eradicate poverty and 40 years to reduce it by half. They criticized the role of the development partners and practitioners which had only increased the number of poverty-ridden people and widened the gap between the haves and have-nots. Chaired by CPD trustee M Syeduzzaman the seminar was attended by Debapriya Bhattacharya, Executive Director of CPD and Advisor to the Caretaker Government Sultana Kamal. Among others, Ahmed Mushtaque Reza Chowdhury, Deputy Executive Director of BRAC, Ainun Nishat, Country Representative of IUCN, Faustina Pereira and

Director of Ain-O-Salish Kendro, Abdul Mueyed Chowdhury, former Chairman of NBR, Asaduzzaman, Research Director of BIDS and Zafrul Hasan, General Secretary of Jatiotabadi Sromik Dal were present.

Chowdhury hailed the charter for including issues such as care for the elderly and reproductive health care, and felt that all targets were achievable through effective participation of the community based organizations. Nishat, however, disagreed with Titumir's view and said that most of the targets could not be achieved with simply effective participation from communities, instead he recommended that targets be treated in such a manner that there is no alternative to achieving success. Faustina blamed the imperfect state machinery for the charters not being implemented effectively. Asaduzzaman felt that the endless lists of targets laid down were impossible to achieve within the limited time-frame offered and suggested reducing the number of targets to a practical number. Mueyed Chowdhury felt that additional financial resources were required to fulfil some targets while some might be achieved through determination and willingness of the parties involved. Sultana Kamal stressed the need for coordination among the principal stakeholders in order to attain the targets within the stipulated time.



DIALOGUE

Rise of India and China

Bangladesh can benefit if she considers the rise of the two economic superpowers, India and China from global perspectives rather than from a bilateral one. This was observed at a dialogue organized by CPD entitled 'Rise of India and China: Implications for Their Low Income Neighbours' on October 10th at the CIRDAP Auditorium. Former Advisor to the Caretaker Government Syed Manzur Elahi presided over the dialogue. Mirza Azizul Islam, Chairman, Sonali Bank; Farooq Sobhan, President, Bangladesh Enterprise Institute, Hua Du, Country Director, Asian Development Bank (ADB) and Sungsup Ra, Deputy Head, ADB were among the discussants.

Presenting the paper, Executive Director of CPD Debapriya Bhattacharya identified the major issues related to the rise of China and India and its consequences on its neighbouring low income countries including Bangladesh. He said that Low Income Asian Countries (LIAC) must ensure efficient use of the existing preferential treatment which they receive from the EU and the US to make these commercially meaningful. They must also look for opportunities to enter into the Asian supply chain by supporting the export industries in China and India. On the issue of enhancing Bangladesh's competitiveness, he commented it was important to have a conducive overall business environment; he felt that removal of bureaucratic bottlenecks, development of infrastructure and reduction of political instability were important determinants in terms of attracting FDI.

Veena Sikri, Guest of Honour and the outgoing Indian High Commissioner commented on the presentation by highlighting the crucial importance of Bangladesh's connectivity through rail, road, river and port; she thought that Bangladesh could be a bridge between India and South-East Asia, and India and China because of her strategic location. The other Guest of Honour, Chai Xi, the Chinese Ambassador recalled that China has granted duty free access of 162 items from Bangladesh into the Chinese market and would continue this sort of support in the future. Taking part in the discussion, Mushfiqur Rahman, Chairman, Parliamentary Standing Committee on Ministry of Finance emphasized on improving the business environment to increase Bangladesh's export to China and India. Tofail Ahmed, former Minister for Commerce and Industries said that Bangladesh's trade gap with India has always been considered as a political issue and has to be reduced through more exports.

In his speech as the chair, Manzur Elahi concluded that the countries in the region should act together and stressed upon the importance of product diversification and political stability to increase exports from Bangladesh to India and China.

DIALOGUE WITH

Young Professionals

A scientific, unified and secular education system is a solution to many of the existing problems in the country and essential for its overall development. This observation was made at a Dialogue with Young Professionals organized as part of NATIONAL ELECTION 2007: CIVIL SOCIETY INITIATIVE FOR ACCOUNTABLE DEVELOPMENT by *Nagorik Committee 2006* under the aegis of CPD. The dialogue was held on October 14th at the BRAC Centre Inn Auditorium. *The Daily Star*, *Prothom Alo* and Channel-i were media partners for the event. The participants included academics, professionals, media and cultural activists, development workers and entrepreneurs. Professor Rehman Sobhan, Chairman, CPD, A S M Shahjahan, former Inspector General



of Police, Laila Rahman Kabir, member, CPD Board of Trustees and Angela Gomes, Executive Director, Banchte Sekha attended the dialogue on behalf of *Nagorik Committee 2006*. Professor Mohammad Zafar Iqbal of Shahjalal University of Science and Technology, and a member of *Nagorik Committee 2006*, chaired the dialogue, while Executive Director of CPD Debapriya Bhattacharya moderated the sessions.

Participants at the dialogue expressed their deep concern over the lack of trust that prevails among the political parties. They demanded entrenchment of a transparent and responsive political culture in the country. They recommended strengthening of the Election Commission (EC) and ensuring democratic norms at all levels of political activities. Some of the participants were keen on having a 'no vote provision' on the ballot paper in case a voter does not want to vote for any of the candidates. A suggestion was made to reduce the imbalance in the salary structure of public and private sector as a measure to counter the incidence of corruption. The participants demanded that professional bodies be kept away from political pressure. Referring to the leading role of younger generation in the liberation war, Professor Rehman Sobhan insisted that young professionals come forward with passion and commitment and take charge of the country.

The group of young professionals who took part in the discussion included Monir Uddin Ahmed, Engineer S Fahim, Ashiful Bashar, Barrister Moin Ghani, Shamim Ahsan, Mujibur Rahman, Suman Kumar Mitra, Shakawat Hossain Khan, Sadrul Majumder, Rifat Zaman, Sumana Sharmeen, Amit Dasgupta, Hishamuddin Chisti, Tarin Hossain, Suman Salahuddin, Syed S Kaiser Kabir, Farhana Sharmeen, Mostafizur Rahman Khan, Nazim Farhan Chowdhury, Ali Baset Chowdhury, Barrister Tania Ameer, Tazim Anwar, Kamruzzaman, Azad Bin Mahfuz, Moshahida Sultana, Munni Saha, Shakil Ahmed, Monjur Elahi, Z I Mamun and Iad Ali Fakir.

DIALOGUE

Amendments to the Representation of the People Order (RPO), 1972

Nagorik Committee 2006, constituted at the initiative of CPD in the early part of 2006, prepared a set of recommendations for the Caretaker Government proposing amendments to the Representation of the People Order (RPO), 1972. The objective was to ensure transparency in the electoral process and promote the cause of electoral participation by honest and competent candidates. These proposed amendments were presented by Shahdeen Malik, eminent lawyer and Director of BRAC School of Law at an event organized by CPD in association with a number of NGOs which included FEMA, Brotee, SUPRO, Bangladesh National Women Lawyers' Association (BNWLA), Ain-O-Salish Kendro (ASK), Steps Towards Development (STD), Transparency International Bangladesh (TIB), Centre for Development Communication (CDC) and Democracywatch. The proposals called for making registration of the political parties mandatory, barring government officials from taking part in the elections within three years of retirement or leaving the service, providing information on the candidate's assets, income and expenditure, tax returns and liabilities within 72 hours of submission of statements to the returning officers, appointing public accountants (or such officers) from Comptroller and Auditor General office, National Board of Revenue and Anti-Corruption Commission to scrutinize statement submitted by a candidate, forming Election Disqualification Commission with an authority to nullify candidature in case there are proven charges of electoral irregularities against a candidate and so on.

Members of *Nagorik Committee 2006* called upon the President and Chief Advisor to the Caretaker Government to remove the Chief Election Commissioner. Editor of *The Daily Star* Mahfuz Anam emphasized on reconstitution of the election tribunal, while Tarikul Ghani of FEMA felt that a person convicted of criminal activities should not be allowed to contest in the elections under any circumstances. Dr Kamal Hossain advocated for an entirely independent Election Commission and Dr Tofail Ahmed of SUJAN demanded a credible electoral roll. Former Advisor to the Caretaker government M Hafizuddin Khan felt that there should be a provision for disallowing the candidates to contest from more than two constituencies. Former Chief Election Commissioner Justice Abdur Rouf emphasized on identifying dummy candidates and canceling their candidatures, and increasing the number of polling booths with a view to reduce the time taken up in the voting process.



Consultation Meeting on RPO

An expert consultation was held at the CPD dialogue room on October 18th to explore the pros and cons of the RPO, 1972. The consultation was held as part of CPD's initiative of holding civil society dialogues which, inter alia, focuses on electoral and political reforms in view of the upcoming national elections. The meeting discussed various ways to strengthen the RPO, 1972 by critically revising relevant articles of the document with particular emphasis on its scope and modality. It was decided that the final deliverable of the consultation will be to prepare a draft ordinance containing the proposed amendments.

Mohammad Jahangir, Executive Director of Centre for Development & Communication; Taley Rehman, Executive Director of Democracywatch; Advocate Salma Ali, Executive Director of Bangladesh National Women Lawyers Association (BNWLA); Munira Khan, President of FEMA; Badiul Alam Majumder, Country Director of the Hunger Project; Barrister Motahar Hossain; Barrister Sakib Sikder; Barrister Shameem Patwary; Barrister Tania Amir; Barrister Noor-Ul-Sadik; Barrister Tanzib-ul-Alam; Barrister Moin Ghani; Shahdeen Malik, Director, School of Law of BRAC University; and Debapriya Bhattacharya, Executive Director of CPD attended the consultation.

Economic programme: CPD's recommendations for the Caretaker Government

CPD recommended a set of financial and economic measures for the Caretaker Government (CTG) for immediate action to help create a congenial atmosphere for a free and fair election. CPD's Executive Director Debapriya Bhattacharya presented the recommendations at a media briefing titled 'Economic Programme: CPD's Recommendations for the Caretaker Government' organized at its dialogue room on 5 November 2006. CPD called for a mandatory provision to be made by the Election Commission (EC) so that a dedicated bank account is opened by candidates for ensuring transparency in the area of election related expenses and also asked the CTG to carefully scrutinise power sector projects and allocations made in this ADP during the last months of the previous government. CPD recommended that the CTG should curb government spending during its tenure to maintain macroeconomic stability.

Nagorik Committee's Press Briefing

Amendments to the RPO, 1972

A six-point recommendation for amendments to the Representation of the People Order (RPO), 1972 was placed by *Nagorik Committee 2006* at a press briefing at the National Press Club VIP Lounge on November 7th. Debapriya Bhattacharya, Member Secretary of the Committee informed the press that the recommendations were prepared using inputs from various dialogues at the district level where civil society members, professionals and stakeholders had taken an active part. He also informed the press of the contents with regard to the list of recommendations and told them that they were planning to hand this proposal of RPO amendments to the President.

M Syeduzzaman, Co-convenor of the *Nagorik Committee 2006* and other members of the Nagorik committee including former caretaker government advisors Maj Gen (Retd) Moinul Hossain Chowdhury, A S M Shahjahan and Syed Manzur Elahi, Former Cabinet Secretary M Mujibul Huq, Abul Ahsan, Laila Rahman Kabir, Anisuzzaman, Abdullah Abu Sayeed were also present at the press briefing.

Nagorik Committee meets the President and CA

Nagorik Committee 2006 called on the President and the Chief Advisor to the Caretaker Government Professor Iajuddin Ahmed on November 20th as a part of its campaign for ensuring participation of honest and competent candidates in the upcoming elections. The committee urged for effective steps to reconstitute the Election Commission and suggested some recommendations for amendments to the Representation of the People Order (RPO), 1972. M Syeduzzaman, co-convenor of *Nagorik Committee 2006* led the delegation which included former Cabinet Secretary M Mujibul Huq, Bishwa Shahitya Kendra

President Abdullah Abu Sayeed, former advisor to the caretaker governments Syed Manzur Elahi and Member Secretary of *Nagorik Committee 2006* Debapriya Bhattacharya.

Nagorik Committee 2006 also suggested appointment of officials in Election Commissions from National Board of Revenue (NBR), Anti Corruption Commissions (ACC) and office of the Comptroller and Auditor General for examining financial statements submitted by the candidates.

The President and the Chief Advisor gave a patient hearing to the *Nagorik Committee 2006* delegation and assured them of active consideration of the suggested recommendations.

Nagorik Committee expresses concern on HC stay order

Nagorik Committee 2006 expressed its dismay and concern in a statement issued on December 21st regarding the consequences of the stay order by the appellate division of Bangladesh Supreme Court, in view of the upcoming elections. The Committee reiterated that its demand for right to information about the candidates contesting in the general elections be set.

The vacation bench of the appellate division of Bangladesh Supreme Court recently stayed the High Court verdict ordering the Election Commission to collect and make public relevant information about the candidates contesting in the general elections. The solicited information included: inter alia candidate's educational and professional background, source of income, asset statement owned by him/her or dependents and any previous criminal record and/or default of bank loans. The verdict would have helped the voters to learn about all relevant information of candidates and enabled them to make their choice accordingly. At the same time, it would have reduced the opportunity for incompetent, dishonest and corrupt candidates to get elected through concealment of relevant information. Members of *Nagorik Committee 2006* spoke strongly in favour of the right to information about the contesting candidates.

In-house dialogue

Poverty and Inequality Trends in Bangladesh

World Bank Senior Economist Dr Hassan Zaman made a presentation at the CPD dialogue room on October 11th highlighting the findings of the 'Household Income and Expenditure Survey-2005', conducted and published by Bangladesh Bureau of Statistics (BBS) with funding from the World Bank. His presentation titled 'Poverty and Inequality trends in Bangladesh: Insights from the New HIES 2005' focused on such issues as income, inequality and other household characteristics of the poor in Bangladesh. The survey results bear out that although Bangladesh's performance with regard to many indicators was better than Sri Lanka and Nepal but it was still lagging behind Pakistan and India in terms of some of the other key indicators. Dr Zaman pointed out that reduction in poverty head count was higher in Dhaka, Chittagong and Sylhet divisions in Bangladesh compared to Rajshahi Khulna and Barisal.

Professor Rehman Sobhan, who chaired the in-house dialogue, thanked Dr Zaman for sharing the survey results and hoped that similar knowledge sharing exercises with the development partners would continue in the coming days.

Gender and Trade Liberalization in Bangladesh: The Case of the Ready Made Garments

CPD organized an in-house dialogue titled 'Gender and Trade Liberalization in Bangladesh: The Case of the Ready Made Garments' on 19 October 2006. Fahmida Khatun, Senior Research Fellow of CPD made a presentation at the dialogue. The study had explored gender differentiated effect of trade liberalisation and focused on the MFA phase out in the RMG sector in Bangladesh. Finding presented at the dialogue were based on a primary survey carried out by the CPD among entrepreneurs and workers of selected RMG units. The study looked into major features characterizing enterprises and workers such as size, type and location of factories, and age, sex, education and marital status of workers. Adjustments in the RMG sector face of new post-MFA competitive regime at the global level was investigated by analysing change in cost of production, profitability, wages and employment.



In-house dialogue

Implementation of Paris Declaration and Aid Effectiveness

CPD Executive Director Debapriya Bhattacharya was the main speaker at a dialogue on 'Implementation of Paris Declaration and Aid Effectiveness: Implications for National Level Harmonization'. The dialogue was held on November 21st at the PSU conference room of CIDA. Dr Bhattacharya highlighted the changing aid scenario and state of donor harmonization in Bangladesh in FY 2004-05. Dr Bhattacharya stated that Bangladesh is becoming less and less dependent on aid (from 5.8% of GDP in FY 1981 to 2.056% in FY 2006), however, there are certain sectors which still need to be supported such as health and education and that a large part of the annual development budget was financed by aid.

Quoting from OECD-DAC survey Bhattacharya informed that 80% of the total aid flow is aligned with the national budget. Aid disbursement of the World Bank was than actual aid recorded in the government budget. He added that in 2003 11 donors jointly supported the Primary Education Development Programme (PEDP -II) led by the Bangladesh Government. PEDP in turn supported 27 different projects in primary education sector. Its encouraging that donors have recently agreed on collaborating in eight sectors for improving harmonization through joint programme implementation.

Among the donor representatives who attended the dialogue were: John Sinclair, Director, and Omar Farooq Khan, Senior Development Advisor of CIDA; Aysharie Medagangoda Labe, Aid and Donor Advisor of UNDP; Anne Bruzelius, Counsellor and Head of SIDA; Feitz Mejndert, Head of Development Cooperation, Royal Netherlands Embassy; Putu M Kamayana, Senior Country Programme Specialist of ADB; Nicholas Tylor, First Secretary of the Delegation of the European Commission; Nathalia Feinberg, Deputy Head of the Mission, Royal Danish Embassy; Mohsena Islam, Programme Officer of the Royal Danish Embassy; Rajani Alexander,

Councillor and Head of Development Cooperation of the Canadian High Commission; Daniel Shimmin, Manager, Country Strategy and Cross Cutting Programmes of DFID; Sakuntala Akmeemana, Senior Public Sector Specialist of the World Bank; Sonia Ahmad, Operation Analyst of the World Bank; Hans Peter Melby, Councillor of the Royal Norwegian Embassy; Mitsuru Kayama, Economic Researcher of the Embassy of Japan.

Trade Policy Appreciation Workshop

As part of the Trade Related Research and Policy Development (TRRPD) programme, CPD has been organising a three-day Policy Appreciation Workshop on WTO and Bangladesh since 2000. The objective of the workshop is to strengthen trade related policy appreciation in Bangladesh and particularly in the context of the ongoing negotiations in the WTO. The workshop plays a very important role in raising awareness as regards challenges emerging from the process of globalization and seeks to discuss coping strategies for Bangladesh. One of the major objectives of the workshop is to encourage trade-research in the country.

The seventh workshop was held from 26-28 December 2006 at the BRAC Centre Inn auditorium where senior CPD officials and Dr Shishir Priyadarshi, Senior Counsellor, WTO Secretariat, Geneva participated as resource persons and institutions. The workshop had 21 participants from government ministries, private sector and chamber bodies, research institutions, NGOs and academia. The themes of the Seventh Trade Policy Workshop were: i) Multilateral Trading System, ii) Doha Development Round Work Programme, iii) Agreement on Agriculture, iv) Current Developments in NAMA, v) General Agreement on Trade in Services (GATS), vi) Development Dimensions of the Doha Round and Aid for Trade Package, vii) Planning and Managing Trade Negotiations with simulation on negotiations (case study on Granting of Duty-Free and Quota-Free Market Access to LDCs)

On conclusion of the workshop, certificates of achievement were awarded to the participants by CPD Chairman, Professor Rehman Sobhan.



Distinguished personalities/ delegations visiting CPD

NDI Officials visited CPD on Tuesday 19 December 2006. Delegates were Dr Owen Lippert, Resident Director, Shadia Syed, Communication Consultant, Professor William Mishler, Head of Department, Political Science, University of Arizona. (photo: top)

Ambassadors of Denmark and Norway visited CPD on Thursday 12 October 2006. Delegates were H E Mr Einer H Jensen and H E Mr Ingebjorg Stofring. (photo: right)

An EU delegation also visited CPD on Thursday 14 September 2006 led by Ms Jennie Christensen.





CPD professionals overseas

Professor Rehman Sobhan
Chairman

- Delivered a lecture on 'Political Economy of Governance in Bangladesh' organized by the Institute of South Asian Studies (ISAS) at Singapore on 4 October 2006.
- Attended the advisory committee meeting on 'Democratic Governance and Innovation' at the Kennedy School, Harvard University from 25-26 October 2006.
- Participated at the expert group meeting on 'Engaged Governance: Citizen's Participation in the Implementation of the Developmental Goals, including the MDGs' at the United Nations Secretariat, USA from 1-2 November 2006.
- Attended the first meeting of the Working Group # 2 : Property Rights, the Commission on Legal Empowerment of the Poor organized by the Commission on Legal Empowerment of the Poor at New York from 14-15 November 2006.

Dr Debapriya Bhattacharya
Executive Director

- Participated at the Fifth Consultative Group Meeting of the World Bank on 9 November 2006 at Brussels, Belgium.
- Attended a Multi-Stakeholder Dialogue III on 'Global Trade, Economic Growth and the Globalization of Employment' from 10-12 November 2006 organized by The Evian Group and Friedrich Ebert Stiftung at Lausanne, Switzerland.
- Participated at a dialogue on 'Aid for Trade: Adjusting Productive Capacity to Maximize Sustainability in a Liberalizing Global Economy' from 14-15 November 2006 organized by International Centre for Trade and Sustainable Development (ICTSD) at Glion, Switzerland.

Professor Mustafizur Rahman
Research Director

- Attended a workshop on 'Post-Doha Research Agenda for Developing Countries' from 30-31 October 2006 organized by UNESCAP at Macao, China.
- Participated at the third ARTNeT Consultative Meeting of Policy Makers and Research Institutions from 1-2 November 2006 organized by UNESCAP at Macao, China.
- Attended a conference on 'Trade and Development' organized by the Centre for Trade and Development (CENTAD) from 19-20 December 2006 at New Delhi, India.

Dr Fahmida Khatun
Senior Research Fellow

- Attended the session on 'Multilateralism at Crossroads: Reaffirming Development Priorities' at the South Asian Conference on Trade & Development 2006 organized by Oxfam India from 19-20 December 2006, New Delhi.

Dr Uttam Kumar Deb
Senior Research Fellow

Participated at the Partnership Day of Social Scientists held at the International Crops Research Institute for the Semi-Arid Tropics (ICRISAT), Andhra Pradesh, India on 15 November 2006. The event was organized by ICRISAT.

Sanjida Shamsher Elora
Senior Research Associate

Presented a proposal on 'Incorporation of Environmental Impact Assessment (EIA) and Social Impact Assessment (SIA) in Development Projects' at an International Conference of The Third Chamber—A Shadow Parliament organized by the International Development Cooperation (NCDO) from 29 Oct - 4 Nov 2006 at The Hague, Netherlands.

Towfiqul Islam Khan
Research Associate

Made a presentation on 'PRS and its Linkages to National Policy: The Case of Bangladesh' at Joint Staff Training on Poverty Reduction Strategies (PRS) organized by Joint Donors' Competence Development Network (TRAIN 4 DEV.NET) in collaboration with GTZ, ITAD and ODI during 12-15 November 2006 in Phnom Penh, Cambodia.

Research division reports

State of the Bangladesh Economy in FY2007
(First Interim Report)

A team of CPD researchers led by Dr Debapriya Bhattacharya reviewed the performance of Bangladesh economy during the first four months of the fiscal year FY2007. The review examined performance of the economy in the area of macroeconomic management (public finance, credit and monetary policy, external sector), reviewed sectoral developments (in agriculture, industry, power sector, capital market) and also discussed structural issues (including privatization of Rupali Bank, investigation of Oriental Bank, corporatization of Nationalized Commercial Banks (NCBs), energy pricing, strengthening tax collection and issuance of licence to non-banking financial institutions (NBFI). Based on analysis and review, the study pointed out that two overarching economic objectives of the Caretaker Government (CTG) will be to maintain macroeconomic stability and gear up the pace of developmental activities. The review suggested that to maintain macroeconomic stability, CTG will have to do the needful to keep the price inflation under control, and the volatility of the exchange rate at a low level. The CTG will need to (i) strengthen the government's fiscal operation, and (ii) consolidate the balance of payment (BOP). The review maintained that, among these, the CTG will need to be more mindful about the former since the BOP situation remains relatively strong in contrast to the fiscal balance which is showing signs of vulnerability. The study identified a number of reform measures and a set of economic and financial measures which could contribute towards creating a congenial environment for holding free and fair elections.

Agricultural Diversification in Bangladesh

A CPD study on 'Agricultural Diversification in Bangladesh' is currently in progress. The broad objective of the study is to analyse the patterns, trends and determinants of agricultural diversification in Bangladesh. Level and trends in diversification will be quantified for different sub-sectors of agriculture and also within the various sub-sectors of agriculture. Analysis will be carried out both at the national level and the district level. The study will also discuss performance of the agriculture sector both at national and district level. Determinants of diversity in agricultural production in Bangladesh and its implications will also be discussed. It is expected that the study will identify prospects and constraints to agricultural diversification in Bangladesh. Based on the research findings, the study will put forward some policy recommendations. The study is being conducted under CPD titled 'Independent Review of Bangladesh's Development (IRBD)'. Senior Research Fellow Dr Uttam Kumar Deb is the team leader of the study.

Bangladesh's Apparel Sector in Post-MFA Period

It was informed in the last Quarterly that CPD has taken an initiative to conduct a study on 'Bangladesh's Apparel Sector in Post-MFA Period'. The study has been designed to track the changes and elicit information related to the ongoing restructuring and upgradation taking place at the level of various nodal points in the value chain of Bangladesh's export-oriented clothing sector following the abolition of the quota system. The study is based on data and information generated through focus group discussions, enterprise level survey, secondary sources and in-depth review of existing literature. Collection of data and information, focus group discussions and a benchmark survey has already been completed. A total of 190 enterprises have been surveyed as part of the study: 85 sample units were woven units (45 per cent of total sample), 72 were knit units (38 per cent) and 33 were sweater units (17 per cent). A total of 152 out of 190 enterprises were located in Dhaka city and adjacent areas (80 per cent), while the rest 48 are located in Chittagong. A total of 33 EPZ enterprises were surveyed (17 per cent of the sample units). Analysis of the data has now been completed and the draft report is in the process of preparation. The report will trace overall dynamics of performance correlates of the sector and will discuss investment trends and technological capability, production process and cost structure, employment composition and productivity, market linkages, and compliance related issues. It will highlight livelihood issues concerning RMG workers and perception of workers about minimum wages required for decent living. The study will focus on structural weaknesses and future challenges facing the RMG sector. Most importantly, the report will present a set of policy recommendations to enhance the competitiveness of the sector. The study is expected to be



Excellence in Research

The Science Council's Standing Panel on Impact Assessment (SPIA) identified six studies, out of 30 individual case studies on impact assessments done by the CGIAR (Consultative Group on International Agricultural Research) Centres during 2003-2005, as being particularly meritorious in terms of quality of analysis and presentation. These were identified as part of the overall CGIAR 2005 annual performance measurement exercise. In recognition of these studies as good examples of emerging 'best practice', SPIA has prepared Science Council/SPIA Briefs on each. Out of these six studies, CPD Senior Research Fellow Uttam Kumar Deb was principal author of two studies which were conducted by ICRISAT and WorldFish Center, respectively in collaboration with the Centre for Policy Dialogue (CPD). The studies are:

- Deb U.K., Bantilan M.C.S., Bantilan F.T., and Gowda C.L.L. 2004. Spillover impacts of sorghum research, pp. 237-260 In: Sorghum Genetic Enhancement: Research Process, Dissemination, and Impacts (Bantilan M.C.S., Deb U.K., Gowda C.L.L., Reddy B.V.S., Obilana A.B., and Evenson R.E., Eds). International Crops Research Institute for the Semi-Arid Tropics: Patancheru, India.
- Deb U.K. and Dey M.M. 2006. The History and Impacts of the 'Genetic Improvement of Farmed Tilapia (GIFT)' Project and the 'Dissemination and Evaluation of Genetically Improved Tilapia (DEGITA)' Project. The WorldFish Center Technical Report, WorldFish Center: Penang, Malaysia.

Global Development Network (GDNET) in its homepage (www.gdnet.org) in December 2006 (third week issue) featured a study on 'Rules of Origin and Non-Tariff Barriers in Agricultural Trade: Perspectives from Bangladesh and Cambodia', conducted at CPD also by Uttam Kumar Deb for the Asia-Pacific Research and Training Network on Trade (ARTNeT). The study is available for download at <www.unescap.org/tid/artnet/pub/wp1206.pdf>



Publications

Book on Citizens' Dialogue

বিশ্ববীজ কল্যাণ : রিভিউ ও প্ৰতিবেদন ২০০৭, রিভিউ ও প্ৰতিবেদন ২০০৬
Dhaka: Centre for Policy Dialogue (CPD)

This volume in Bengali contains the recommendations collated from the citizens' dialogues held across the country, the synopsis of the eight goals of 'Vision 2021 for Bangladesh', and many more relevant documents prepared under the CIVIL SOCIETY INITIATIVE FOR ACCOUNTABLE DEVELOPMENT.

It also contains the details of dialogues on: Caretaker Government and its immediate tasks, exchange of views with young professionals, proposed amendments to the Representation of the People Order, 1972, a portfolio of people's aspirations and the chronology of events held under the Initiative.



Research Reports

CPD (2006). Economic Programme: CPD's Recommendations for the Caretaker Government. Research Report prepared under Independent Review of Bangladesh's Development (IRBD).

Khatun, F. (2006). Bangladesh in the WTO. Submitted to the Institute of Policy Studies (IPS), Sri Lanka and Friedrich-Ebert-Stiftung (FES).

Khatun, F. (2006). Duty Free Quota Free Market Access for South Asian LDCs, Submitted to the Centre for Trade and Development (CENTAD), Oxfam GB, New Delhi, India.

Occasional Paper Series

Paper 61 Trade Potentials in SAFTA: An Application of Augmented Gravity Model (December 2006)

This paper was prepared by Mustafizur Rahman, Wasel Bin Shadat and Narayan Chandra Das under CPD's programme on Trade Related Research and Policy Development (TRRPD). The paper investigates the overall and country-specific effects of formation of RTA, with special focus on SAFTA. The augmented model was estimated by using panel data approach with country-pair and year specific fixed effects with application of the two-stage estimation technique. The study found significant intra-bloc export creation and net export diversion in SAPTA. Bangladesh, India and Pakistan were expected to gain from joining the RTA. Mixed results were found for the other nine RTAs which were included in the study. Although none of the RTAs under consideration was found to be net export creating, more than one-third of the members of such RTAs were likely to be positively affected.

Paper 62 Bangladesh's Export of RMG to the US Market: Importance of the China Factor

This paper was prepared by Mustafizur Rahman and Asif Anwar under CPD's TRRPD Programme. The paper attempts to examine whether China's ascendancy will have any tangible impact on Bangladesh's export-oriented RMG sector and identifies some of the apparel categories in which both the countries have common interests in the US market by analysing the RCA index and recent performance of both the countries in view of the US-China MoU. The paper tries to assess the impact of China's accession to WTO on Bangladesh's export oriented apparels sector by undertaking an indepth examination of the relative competitiveness correlates of Bangladesh and China in the US market and investigates their implications for Bangladesh's apparels export to the US market. Towards this, the study reviews export performance of Bangladesh and China in the US market and the price dynamics of the two competitors, and identifies some of the major sources of strengths and weaknesses of Bangladesh vis-à-vis China.

Journal Articles

Khaled, Nafisa (2006). Urbanization Trend and Municipal Service Delivery Situation in Bangladesh. *The Cost and Management*. XXXIV (5): 58-78

Rahman, M. and Shadat W. B. (2006). NAMA Negotiations in the WTO and Preference Erosion: Concerns of Bangladesh and Other Asia-Pacific LDCs, *South Asia Economic Journal*, 7(2): 179-203.

Seminar/ Workshop Papers

Deb, Uttam (2006). Recent Trends in Bangladesh Agriculture: Implications for Bangladesh-Korea Development Partnership. Presented at the Workshop on 'Rural Development' held on 17 October 2006 at the BRAC Centre Inn, Dhaka; organized by the Korea International Cooperation Agency (KOICA).

Sobhan R. (2006). Democratizing Development in South Asia: Responding to the Challenge of Globalization. Akhter Hameed Khan Memorial Lecture, Pakistan.

Newspaper/Magazine Articles

Bhattacharya, D (2006). Economic Programme: CPD's Recommendations for Caretaker Government. *The Daily Star* 8, 13, 14 November 2006.

Bhattacharya, D. (2006). বিশ্ববীজ কল্যাণ ২০০৭ : রিভিউ ও প্ৰতিবেদন ২০০৬। *Prothom Alo*, 19 December 2006.

Rahman, M., Anwar, A. (2006). EU Sanctions on Import of Chinese Apparels: Implications for Bangladesh, pages 29-34, in the Souvenir published on the occasion of Dhaka International Trade Fair held on 02-31 December 2006, Dhaka: Export Promotion Bureau (EPB).

Sobhan R. (2006). *Khulsi e MYZim K c'w qiq Av v wclni q Avbv hvq?* *Prothom Alo* 28 December 2006.

