

PPRC POLICY PAPER

Bangladesh 2015
Crossing Miles

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Power and Participation Research Centre (PPRC)

Preface

While global attention to the poverty issue has put Africa in the spotlight, it is Asia which arguably holds larger lessons for the search for solutions to the scale and complexity of the poverty challenge. With two-thirds of the world's poor still hailing from Asia, what happens in countries like Bangladesh will determine how well the world is poised to achieve the lofty goals it set for itself in the Millennium Summit of 2000. The window of opportunity on the road to 2015 spans roughly a decade. The focus of the High Level Conference on Asia 2015 in London in March, 2006 is to explore how this window is best utilized. At the request of the Department for International Development, Power and Participation Research Centre (PPRC) organized two informal roundtables in December, 2005 and a third one in January, 2006 to debate critical emerging issues pertaining to the concerns of the conference. This Policy Brief has drawn on the deliberations of these roundtables. A full list of the participants in the roundtables is attached in the annex. The free and frank discussions of the roundtables is gratefully acknowledged. I hope the Brief does justice to the discussions and contributes to highlighting Bangladeshi perspectives at the conference as a background document. I also hope the Policy Brief will also serve a more general purpose of articulating the strategic challenges for Bangladesh in the coming decade.

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Dhaka, February 18, 2006

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I Unpacking a Paradox

Bangladesh has lived in the shadow of poor imageries since its emergence as an independent country in 1971. For a long time, the country endured the derisive imagery of an international basket-case coined in the early 1970s when the country experienced a famine. For many observers, the image has seemed all too real as one witnessed in succession the political and economic upheavals of the 70s, autocratic rule of the 80s and the onset of bickering politics in the 90s. Less well-known has been the resilience of the people and a continuous under-current of national efforts, conscious or otherwise, which sought to take the country out of the shadow of famine. Only in the aftermath of the devastating floods of 1998, when national and international observers predicted a new famine but were astonished at the rapidity and the comprehensiveness of the turnaround of the national economy, did the realization dawn how far ground realities had moved beyond the 70s imagery. The outcome was not achieved in a day: the freeing of import restrictions on irrigation equipment in late 80s giving an immediate boost to agricultural production, the impetus to rural infrastructure building by LGED from late 80s, far-reaching reforms in the food distribution system in the early 90s, the impetus to non-crop agriculture in the early 90s and the robust growth of these sub-sectors in the late 90s, the consolidation of the micro-credit network over the 80s and 90s, consolidation of safety-net initiatives in late 90s, and above all, the robust engagement of ordinary citizenry on all available opportunities, local and international, have played a part in bringing Bangladesh out of the shadow of famine. The 2000 IFPRI publication of the same name merely put the professional seal on a quiet transformation which had been three decades in the making.¹

The paradox of poor imagery and impressive achievements has continued into more recent times. While new imageries of corruption, poor governance and confrontational politics bedevil the country, it is instructive to see what else has been achieved. Uniquely for a country facing an extremely vulnerable ecology, Bangladesh has established a credible record of sustained growth within a stable macroeconomic framework.² Growth rates have inched upwards from a low of 1-2% in the 1970s to 3-4% in the 1980s to 4-5% in the 1990s to over 5% in the current decade.³ It is not only macro data which confirm a credible degree of growth dynamism. A recent study on local business in seven towns shows more than doubling of firm capital over the start-up amount.⁴ Annual remittance flows are in excess of 4 billion dollars.

Poverty too has declined by an average of a percentage point a year since early 1990s.⁵ The burden of seasonal poverty which covered many parts of the country even as late as

¹ Raisuddin Ahmed et al, 2000, *Out of the Shadow of Famine*, John Hopkins University Press in cooperation with International Food Policy Research Institute., Washington D.C.

² Wahiduddin Mahmud and Isher J. Ahluwalia (ed), *State of the Bangladesh Economy: Pluses and Minuses*, Special Issue of Economic and Political Weekly, September 4, 2004

³ John Roberts and Sonja Fagernas, 2004, *Why is Bangladesh Outperforming Kenya*, ESAU Working Paper 5, ODI, London

⁴ Power and Participation Research Centre, 2006, *Local Business Dynamics: Ground Realities and Policy Challenges*, PPRC/Katalyst, Dhaka

⁵ Government of Bangladesh, 2005, *Unlocking the Potential: National Strategy for Accelerated Poverty Reduction*, General Economics Division, Planning Commission, Dhaka

1990 had by 2005 become restricted to the ecologically vulnerable parts of northern districts.⁶ Achievements on social indicators have been equally noteworthy. At a comparatively low level of development, Bangladesh has earned the distinction of a major decline in population growth rate which currently stands at an annual rate of 1.7%. Progress on MDG-related health and education targets have been equally astounding: notwithstanding widespread poverty, the country has graduated to the medium human development group of countries by UNDP's ranking.⁷ Child mortality was halved during the 1990s, life expectancy has increased to 61 years, net primary enrolment went up significantly as did women's economic participation, gender parity has been achieved in primary and secondary education, and, major strides have been made on sanitation for all. Gender parity is not only at the level of students: the proportion of female primary teachers has risen from 2 percent at the time of independence to nearly 40 percent currently.⁸ On environment, depletion of tree cover has been reversed rising from seven to 15 percent through a focus on social forestry.

Infrastructurally, a focus on rural roads has succeeded in substantially banishing the curse of remoteness for the majority of villages. People have been on the move as never before and mobile telephony has revolutionized connectivity among ordinary citizens. Anti-poverty innovations such as micro-credit have gone on to win world renown. Vibrant non-government sectors as well as private sector bodies have worked side by side with the government to achieve the above. Against all odds, the democratic process has found roots though the road ahead is anything but assured.

It is true aggregate poverty rates remain dauntingly high. Pockets of extreme poverty persist. Inequality is a rising concern fuelled in particular by a quality divide in education. Women continue to face entrenched barriers and insecurities in their attempts to consolidate their gains on social and economic fronts. Governance weaknesses stand in the way of an acceleration in the growth process. But the discourse on poverty is no longer a discourse on the statistics of despair.⁹ Yesterday's dreams of sheer survival are increasingly giving way to new dreams of graduation, dreams which have already found roots in millions of hearts in the villages and in the towns, in the fields and in the factories, in offices and in homes across the length and breadth of the country.

II Limits of Economics

Bangladesh is already embarked on a journey of transformation. However, once the reality of economic dynamism is acknowledged, it is easy to see critical social and governance downsides which impinge on the quality and future of the change process. Three such downsides need to be highlighted.

II.1 Growth with Insecurity

⁶ Power and Participation Research Centre, *Monga Forecast 2005: Field Assessment and Action Plan*, PPRC, Dhaka

⁷ UNDP, Human Development Report, 2004

⁸ Rahman, H.Z. & Ali, K.S., 2005, Quality Improvements in Primary Education: Micro Insights for a Macro Agenda, PPRC Policy Briefs, Dhaka

⁹ See for example recent World Bank publication, 2006, *Transforming Bangladesh into a Middle Income Country* (ed) Sadiq Ahmed.

While the growth process is certainly a credible one, it appears to be imbued with various insecurities which ultimately detract from the equitable and unhindered enjoyment of the fruits of growth. The insecurities stem from poorly developing governance norms, a growing concentration of economic power, lack of effective planning oversight over a rapid urbanization process, and, institutional weaknesses of grievance redressal mechanisms.

Insecurity can lead to concrete economic loss¹⁰ but also often translate into higher risks for all categories of economic transactions. Even where opportunity frontiers are expanding, not all the available opportunities are accessed on account of the insecurities of public spaces. This is particularly true for women. Not surprisingly, quality of the criminal justice system and access to affordable justice have become as important determinants of how well the poor and marginalized groups are accommodated in the growth process as much as trade and investment policies.

II.2 Widening Choice, Limited Influence

The poverty literature of the 70's was replete with references to analytical categories such as inter-locked markets and personal dependence.¹¹ These described a situation where the poor households were enmeshed in inter-locking ties of dependence on land, labour and credit markets. Three decades on, this situation of personal dependence has significantly weakened. The spread of high-yield agriculture and all-weather road infrastructure has largely done away with seasonal dependence. Possibilities of quick migration have greatly expanded the choice horizon of the poor. The lives of women have also been touched: female mobility is a conspicuous phenomenon and women's reproductive burden too has gone down.¹²

However, while choice horizons have expanded, the political leverage of the poor over power structures and decision-making processes shows little evidence of any significant change.¹³ The electoral process is increasingly biased towards big money. Local governments, where the political scope of the poor is somewhat greater, remain weak bodies. Press is independent but media ownership is narrowly controlled by business and political elites. Poor do retain a political potential in the spontaneous mobilizational politics around specific local demands or grievances. But such mobilizational efforts rarely translate into long-term transformation of the institutional processes of policy-making.

II.3 Education and the New Inequalities

¹⁰ Rahman, H. Z., 1995, 'Crisis and Insecurity: the Other Face of Poverty' in Rahman & Hossain (ed), *Re-Thinking Rural Poverty*, SAGE Publications, New Delhi.

¹¹ Bhaduri, A., 1973, 'A Study of Agricultural Backwardness under Semi-Feudalism', *Economic Journal*, Vol 83 (329)

¹² Toufique, K.A. & Turton, C., 2002, *Hands not Land: How Livelihoods are Changing in Rural Bangladesh*, BIDS/DFID, Dhaka

¹³ Westergaard, K. & Hossain, A., 2005, *Boringram Revisited: Persistent Power Structures and Agricultural Growth in a Bangladesh Village*, University Press Limited, Dhaka

Historically, education has been the great ladder for social mobility for the rural and poorer classes in Bangladesh. However, while major strides have been made towards universal primary schooling in recent times, an emerging quality divide is rapidly eroding the social mobility potential of education. The quality divide manifests itself *firstly*, in the increasingly large differences in achievement indicators between urban and rural schools, *secondly*, in the consolidation of a private sector elite education stream which is largely unconnected to the national system, and *thirdly*, in the proliferation of a sub-stream of religious schools which offers opportunities for poor children but include no national curriculum on basic education. The quality divides are not only fuelling new economic inequalities but also creating fertile grounds for social conflicts and asocial behaviour. An associated concern is the narrowing of interpretive focus across the three streams of madrasa (religious) education which stands at odds with the generally more tolerant social practice of religion.

While it is unlikely that there will be any slowing down of the private sector elite education stream, the quality divides within the public education system particularly between metropolitan centres and village and rural town schools is clearly an area for effective policy engagement. A paradoxical barrier to such engagement is the MDG-influenced discourse emphasis on summary indicators such as enrolment rates. A shortcut mentality has come to prevail amongst politicians and administrators, and indeed even within the electorate, which unwittingly militates against a more holistic engagement on such critical issues as teaching quality, service ethics, class-room environment, performance monitoring and system development.

III Key Lessons

There are a number of lessons from the Bangladesh experience which are of relevance to the wider struggle against poverty.

III.1 A Plurality of Drivers

A key feature of the Bangladesh experience has been the plurality of drivers in the process of social change and the relative utilization of the comparative strengths of each type of driver. Less a conscious strategy and more a contextual outcome, this multi-driver reality has provided the strengths for achievements so far but also pose new challenges in the task of scaling up efforts for accelerated poverty reduction. It is instructive to see how and when such a reality comes into play.

In a fundamental way, the state in Bangladesh has been jurisdictionally aggressive but functionally pragmatic. Jealous on issues of power, the state has nevertheless demonstrated a propensity to co-exist with or even accommodate a progressive series of functional actors, most notably NGOs, private sector, local governments and the media. The sociology of this process has been little examined but some important lessons can be highlighted.

Take the NGO case. A rarely understood aspect of why NGOs came to be able to operate on such a social scale was the political intelligence of Grameen in defining its micro-credit clientele as *informal* groups. The emphasis on the category ‘informal’ served to create and nurture as it were a jurisdictionally-protected functional space in an institutional environment where the law on co-operatives had proved systematically inimical to viable growth of co-operatives. By terming them informal and thus rendering them outside the purview of co-operative law, micro-credit groups were able to develop their own rules of operation and eventually become a mainstay of NGO growth, and indeed, of similar initiatives by state agencies themselves. The consolidation of the micro-credit sector subsequently has been marked by one of the more successful examples of government-NGO partnership in the form of PKSF, the apex micro-finance funding organization.¹⁴

A different set of insights emerge from the case of the private sector. Current discourse, particularly in elite and donor circles, tends to equate private sector with capital-based big business having organized voices in policy and political arenas. While the emergence of such an actor has indeed been a major development of the last fifteen years particularly in response to economic liberalization from the early 1990s, equally important has been the larger and longer transition, both through incremental reforms and physical connectivity, to a market economy from the late 1970s and the deepening of entrepreneurship across micro, meso and macro levels of society.¹⁵

The local government case too is instructive. The macro establishment, both the bureaucratic and the political components, is inherently opposed to upfront devolution ideas. This is well-reflected in the reluctance to empower local governments financially or jurisdictionally. However, on the functional imperative of attaining MDG targets, one can see a pragmatic policy of administrative incorporation of local government bodies in many of these tasks, the most recent being the campaign on sanitation for all.

III.2 Contextualizing MDG Attainment

The Bangladesh experience highlights the utility and significance of effective contextualization of MDG implementation. Two particular success areas have been in the adoption of social mobilization approaches and getting intermediate milestones right in the attainment of the goals of sanitation, child mortality, primary enrolment, gender parity, and tree cover. Social mobilizational approaches which creates effective partnerships of government, NGOs and local governments and which use campaign methods as well as specific incentives have brought major success in immunization, shunning of open space defecation, registering children in school including girl children, and spread of road-side forestry.

¹⁴ Ahmed, S. & Hakim, M.A., 2004, *Attacking Poverty with Micro-Credit*, University Press Limited, Dhaka

¹⁵ Power and Participation Research Centre, 2006, *Local Business Dynamics: Ground Realities and Policy Challenges*, PPRC/Katalyst, Dhaka. Also see S.R.Osmani et al, 2004, *Bangladesh: the Macroeconomics of Poverty Reduction*, UNDP, for an analysis of the drivers of growth in the 1990s.

The example of sanitation merits a closer look. Key to success here has been the effective formulation of intermediate milestones. For much of the 1990s, the major transformation was a move from open space defecation to a fixed point defecation. Since then, the challenge has been to transform the fixed point hanging latrines into semi-sanitary ring-slab latrines. The coming challenge will be to transform the ring-slab latrines into water-sealed fully sanitary latrines. Interestingly, the ring-slab latrine has also proved to be a low-threshold technology. While the relevant state agency, i.e. Department of Public Health and Engineering supported by UNICEF, dispenses an ideal type costing around 30 dollars, local entrepreneurs have mushroomed who offer somewhat lower quality but usable products for as low as 7-8 dollars. The social mobilization approach too has innovated. The initial pre-occupation with technology gave way to an attack on cultural inhibitions and fostering appropriate behavioral norms such as washing of hands after use of latrines and ensuring that children too used the latrines. The mobilization of local government bodies has been particularly effective in addressing the issues of behavioral norms.

Example of the negative consequence of a failure to contextualize can also be cited. One of the areas where success has lagged is on the maternal mortality indicator. While there are deep-seated attitudinal problems here, one clear policy failure has been to promote skilled birth attendants (SBA) bypassing traditional birth attendants (TBA) located within the communities. The UNESCO emphasis on SBA rather than TBA bypassed the task of technically upgrading the culturally experienced TBAs and instead brought in inexperienced younger women who found less demand for their services. There are not only technical skill issues but also problems associated with superstitions and lack of knowledge. The contextualization challenge is also innovating on local monitoring systems utilizing existing institutional capacities eg. local health centres, local government bodies, NGOs, for effective pre-natal care. Another failure at contextualization is to project the anesthetic program as a case of specialists whereas an effective short-term training could enable locally-based health workers to assist on the matter.

III.3 Women's Agency: 1st Round Victories, 2nd Round Challenges

Women in Bangladesh have won important first round victories of visibility and mobility. Female gains in primary and secondary education, access to birth control measures and micro-credit compare favourably with the situation in other developing countries. Social attitudes looking positively on women's economic participation too have become near universal. However, beyond these first-round victories of visibility and mobility lie new constraints and new areas of strategic challenge. Entrenched patriarchal attitudes and insecurities of public spaces serve to inhibit fuller engagement by women with the unfolding opportunities. At issue too are social attitudes which put low priority on maternal health. While women's economic participation has expanded, female labour productivity remains very poor.

III.4 A Personality Revolution

Perhaps the over-riding story of Bangladesh is one not found in the statistics at all. The poor of Bangladesh have undergone something of a personality revolution and become more assertive, pro-active towards opportunities, clearer on life-goals. This has not happened in a day. The egalitarian and democratic aspirations which underpinned the attainment of independence, a resilient outlook born of a continuous struggle with the vagaries of nature, the demonstration effect of mobility and livelihood opportunities, the return of competitive politics, all have played their role. The social reality may not have lost its oppressive features but the poor men and women of rural and urban Bangladesh are new protagonists on the scene and societal outcomes are very much open.

The Bangladesh experience also holds a number of cautionary lessons.

III.5 Politics and the Perils of Weak System Development

The onset of parliamentary democracy in 1991 in Bangladesh has introduced new challenges of system development with implications both for the consolidation of a democratic polity and state capacity to address developmental goals. In many ways, the novelty of these challenges is not sufficiently appreciated by many who end up prescribing feel-good governance solutions. The administrative class has far deeper roots in the exercise of state-power than the political class a majority of whom assume offices with little or no training in statecraft or policy-making. A healthy transition on the politician-administrator interface has been anything but assured. Politicians often over-reach to overcome a sense of insecurity while administrators resist system change which could lead to a more productive distribution of administrative power. Such tensions have been compounded by authoritarian tendencies which have deep roots in the exercise of state-power and which are too readily adopted by democratic power-holders.

Two clear perils have manifested themselves: jurisdictional over-reach by parliamentarians, and, a 'spoils without standards' approach to administrative and other appointments. Unaided by any system development on their 'job description', MPs want to dominate all public institutions within their constituency, be it local government bodies, educational institutions or central government agencies. At the other end, appointments have narrowly come to be viewed as spoils of victory but an increasingly partisan political environment has neglected any system development which could inject a sense of standards within the process. Both of these systemic perils are compounded by a political culture of confrontation which shows little signs of abating.

III.6 Reversibility of Achievements

A different category of peril is the reversibility of achievements. One of the notable success area has been in birth control. However, since the late 1990s, there has been an emerging concern on the plateauing of the total fertility rate (TFR) particularly among the poorer strata. Increased importance of temporary methods over permanent methods in family planning, health sector reform in the late 1990s which promoted a one-stop service centre in place of domiciliary (door-to-door) services may have contributed to the observed TFR plateauing. The policy lesson here is the importance of appropriate time

sequencing of the intervention: clearly, an end to the social mobilizational approach was premature.

Reversibility has also occurred in the area of access to safe water. The near-universal access achieved via the spread of tube-wells has now come under question due to arsenic contamination of ground-water. The strategy is now having to be wholly re-oriented towards arsenic decontamination and a switch to use of surface water.

The case of rural electrification provides another example of the danger of reversibility. Rural Electrification Board (REB), once touted as a role model, has fallen victim to a combination of inconsistent donor support, political interference, and policy failure on power generation.

IV Road to 2015

IV.1 MDG Prospects

Bangladesh is the only country in South Asia other than Sri Lanka to have already achieved gender parity in education not only at the primary level but also at the secondary level. By current trends, the country should also be on track to achieve MDG targets in consumption-poverty, child mortality, child malnutrition, sanitation and tree cover.¹⁶ Though major expansion has occurred in primary and secondary education, MDG targets of net universal primary enrolment and completion is likely to be a challenge. The same is true for gender targets of maternal mortality, political representation and female labour productivity as well as the target on access to safe water. Beyond these challenges, a major problem to address will be the inequality which cuts across key social targets.

Governance and politics are unlikely to detract from outcomes on the MDGs in which the country is on track. However, they are likely to be critical determinants of outcome prospects in the off-track MDGs. In the case of safe water, the contentious issues will be the incorporation of private sector and market pricing, safety nets for the poor, and, development of effective regulatory structures. To its advantage, Bangladesh is already embarked a rich variety of experiments on these contentious issues.

Access to energy is likely to be the most critical of future challenges with implications both for growth and MDG attainment. While a great deal of experimentation is going on in the area of renewable energy, this will remain an auxiliary, albeit important, source in the context of power needs of a 5% plus growing economy. Bangladesh will have to look to its gas and coal resources as well as the hydro-power potential of the sub-regional context. Politics and governance are and will be key determinants of outcomes in these areas. Policy vacuums as well as lack of transparency in dealing with the issues are emerging as critical concerns. The role of development partners will also be a factor. Indeed, a flawed policy decision of the development partners in the mid 1990s when the

¹⁶ World Bank, 2005, *Attaining MDGs in Bangladesh*; GOB/UNDP, 2005, *MDGs: Bangladesh Progress Report*; GOB, 2005, *Unlocking the Potential: National Strategy for Accelerated Poverty Reduction*.

power sector was given up for private sector financing which failed to materialize has been an important contributory factor to the power constraint on the growth process.

The challenges on the health MDGs have less to do with politics per se. It is the governance challenges which are paramount here. The government has established emergency maternal healthcare centres. They are not functioning well because of the lack of decentralization and proper management. Potential oversight bodies such as Upazilla health advisory committee remain dormant. In the cases where these have been activated often with NGO initiative, there have been qualitative improvement in outcomes. MPs are ex-officio chairs of such committees but are neither regular in holding the meetings nor inclined to delegate so that meetings could be regular even in their absence. If these types of governance challenges can be addressed, it will be very much feasible to attain these MDG targets.

On the education MDGs, gender parity is already achieved and enrolment too has seen major expansion. However, universal net primary enrolment and completion remain off-track. The critical challenge is quality but also renewed targeting of the bottom ten percent of the population. Bangladesh is already ahead of several South Asian countries, notably India, in the proportion of public resources devoted to basic education. Nevertheless, additional resources will be necessary. Non-budgetary challenges lie in the introduction of pre-schooling, a curb on rampant private coaching, and better performance monitoring. The PRSP has identified the introduction of a school meal as a potential quality-enhancing intervention through prevention of drop-out and improved retention capacity particularly of poorer children.

IV.2 Politics and Governance: the Balance of Possibilities

It is easy to despair of politics in Bangladesh if one focuses only on the all too-visible political culture of confrontation and bickering. But certain less visible facets of the political dynamic are also germane to an assessment of political and governance prospects in the coming decade. These pertain to issues of political system development, role of the electorate, entry points for governance improvement, and, emerging flashpoints.

The contrast of doomsday scenarios and eventual occurrence of time-bound elections has been a common feature of the three elections held so far since 1991. However, it would be wrong to conclude that the process has been a frivolous one. In 1991, a substantive issue i.e. switch to parliamentary form, was achieved. In 1996, the substantive innovation was on the caretaker formula. In 2001, the political idea of level playing field gained sway. In 2006, the substantive agenda which is likely to endure as a democratic gain is the independent election commission. Clearly, the last fifteen years has been a case of democratic agenda-building despite the questionable quality of politics. The agenda-building may have been minimal but the discourse space has undoubtedly expanded. However, critical system building challenges loom, most notably, rationalizing MP jurisdiction, strengthening opportunities for institutional grooming of

political aspirants, and, reversing the trend towards a disregard of standards in the critical area of appointments.

From a process perspective, an equally significant though less focused development has been the quiet rise of the electorate as a force to be counted in the political space. This is important because even though electoral democracy is in place in many parts of the developing world, it does not necessarily follow that it is the electorate which is one of the critical actors in shaping the political dynamic. Bangladesh even had the unfortunate experience of 'voterless elections' under the overt military rule of the 1980s. Similar experiences abound in other parts of the developing world. The emergence of the electorate as a political force in its own right is therefore never a given but has to be seen as a specific political achievement. The three national elections of the past fifteen years provide a clear demonstration of the significance of such a process. It is instructive to note here that notwithstanding the politically-connected corporate ownership of the media, it is consumer and citizen aspirations which is driving the media content. This is in sharp contrast to the government-controlled media which enjoys far less popular legitimacy.

The other critical feature of the political dynamic to be highlighted is the relative autonomy of aspects of the policy process which has allowed for incremental, albeit uneven, policy and governance gains on targeted economic and social issues. While politics has detracted from 'big' policy decisions, a secondary process of 'small' achievements has accumulated, notably on procurement, aspects of the judicial process, aspects of land administration, social safety nets, direct financing of local governments etc.

An audit of the political dynamic will thus highlight three critical features: a dysfunctional political culture, a policy process lacking political capacity on 'big' decisions but relatively open and engaged on 'small' challenges, and an electorate assertive on the basic issue of continuity of competitive democratic politics. On current prognosis, all three features are likely to persist in the coming decade. This means a continuity of both the electoral cycle and the existing growth momentum. However, quality improvements in politics as well as a significant acceleration of the growth process is unlikely to emerge without the appearance of major new strategic 'inputs'.

An assessment on the balance of possibilities must also take into account likely flashpoints on the horizon. Two bear attention. Firstly, the issue of utilization of energy resources is demonstrating the potential to develop into a political minefield with unforeseen consequences. Secondly, quality divides in education, unless addressed urgently, may fuel discontent and engender social conflicts which are unlikely to be mitigated by the opportunities of existing growth process.

IV.3 Strategic Challenges

On the road to 2015, Bangladesh can at once be both confident and apprehensive. Segmented victories are clearly within reach. But the goals being forged in people's

hearts is for a sum greater than its parts. The quest is not for enrolment alone but for the quality of the education, not for the right to vote only but for a polity democratic in both its structures and norms. The strategic challenge really lies in addressing this larger sum.

From an operational point of view, the challenge is in identifying agendas which have the greatest strategic promise. Five such can be highlighted.

Political system building: With its plurality of drivers, the significance of politics in Bangladesh does not lie in being a prime mover but in fulfilling effective framework conditions. The first of these, namely time-bound elections for transfer of power, is in place though periodically subjected to uncertainty. Two critical 2nd-order system-building challenges have now emerged: firstly, promoting checks and balances through clear demarcation of jurisdictional boundaries. For example, the rampant jurisdictional claims of MPs is stifling institutional growth of grass-root democracy as well as having myriad adverse consequence on governance and democratic norms. Secondly, strengthening opportunities for ethical and institutional grooming for political aspirants. The idea of public service ethics has fallen into disrepair and efforts to rekindle such a process is likely to reap rich governance dividends.

Ring-fencing to foster quality institutions: The second is a pragmatic idea of fostering institutional quality in selected strategically significant institutions such as public service commission, election commission, central bank among others through a conscious strategy of ring-fencing. Given that the political system lacks the capacity and the will to undertake big-bang institutional reforms, concentrating on selected strategic institutions is a vital 2nd best, and more importantly, achievable avenue to pursue.

Continue the focus on governance solutions with small g: A frequent mind-set barrier to effective agenda formulation on governance is to over-focus on big solutions i.e. governance with a capital G while neglecting the window of small solutions i.e. governance with a small g. A recent useful contrast is between the “big solution” of reforming the land record system. Though efforts on this front are nearly a decade old, progress to date has remained elusive. In contrast, an effective “small solution” was the recent change in the Stamp Act, a small administrative innovation by a reform-minded bureaucrat which has produced multiple benefits. In one modest stroke, the amendment has led to cost savings for the government, removed some of the institutional sources of corruption around the printing, distribution and forgery of stamp papers, reduced the bureaucratic load on the sub-registry offices, and reduced the hassle for the buyers and sellers of land. Such small solutions serve to improve the quality of governance as a process, are effective entry points to pry open intractable macro-governance agendas, and provide real-life demonstration of what is feasible in contexts which may not be amenable to more ambitious reform. Bangladesh has gained from an engagement with this micro-governance window and a more strategic engagement is likely to bring better results.

Addressing quality divide in education: The gulf in standards between rural and urban schools is a threat to achieving a MDG which is otherwise within reach. However

switching from an access focus to a quality focus is not a matter of mere administrative re-adjustment. The challenge is both at the level of mind-set and at the level of intervention initiatives which are contextually meaningful. The latter includes promotion of pre-schooling, social campaign against commercialized private tutoring, activating local communities, administrative and management structures for performance monitoring, fast-tracking english learning, linking training to class-room practices, recognition of existing good practices, and, establishing model schools outside metropolitan areas.

Overcoming infrastructural constraint on growth: The contemporary infrastructural challenge for Bangladesh is on a qualitatively different plane than when the country was a subsistence-dominated agrarian economy with low level of urbanization. The reference framework for today's infrastructural vision is a rapidly urbanizing market economy aiming to maximize growth dividends from the synergies of a burgeoning domestic market and a competitive globalization process. While important gains have been achieved in rural road connectivity, infrastructure, most notably power and port, has already emerged as a binding constraint on the goal of accelerated growth and poverty reduction. In the coming decade, the three priority challenges will be comprehensive resolution of the power constraint, development of strategic national and regional road transport corridors, and, development of the full potentials of the Chittagong Port as a national and regional gateway.¹⁷

¹⁷ Yunus, M., 2006, Anniversary Speech, The Daily Star, February 5, 2006, Dhaka

Annex

Participant List of PPRC-organized Brainstorm sessions, December, 2005

Sl. No.	Name of Participant	Designation/Organization
1.	Afsan Chowdhury	Director, BRAC AHR Unit, BRAC Centre
2.	Shaheen Anam	Team Leader, Manusher Jonno
3.	Abdul Mueeed Chowdhury	Executive Director, BRAC
4.	Professor S. Aminul Islam	Department of Sociology, Dhaka University
5.	Dr. Akbar Ali Khan	Chair, Governance Program, BRAC University
6.	Syed Mahmudul Huq	Bangladesh Shrimp & Fish Foundation (BSFF)
7.	Dr. Quazi Mesbahuddin Ahmed	Member, General Economic Division, Planning Commission
8.	Dr. Kamal Uddin Siddiqui,	Principal Secretary to the Prime Minister, Prime Minister's Office
9.	Professor Imtiaz Ahmed	Professor of International Relations, Dhaka University
10.	Ms. Shireen Huq	Coordinator, Nari Pokkho
11.	Syed Ziauddin Ahmed	Director Resource Planning, PPRC
12.	Dr. Abul Hossain	Research Fellow, PPRC
13.	Dr. Hossain Zillur Rahman	Executive Chairman, PPRC
14.	Dr. Shahdeen Malik	Advocate, Supreme Court
15.	Ms. Rasheda K. Chowdhury	Executive Director Campaign for Popular Education (CAMPE)
16.	Quamrul Islam Siddique	Former President, Institute of Engineers
17.	Khondokar Shakhawat Ali	Research Fellow, PPRC
18.	Dr. Hasan Zaman	Senior Economist, World Bank
19.	Dipal Chandra Barua	Deputy Managing Director, Grameen Bank
20.	Dr. Atiur Rahman	Executive Director, Unnayan Shamunnay
21.	Manzurul Mannan	Professor of Anthropology, Independent University
22.	Abul Hasan Rubel	Teacher, Sofa Sultan Pathshala (School for street children)
23.	Amir Khasru Mahmud Chowdhury	MP and Former Commerce Minister
24.	Tariq Alam	Executive Director, Lagshoi IT