Role of Experts in Policy Advice: Lessons of Experience

Nurul Islam
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*Foreword*  

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The Bangladesh Institute of Development Studies (BIDS), an autonomous public multidisciplinary organization, has a long tradition of conducting policy oriented research on development issues facing Bangladesh and other developing countries. The mission is to facilitate learning in development solutions, foster policy dialogue, disseminate policy options, and develop coalitions for promoting informed policymaking.

From an operational perspective, influencing policy is the ultimate goal of conducting policy research for which an important prerequisite is the existence of strong research-policy links that could facilitate the use of research outcomes in policy formulation, directly or indirectly. Such links are governed by several underlying processes, such as how receptive is the policy agenda to research outcomes; what is the extent to which research can influence the processes, activities, and actions governing the policymaking framework; in what ways research affects policy; and finally how to attribute or measure the influence of research on policy. These issues are complex and depend on country-specific circumstances governing the policymaking process. Nevertheless, the capacity of research to influence policy depends, to a considerable extent, on the nature and extent of its relationship with the policymaking process and the direct value that research can provide to the policymakers in the country. This no doubt is related to the broader issue of research-policy nexus that exists in Bangladesh.
In the above context, it is our great privilege to publish the present volume written by Professor Nurul Islam, one of the leading development economists, who has successfully combined professional excellence with policymaking at the highest level. In the present paper, Professor Islam examines the role of experts in policy advice in order to draw some lessons from his valuable personal experience. Recognizing the highly complex nature of policymaking in a modern state, he suggests that, apart from building up strong public institutions for policy analysis, it is imperative to encourage vigorous debates outside the government among different points of view in order to arrive at the decision by the government. In reality, there always exists a range of unpredictability in policy outcomes; and policy decisions involve some judgment so that policymakers need to be flexible and wise enough to make mid-course corrections as failures in policy option or implementation become apparent.

I am confident that this publication will be of great interest to academicians, policymakers, and others concerned in promoting research based policy in Bangladesh and elsewhere. This will also serve as an important bridge for familiarizing Professor Islam’s deep knowledge, extensive experience, personal judgment, and emphatic understanding of the policymaking dynamics with the readers and the young generation of professionals and policymakers in the country.

Mustafa K. Mujeri
Director General
The experts, be they in social sciences or physical sciences, often feel that they have answers, if not all, at least some of the answers to various questions or problems confronting the country in their respective fields. Their desire to be of use to the policymakers/political leaders is understandable and, I am sure, in some cases at least, speaks of a patriotic sense of duty to the country. During the past few decades, I have some experience in this regard, i.e. offering advice to the political leaders. Two conclusions that I have reached can be put simply as follows. Firstly, advice should only be given when it is solicited by and, in response to the felt need, of the political leaders as articulated by them. The eagerness of the experts/professionals to offer advice on a one-to-one basis on a personal level and, therefore, to seek out interviews or meetings with political leaders in the government to offer advice is considered by the latter, more often than not, as an indication of the former’s eagerness to gain access to their patronage. Secondly, more often than not, the politicians actively seek the advice of experts/professionals, mainly when they are out of power, and not in the government. In this situation, they do not have an access to the information or analysis which the politicians in power in the government have. They need information on and analysis of the

1 This analysis does not refer to the professionals who are working inside the government; they are employed in the government and engaged, as a part of administrative responsibilities, in policy advising, policymaking, or implementation.
limitations/deficiencies of the government policies and programs so that they can use this against the politicians in power and thus move the public opinion in their favor. The politicians in power, by the same token, have the services of government administrators/policy analysts at their disposal to counter the arguments/criticisms of the opposition party. Hence, they do not usually, but not always, require expert advice from professionals outside the government. However, there are special occasions when they may feel the need of such advice and they will seek advice on those occasions.

The policymaking in modern states is highly complex and requires a high degree of expertise and knowledge, which was not the case even 10, let alone 25 years ago. Partly in view of limited capacity in the government for policy analysis and formulation, there is frequently a dependence on the views and policy prescriptions of the donor community.

The role of the government has been usually one of reacting to the policy prescriptions of donors in the light of their political feasibility or costs/benefits, rather than one of proactively formulating its own views or programs, independently analyzed throughout for policy dialogue with donors. To the extent that this is true, there is not much felt need on the part of the government policymakers for independent research or analysis. However, when there is a “hue and cry” among the local experts/professionals against the particular policy advice/prescriptions of the donors, the government seems to be responsive to the opinions of the independent experts, especially in areas where it is politically convenient to disagree with the donors.
There are, however, a few redeeming features of the prevailing situation. For example, there are at least two instances in which the nongovernmental experts may play an advisory role to the government of the day. In both these instances, advice is offered by experts—not on a one-to-one basis to the policymakers but as members of a group or as an individual considering that mainly in response to request by a government ministry/agency. In other words, these are instances of “solicited advice.” One such instance is provided by the various government commissions/committees in which the nongovernment experts are requested to serve as members. The second instance is that in which a nongovernment expert or a group of experts constituting an institution or a firm act as consultants to the government on specific subjects.

In the instance, basically the nongovernment expert or experts act as a substitute for or supplement to government officials who are expected to work on the subject. This is an example of an outsourcing of a specific governmental function to a private person or a group. For example, the nongovernment expert or experts can work on the reform of the taxation system, or in an extreme case putting together a program on the basis of inputs from the government officials.

The expert commissions or committees are basically two-fold: in one case, the government would like an issue or a problem to be examined by the experts in depth and to be provided with suggestions or recommendations for action. This happens because the government officials cannot devote adequate time and effort necessary for such a task of in-depth study and examination, since the government functionaries are too busy with day-to-day work to examine the policy issues extensively and in-depth.

There is a second kind of commissions, which a government may establish in response to pressure of public opinion or of their political supporters to decide or act on a particular issue, but the government for various reasons is not willing to take immediate action. The establishment of a commission or committee under these circumstances has been at times considered as a technique for delaying action.
It assuages public eagerness or pressure for action by demonstrating the seriousness of purpose of the government. Also, the expert commissions/committees under certain circumstances can be a mechanism for providing a “berth” or a recognition for the past services/loyalty of such experts, who have been associated with the political party in power and have been aspirant for assignments in the government but who cannot be provided such assignments in the presence of many other competing candidates.

In cases in which the government is seriously interested in a thorough examination of a policy issue, it is necessary to elicit a variety of opinions/expert views. First, it is important to ensure that the appointments to this commission are made on the basis of recognized technical competence. It is necessary to appoint experts with a wide diversity of views and not only those who share the ideological and political views of the government of the day and agree on the approaches to or possible solution of policy issues. It is important to have the views of

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2Speaking of the role of Commissions in the U.K., a report in Financial Times writes that even though the days of the Royal Commissions on the scale and with the grandeur of the past are over, there is a continuing need for such commissions in a functioning democracy today in many countries, ranging from U.K., U.S.A. to India. The writer continues “There is a continuing need for a means of publicly reviewing complex matters of general concern at great length.” Parliamentary committees are not enough. They are often inadequately funded and the governments are anxious to limit their challenge to executive authority. “Too often they are superficial and engage in partisan point scoring over open-minded investigations.” The government appointed-independent Commission of experts bestowed with authority to call witnesses from within and outside the government as well as call for data and studies to collect evidence enable “a structured and independent enquiry” outside the government. They should serve the function of “informing and raising the level of public debate, forcing interest groups to place their cards on the table and ensuring proper consideration of genuinely difficult issues and helping to mediate consensus on solutions (The Financial Times, Wednesday, May 19, 2010, “A Royal Invitation to Raise the Debate on Finance”).
experts with different economic or political or ideological persuasions to be reflected in the work of the commission.

In cases where a commission comes out with a consensus report, this greatly enhances the acceptability of its recommendations. If there are significant differences of view, the commission should allow the dissenting views to be recorded in the report. In fact, the individual numbers can express their views in public after the commission report is published.\(^3\)

How should one consider the offer of unsolicited advice to the politicians on a one-to-one basis with an attempt to influence policy? There are two groups of experts who may seek out the politicians in order to offer such advice. Firstly, there are those who are not widely known to be very active or “branded” supporters of any particular party or are generally known not to be politically close to or aligned with any party. This is possibly a dwindling group in view of the extreme partisanship in the country. This group may be generally supportive of one political party but not an uncritical loyalist.\(^4\) The political leader or leaders who are the recipients of such advice may not have any misgivings about the individual expert’s political motive or objective but believe that the expert/adviser seeks to impress up on them the quality of expert knowledge and the soundness of his advice with the ulterior objective of getting access to their patronage.

Secondly, even among those who are known to be well-known supporters of the party in power, there may be a competition to gain access and proximity to the political leaders. In this competition for

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\(^3\)While acting in advisory role either from within the government or from outside as a nongovernmental expert, it is important to remember that the only reason the politicians in general change policies is when such a change is perceived to be critical for the politicians’ survival in the next election. Seldom are the politicians interested in long-run policy issues affecting the future of a country. On some issues when public opinion is very well organized, insistent and vocal, the politicians, interested in the short-term payoff such as elections, may respond. As the adage goes, politicians think of the next election, it is only the statesmen who think of the next generation. The latter are few and far between. They are the visionary types, rare in most countries. They are interested in the legacy they leave behind for history.

\(^4\)In my younger days as an academic and researcher, before the birth of Bangladesh, and in the early days of the country, the professionals in the country were not so clearly divided or perceived to be clearly divided between the political parties. The division of the professionals along the party lines is a phenomenon of the last two decades or so.
advice, eagerness to provide unsolicited advice likely to be judged by the political leaders as an indication of the expert seeking an office/assignment.®

®The distribution of patronage by the politicians to experts and professionals who are politically or ideologically very close to them and who generally remain loyal to them in the course of ups and downs of their political fortunes is a familiar phenomenon and is an essential element of political democracy all over the world—i.e. rewarding the faithful and loyalist experts by assignments in the government when a particular set of leaders or political party comes to power.
ILLUSTRATIONS FROM MY EXPERIENCE

As I recall, in the pre-independence days, I was one in a small group of experts in social sciences who were sought out by the political leaders for expert advice on economic policy matters. This was true irrespective of the political parties that were in power in East Pakistan (Bangladesh) before and after 1954. Most of us did not contact or seek out any political leader; we were sought out and were invited to meet them whenever they felt the need for such advice. A great deal of respect was shown by the powerful political leaders; they flattered our ego and sought our advice on a wide range of policy-specific issues, ranging from trade, taxation, and budgetary policies to agriculture and industrial policies, etc.

This was partly because the capacity within the government of East Pakistan (Bangladesh) was limited; they were engaged in bargaining and negotiations with the central government of Pakistan. Most of the time, they were engaged in seeking additional resources to be allocated to East Pakistan or adoption of policies in favor of East Pakistan.

Even during the period 1958–1971 when political democracy, except in a modified and managed form, was in abeyance, many East Pakistan (Bangladesh) members of the Pakistan government frequently
sought advice to assist them in discussions and negotiations with the Pakistan political leaders.\(^6\)

But then from 1969 onwards, I became very actively involved with Bangabhandu and, therefore, was no longer an outside expert. I became a part of the regime’s own economic policymaking apparatus during 1972–75. Starting in the late 1970s, when I started my sojourn abroad, I resumed my role as an outsider. I continued to be involved in professional research on Bangladesh’s economic developments and policies. I had occasions to meet political leaders of Bangladesh at home and abroad, and had discussions on Bangladesh economic policies. But I did not offer

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\(^6\) Even though I was the youngest member of the profession, the call on me, by the Bangladesh politicians, was very frequent. This was partly because of my youth (late 20s) I was more enthusiastic and, more importantly, because I was willing to work very hard, in spite of my teaching duties, to produce written notes for their use. During the Ayub regime (1958–1968), I was very heavily involved in various Commissions and Committees as desired by the Bangladesh members of the Ayub regime. This is documented in my book “Bangladesh: Making of a Nation.” During this period, these commissions and committees were mainly concerned with East-West Pakistan economic disparity, resource allocations and related policy issues. My focus in these early years was to analytically and empirically demonstrate that the assumptions regarding the characteristics of the Pakistan economy, on which their planning and policymaking was based, were not likely to lead the achievement of their declared objective, i.e. harmonious development of the country. In the latter years, when the removal of disparity was the announced policy objective of the Pakistan government, my job was to argue that policies and programs they were proposing could not realize their objectives.

Because the focus of my work was basically analytical and empirical, even though the objective was political and the conclusions had serious political implications, my counterparts in Pakistan, on the other side never questioned my academic integrity and my analysis. They questioned my assumptions, which were sometimes matters of judgment, and my interpretation of facts. In other words, even though they were my political adversaries, they never showed any disrespect for my technical capacity. The above examples of my policy advice were in response to responsibilities placed upon me as a member of the committees/commissions by the Bangladesh members of the Ayub Cabinet. None of the above instance was that of unsolicited advice. In many cases, they were taken seriously and had impact on their negotiations.
any advice on my own initiative but most of the time, when asked—questions on specific policy issues or programs, I responded.

During this long period, however, I did make mistakes, and had forgotten much to my regret, my “long believed” doctrine, i.e. never to provide unsolicited advice, especially to the members of the government/party in power. Two occasions of such mistakes standout very prominently. One was the instance when I took the initiative in meeting a senior leader with whom, while in the opposition, I had often discussions on wide ranging policy issues, past and future. In my enthusiasm to be “useful,” I met the leader when in power in the government and lost no time in offering systematically a whole range of suggestions ranging from policymaking institutions to policy priorities. The leader had absolutely no interest in my so-called “valuable suggestions,” prepared by me with great diligence. There was no reaction and no response to my suggestions. I then realized how my eager advice in matters of development policy and administration might have been considered by the leader as an attempt on my part to ingratiate myself into the leader’s favor with the hope of getting some sort of a patronage assignment or advisory role.

The second instance was my unsolicited advice to a much younger leader about a decade later. During a chance encounter with the leader, then a minister in the government expressed a great deal of interest in my views, voluntarily provided without being asked, I was requested to keep in touch by means of private/personal email and phone. I took the gesture seriously and subsequently wrote down my thoughts and suggestions briefly and sent them...
by an email. This was a subject matter in which I had considerable personal experience in the past and learned a few historical lessons which the present generations of policymakers in Bangladesh are unlikely to have. I felt an spontaneous urge, though wrongly, to offer advice. I did not realize that the young leader’s earlier response was entirely a token of respect for a senior person, rather than any wish to seek advice. I never received a reply—not even an acknowledgment. Why was this reaction? On second thought, it was possible that my views were not found convenient and acceptable. But then why there was not an even acknowledgment? Probably this was intended to discourage me to provide advice in the future. Could it be that it was suspected that I might be trying to get access to the government in search of some advisory role? Already there are too many senior people in and around the government seeking favors. Also, it could be that the young leader was not fully confident of his/her grasp over the issues which I raised and did not want to take the risk of being found inadequate by a person of seniority and experience. It could be any of these above reasons, both plausible and implausible. But the conclusion is the same, i.e. unsolicited advice is not worthwhile and could even be counter-productive. That my offer of unsolicited advice was unwelcome was corroborated when I visited Dhaka later on and was invited to visit the leader at home. This was a wonderful visit where we discussed contemporary cultural and literary issues, even though while accepting the invitation I made the mistake of expressing my strong desire to discuss my ideas on some urgent policy questions of the day. During the visit, the young leader was very respectful to me while avoiding any serious policy discussions.
AVENUES FOR PROVIDING UNSOLICITED ADVICE

In the light of the above, I believe that, if experts wish to provide advice to political leaders, it is better to offer such unsolicited advice in the public domain, rather than seek out private opportunities to provide advice on a one-to-one basis to politicians. They can express their views in the public media, both printed and electronic. Secondly, workshops/seminars are important venues for the public expression of experts’ views and opinions on policy issues. It is conceivable that the government policymakers are impervious to such public expression of expert views. A definitive answer to the question, as to when the public expression of the expert views through various avenues affects public policy, is not possible.

It could be happenstance or the result of a confluence of events. The occasions on which such views impact policies may be quite random. It may be that at a time such expert views are expressed in the public domain such as newspapers, magazines, or electronic media, the policymakers are seriously engaged in formulating certain sets of policies. The views expressed in the public domain may appear useful to the politicians in power in their decisionmaking. In this context, it should be noted that in general the expert views are more likely to influence policy if (a) there is a significant number
Moreover, in the same vein, expert opinions may have an impact if the bureaucrats/policymakers/advisers who are part of the administration and are working closely with political leadership happen to pay serious attention to the opinions of the experts expressed in the public forums.

What is the motivation of experts to resort to expressing their opinion in the public domain if they find out that neither the public opinion nor the government policymakers are stirred by their

7 There is a well-known anecdote relating to the famous economist (Nobel Laureate) Paul Samuelson, who when asked by J.F. Kennedy to join as his economic adviser, declined and preferred to educate and influence public opinion by writing in news magazines such as Times/Newsweek. It was believed that among the academic economists Samuelson had the maximum influence on economic policies of the various U.S. administrations over time because generations of his students working in many administrations brought to bear his views and analysis on the determination of actual policies in the government. This was also true of another Nobel Laureate, Milton Friedman, who belonged to the school of economics contrary to that of Samuelson. From the earliest days of economics profession, beginning with the physiocrats, mercantilists, down to the classical and neo-classical economists, many of them resorted to writing in newspapers and pamphlets propounding their analysis and views and advocating economic policies.
views? Under the circumstances, one may argue that the experts have the intellectual satisfaction of having performed their social duty of providing their views publicly for consideration by the policymakers. In a more remote sense, they may feel that their views/opinions and judgments will be preserved through their writings for the benefit of future generations.

History often repeats itself if not exactly in the same form but in similar or comparable forms; the analysis currently done and suggestions now advanced may indeed be relevant in the future. The experience of policymaking in other societies indicates the policymakers/policy advisers in a given period often carefully study the history and experience of policymaking in the past. It is too early to expect such examples in Bangladesh. We are a long way from that level of political sophistication and policymaking.

The above set of comments or suggestions may appear to the proactive experts as very abstract. It is a very indirect and long drawn-out way of looking at the role of policy advice by experts. This is not a very encouraging prospect for experts anxious to provide advice to the political leaders for immediate impact on policymaking. On the other hand, if the objective is to educate public opinion, and inform the “informal” economists who now-a-days are many and often work in and around the government, it may have some impact sometimes. It is likely to happen as the views get widely known and if the issues on which advice is offered are matters of urgency.

The policymakers in Bangladesh would seem to be surprisingly indifferent in their attitude towards research and analysis as a basis of economic policymaking. This is evident in the lack of desire on the part of succeeding governments to build strong institutions within and outside the government, manned by well-qualified experts, to undertake policy analysis and to provide evidence as a basis for policies. We must realize that to govern a modern state requires serious analysis/expert knowledge as a basis of policymaking. There may be a vicious circle. To the extent that governments do not think that expert opinion is of any use, there is a disincentive to serious
policy analysis on the part of the experts. As a result, little serious policy analysis is undertaken and the government’s view that no good expert analysis is done, or no good advice is available, is reinforced.

Apart from building up strong public institutions for policy analysis and advice to the government, the government should encourage vigorous debates outside the government among differing points of view in order to arrive at its own decision. There is no absolute truth in policy analysis/advice; there is always a range of error in policy analyses/advice. Also, there is always a range of unpredictability or lack of certainty in the results of policies undertaken.8 Decisions in the end do involve judgment and the policymakers have no choice but to be flexible and wise enough to change course as mistakes are discovered or failures in analysis or implementation become apparent.

In policymaking, there is nothing worse than a situation in which the policymakers do not know what they do not know, or if they believe that they know when in fact they do not know. Only a policymaker who has adequate self-confidence in his/her leadership can seek advice or want to learn from the experts the intricacies of economic policymaking and their practical implications, or admit mistakes if they make them. As Keynes once said, policymakers who think that they are pragmatic or practical men (or women) of affairs, and hence denigrate theoretical/expert arguments or analysis are in fact unknowingly “slaves of defunct theorists” or one may add, of populist views and convictions; they have not been exposed to recent developments in economic thinking or accumulated experience around the world and hence keep to their old views.

8 Economic analysis and conclusions based on such an analysis do not offer the degree of certainty that the policymakers demand or some experts are willing to assign to their policy prescriptions. The recent debates in the developed countries, first, on the most appropriate policies to combat the current economic recession, and, second, on how soon the “stimulus package” should be terminated and vigorous measures should be taken to curtail, if not to eliminate, the budget deficits arising from large public expenditures, demonstrate how best economists in the developed world can strongly disagree on both issues. Nonetheless, the policy analysts and the political leaders did take decisions on both issues on the basis of their (a) analysis of different views in the light of the evolving situation, and (b) judgment as to their feasibility in lieu of both their capacity to implement and to persuade and convince their legislators of sometimes makeshift compromises.
THOUGHTS ON DEVELOPMENT PRIORITIES: JANUARY 2009

I have provided in a recent article my views on the role of experts in policy advice. I analyzed the various avenues through which such advice may be offered ranging from one-to-one unsolicited advice to writings in the media and speaking out at seminars and workshops, etc. I especially discussed the way in which and circumstances under which expert advice may play a role and also when it receives no attention and is even misunderstood.

I provide in this section a recent instance of my being “seduced” to offer advice. It was in early 2009, when a friend who was a member of a group involved in policy advice to and consultations with a political party requested me to write down my thoughts for priority action by the new government. In this case, one may consider that the response on my part was not totally “unsolicited” but request did not come from the leaders. I wrote down my ideas in haste and sent them to him. But my suggestions did not receive any attention from the leaders for whom they were intended. But with the benefit of hindsight, I understand that it was a useless task and I made a mistake. Later a few of my friends suggested that I should publish my suggestions in a newspaper. I did not follow up on this suggestion.
I am publishing this note after the lapse of considerable time as a matter of historical record. I have rearranged the original sequencing of different paragraphs and edited the draft to make it publishable. Any additions and updates I have noted in the footnotes. It was suggested that this might be of some interest to a few readers in the light of subsequent developments. At this distance of time, I have no illusions that my suggestions were or are very profound or that they might not have been properly conveyed to the political leadership. It may also be that such advice was subsequently published by many others but had received no attention. Nevertheless, I was advised that I should repeat my original suggestions and ideas in the public domain. It is true that most of the time most of the people do not read or take note of proposals/suggestions made in the media but sometimes a few may read them. Even a fewer may care to take note of them and support them if they like the ideas or neglect them if they are considered irrelevant or stale.
The Election Manifestos of all political parties usually contain a long wish list of all conceivable actions to be taken, policies to be pursued, and objectives to be reached. But the Core Action Plan must be short and focused on a few high priority areas. A few defining principles may be kept in mind.

1. To govern is to choose between alternatives and to focus on priorities. Experience and analysis all over the world indicate that a government during its few years of tenure (say 4/5 years) can achieve no more than only a very few selected major objectives (say 3 to 4 objectives) and an equal number of minor ones.

2. The priority components of an Action program must be so chosen as to be considered achievable, within the period of its tenure, given the political, economic, and social constraints.

3. To be successful, the new government must pursue vigorously to implement its priority programs in the first two or three years of its tenure, when its post-election political capital is still high and intact; it can be exploited if vigorous efforts are made to mobilize wide public support for the priority action program. When the honeymoon period is over, during the later part of the

PREAMBLE

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3. To be successful, the new government must pursue vigorously to implement its priority programs in the first two or three years of its tenure, when its post-election political capital is still high and intact; it can be exploited if vigorous efforts are made to mobilize wide public support for the priority action program. When the honeymoon period is over, during the later part of the
tenure of a government, the compulsions of the next election start to emerge, requiring compromises, urging caution and limiting the scope for risky steps. Actions may preferably be initiated with the first 100 days of a new government.

4. The priority action programs should address issues (a) which are both immediate and short term, as well as (b) those which constitute first/initial steps to deal with longer- or medium-term issues (i.e. so to speak which make down payment on long-term issues).
The priority action program should have institutional, socioeconomic as well as political elements/components in some sort of order. The first order of priority is in respect of closely intermingled institutional and economic issues as follows.9

1. Institutional and Administrative Reforms

It should be emphasized that the legitimacy and success of a new government depend crucially on competence in policymaking and implementation. The process of and institutions for policymaking, it cannot be over-emphasized, determine to a significant extent the substance of policymaking. There is an immediate short-term need for improving the capacity and institutions of implementation and administration of policies and programs.

(a) Reassessment and Re-shifting of Bureaucracy

It is now widely recognized at home and abroad that the institution for policymaking and implementation capacity of the government machinery are inadequate, to say the least, to meet the challenges facing the country. There is

9The list is by no means exhaustive but it is how they appeared to the author in January 2009.
one phenomenon on which there is unanimity of opinions among all sections and levels of the country that there is a tendency towards the politicization of bureaucracy in varying degrees by successive regimes in the country. Therefore, a major emphasis by any new government as in the past is likely to be on rectifying or rebalancing the bureaucracy through a considerable reallocation and reassignment of the officials in the government, who are considered to have been appointed by the previous government on political considerations. How to choose the civil servants, at least the major ones, who have not been so politically aligned with the last government as to be neutral and efficient enough to carry out the policies and programs of the successor government? This indeed is a serious problem and there is no simple solution in the short run. In the long run, the solution lies in systematic changes in the process and policies of recruitment, appointment, and promotion. Ideally, the objective should be to ensure as far as possible merit-based appointment and performance-based promotion.

Since the country is sharply divided between the two political camps and this rift cannot but affect the bureaucracy, it is unrealistic to expect that everyone among the bureaucrats would be totally neutral in their views and their attitudes between the two parties. The operative question is how far their political views and attributes affect the performance of their duties in their respective jobs.

However, there is a risk in substituting on a wholesale basis the previous incumbents in their various capacities by large-scale transfer and reassignment on the basis of political loyalty. For a few “confidant” advisers/ministers of a new
government to determine, without any doubt or misjudgment, and at that limited loyalty, the political loyalty of a very large number of civil servants is fraught with risks. In the first place, it is doubtful whether such an intimate knowledge of the political loyalty of such a large number of civil servants is possessed by a few advisers/ministers at the top; frequently many of the latter have been in private life for some time and have not been involved in the administration. Under these circumstances, the gossips, hearsay, and mutual reporting on each other may play a role in identifying the party “loyalists” among a large number of bureaucrats, especially in the middle echelons of the government. More importantly, this may prove a good opportunity for personal vendetta and to settle personal grievances among civil servants.

Alternatively, one can proceed on the assumption that the majority of civil servants are basically focused on the pursuit of their careers, in search of good assignment and prospects of promotion rather than on the pursuit of the political agenda of the party with which they share ideological affinity. The majority of these officials are likely to serve whichever government is in power and if their merit and performance are recognized by the ministers and supervisors, they are likely to perform well.\(^\text{10}\) This is especially so if they did not occupy the highest/very high echelons in the previous regime. A calculated risk has to be taken in the majority of the cases on two conditions: first, assignment to various posts will be done strictly on the basis of merit and past performance, which is generally known. A committee of retired civil servants who are not known to be loyalists of the past regime as well as outside experts can be called upon to evaluate the training and past performance to sort out the efficient ones; second, once selected they need to be trusted by their ministers/superior officers and their performance would be carefully monitored and evaluated.

\(^\text{10}\) Subsequent to my writing the above notes, I have come to know in the past year, a civil servant who worked in the highest echelon of the past government has become a devoted official of the present government, with sometimes embarrassingly over jealous support of the government. There is an example of another official who held a very high policymaking position in the previous government and who had gone into normal retirement has been performing a very active role in civil society meetings and workshops, with singular nonpartisan view and sometimes with significantly sympathetic attitude towards the current government.
What is important is to sort out those whose ideological bias is so strong as to seriously affect the performance of their duties. They are often widely known to have pursued the political agenda of the past government. With some detailed scrutiny of the past career/performance, it is possible to identify them within a margin of error. They are unlikely to be large in number. If mistakes are made in keeping the committed loyalists of the previous regime in responsible positions, they can be corrected as more evidence accumulates. In the case of those who are the well-known architects or “enforcers” of the policies of the past government, they may be moved to less critical or important posts in the government where their pursuit of partisan objectives would not be possible or would yield no fruit.

Admittedly, both the policies carry elements of risks: one is the wholesale re-politization of the civil servants by reassignment/transfers/promotions on the basis of presumed loyalty to the past government, leaving in process a group of non-partisan or less partisan officials disgruntled/frustrated/vengeful; second is the selective weeding out of well-known political loyalists of the past regime and reliance on a policy of “trust and verify” as regarding the majority of the civil servants on the basis of efficiency and past performance. But the second policy seems to be less costly in terms of the efficient functioning of the government. If it is assumed that most of the civil servants value their jobs more than their political sympathies, a watchful minister can with some efforts get the best out of them. In order to carry out the policy of trusting but verifying, much depends on the competence of
the superior officer/minister, whichever may be the case. In the case of those ministers, who are relatively inexperienced in administrative matters, it may be useful to appoint special assistants who can act as a bridge between the minister and the civil servants or in some cases assume the position of secretaries on a contractual basis.

The secretaries of the various ministries are matters of particular concern. They need not only be efficient but also need to enjoy the confidence of and have a rapport with the ministers but they need not be political partisans. A qualification may be added here. I would suggest that, in specific cases, if deemed necessary, retired civil servants or experts from relevant professions as trusted by the ministers can be appointed on a contractual basis for the duration of the tenure of the current government as special assistants to the minister, when necessary. They can in their turn attempt to ensure that the next echelon of officers perform their functions efficiently and properly. Alternatively, the position of a secretary may be made one of a political appointee selected by the government of the day on a contractual basis for the duration of the regime and is replaced by the successor government by their own choices. This process can, however, be misused by appointing political associates without strict reference to merit and competence. This would make the situation worse.

While on the subject of institutional reforms and strengthening, it is important for any new government to evaluate the long list of ordinances relating to wide ranges of institutions/policies, which were passed by the interim government and to select the ones which demand immediate attention. They may require re-examination in respect of their functions and composition as well as modifications or extensions. The less urgent ones may be kept in abeyance or pending for the time being. If actions were already taken on several of these, which require further examination, they may need to undergo also be kept in abeyance for the time being or reexamined for modification or adaptation.11

11 As far as it is known, such a review has been carried out since then and some of the decisions of the interim government were accepted and retained; others were rejected.
However, in this context, the most important step is to indicate a few much and long-awaited institutional reforms.

There are four institutions of economic policymaking, which need to be revamped and considerably upgraded in competence on an urgent basis. They are the Planning Commission, the Finance Ministry, the Bangladesh Bureau of Statistics, and the Bangladesh Bank. The Planning and Finance Ministries should be operationally integrated in the one ministry, eliminating overlapping and duplicating functions, and should be put under one leadership. In the short run, the professional staff have to be upgraded by (a) identifying throughout the various other ministries officials/individuals with appropriate training and experience relevant to the Planning and Finance ministries and then shifting them to this ministry; (b) shifting the existing staff of the Planning and Finance Ministries not found suitable for this integrated Ministry to various other ministries, including to the planning cells/units of other ministries; (c) appointing persons with specialized skills and expertise from outside the government on contractual basis, including Bangladeshi professionals from abroad; and (d) undertaking, on an urgent basis, an intensive training program of the staff at home and abroad.

The statistical system, which provides the information and data for policymaking, is weak and traditionally a neglected area of policymaking process in the country. The Bureau of Statistics should be given the primary role in collecting and integrating statistics on the various aspects of the economy, including statistics collected by various ministries. It should be given the status of a Division in the government, headed by a person of the highest competence and with the status of a Secretary to the government. The leadership and the professional staff should be upgraded by following similar procedures as mentioned above for upgrading the Ministry of Planning/Finance.

The Bangladesh Bank has enormous economic potential for making a very significant contribution to economic policy analysis including especially the macroeconomic policy analysis. The perennial problem of recruiting the professional staff with requisite qualifications should be less of a bottleneck here in view of its own independent
access to financial resources, provided its long delayed autonomy in these respects is recognized and implemented. A way has to be found for assigning the personnel not found suitable to the other branches of the government including early retirement. The Bank should have enough resources to compensate the redundant staff by providing attractive separation packages. In the long run, it would be very highly cost effective.

In this context, an institutional innovation even though not a matter of high priority may be considered. This is to establish a mechanism through which the head of the government should have access to advice from the best experts in the country outside the government on a regular basis on important policy issues—both short and medium term. For this purpose, a development policy advisory council for the Prime Minister, consisting of economists and other related development specialists (drawn from academic institutions, think-tanks, and private sector) may be constituted. The members with diverse political persuasions/ideology, including those who differ from those in political party in power, in respect of economic approaches or ideology should be selected. Diversity would guard against the criticism of non-inclusiveness of the advisory group. It should have a secretariat with a professional staff to do studies or investigation at the request of the advisory council so that their deliberations are facilitated not only by analyses done by the government ministries agencies, but also by independent studies commissioned by the council to be done through staff/consultants attached to the council. Alternatively, the Planning Commission can act as a secretariat for the Council.
Role of Experts in Policy Advice: Lessons of Experience

In that case, it should get specific studies done by nongovernment experts as desired by the Council.

It is imperative to ensure that such a council, if established, should not be headed by any other minister on the plea that the Prime Minister is too busy to directly engage with the advisory council. After all such a council may come out with judgments and appraisal of government policies which may reflect unfavorably on the ministries/agencies of the government. This council should, however, be attended by Finance and Planning ministers as well as other relevant ministers, as the case may be, depending on the subjects under discussion.

The above reforms are the easiest to implement as such administrative reforms in the government are not likely to rouse the kind or degree of political opposition that may confront substantive economic reforms. The vested interests of various service professional groups/cadres which will be affected should be easier handled, especially if the government is determined and if reforms are implemented soonest after it takes office. (Note how in the past the caretaker governments at various points of time since 1991 undertook within a short period large-scale reallocation of officials throughout the government ministries including the local governments without any serious problem).

The above suggestions for institutional reforms have been made many times in the past. No serious objections have ever been raised. But they never received the priority they deserved. Basically, the political leadership thought that they were not worth the trouble and were of marginal importance from their short-run perspective. However, they do not realize that this short-term perspective tends to harm or hobble them, when they come back to power next time around. Any action requires a convinced and determined finance-cum-planning minister to accomplish this. Moreover, external assistance for this purpose should be readily available without much resistance from donors, especially in these days when institution building and governance is popular catchword.12

12 Since the writing of these notes in 2009, the above issues have not received much attention. As in the past, these issues are not considered politically attractive.
A re-assessment of the past and ongoing development strategy to determine whether any change in emphasis on the priorities and policies is necessary. Over the years, there have been exhaustive examinations and numerous formulations by multiple government agencies as well as ad hoc commissions and committees of both the overall and sectoral development strategies. An evaluation and assessment of earlier reports, including PRSPs, and their recommendations will reveal that many of the problems diagnosed and remedies suggested remain valid today. There is no need to reinvent the wheels in many areas.13

There are two essential elements in the formulation of a development strategy: one is the consistent set of policies in various sectors. In fact,

13 It is doubtful when an exercise in making a Five-Year Plan has a particular significance at this stage. The quantitative targets of output or services in various sectors/subsectors are not very important; the basis for the projections is often shaky and allocation of resources between sectors or sub-sectors on the basis of these medium-term / long-term projections is more often than not overtaken by from year-to-year developments as past experience abundantly indicates. If for political reason, a Five-Year Plan is necessary, it should be very broad and indicative; its preparation should not absorb much professional effort. On the other hand, a considerable effort is necessary to prepare 2-3 years development strategy focusing on high priority policies and programs with a built-in system of close and constant monitoring and evaluation. My experience suggests that any plan or development strategy should be the result of the cooperative efforts of the ministries of the government, coordinated and led by the Planning Ministry under the guidance of the cabinet. This is known as “ownership” by the government and subsequently by the nation when approved by the Parliament after deliberations.
the enunciation, formulation, and implementation of policies are the most vital elements of any development strategy. This is also for the most part very difficult; it is also the most urgent task. Moreover, at the same time, what is required is, first, an examination of whether policies recommended in the past were implemented and if not implemented why not? Secondly, did policies, if implemented, produce the expected results; and if not, why not? At the same time, it would require an assessment of whether past policies were wrong and in addition, in view of emerging new challenges, whether policies need to change and how.

The second critical aspect of an exercise in development strategy is the formulation of consistent programs—sectoral or sub-sectoral—with indicative allocation of resources for 2 or 3 years. The exercise in resource allocation is a rolling exercise to be reviewed and adjusted every year. What is essential is to examine whether programs recommended in the past were implemented and, if not, why? What are the new programs necessary in view of either past misdiagnosis of problems or in view of new challenges? The examination of the pre-conditions for the implementation of programs is an essential part of the exercise. This is critical in view of the well-known shortfalls in the implementation capacity of the government. These are two elements of any exercise in planning which demand the highest priority for the new government.

At this stage, a few specific areas of a development strategy may be singled out for special attention. They are: (1) Infrastructure: (a) Energy including gas
Priorities in Development Strategy

and coal; (b) Ports; (2) Education; (3) Agriculture; (4) Local Government; and (5) Indo-Bangladesh Economic Relations.

(1) Infrastructure

One of the two elements of infrastructure, among many others mentioned above, one (a) is of critical importance and the other (b) an important factor in promoting trade and investment is primarily to preserve and continue the gains already achieved.

(a) Energy. In view of universal recognition of the urgency of this problem, its importance cannot be over-emphasized. The most critical action in the short term is the installation of new power plants and improved performance of the existing power-generating capacity (better maintenance and operation). It is widely believed that decisionmaking process has already been improved during the last few years, including procedures for giving out contract and for procurement. What is needed is speedy implementation, keeping in view the requirement of transparency and accountability in decisionmaking and in the award of contracts.

No false steps and any perception of “misuse of power” that would raise suspicion of corruption, even there exists none, are to be allowed in this respect, if the credibility of the new government is to be established. Past experience has been frequently criticized in this respect. It was widely believed that in the past contracts for infrastructure projects were the principal source of corruption and were linked to election-financing. Assistance from independent experts in evaluating power-generating contracts may be sought, preferably not from external financing agencies, bilateral and multilateral, but from UN technical assistance agencies like UNDP and others. At the same time, policies for explorations of gas and coal have to be finalized. This is a subject which has been under consideration for quite some time. There are considerable

14 This issue has indeed been dealt with on a priority basis. Since addition to new power-generating capacity takes time, a recourse has been made in the context to lease a few power plants, each on a small-scale, to add some additional capacity at a very high cost. There was no choice in the short run. In view of the procurement procedures that are perceived, justified or not, to be less than transparent, this may continue to elicit questions about the integrity of the process.
disagreements among environmentalists, land-use experts, and energy specialists. Successive governments could not finalize the policies. Many reports have been prepared; considerable debates have taken place. Time is ripe for action; decisions now taken should have enough flexibility for changes/adjustments later.15

(b) **Ports.** Efficient management of the Chittagong and Mangla Ports is high priority. Whatever improvements have been made in the past years must not be allowed to lapse or be lost. Additional measures should be adopted to expand their capacity. The improvement in railway transportation is overdue. Here again, enough investigation and studies have been done to allow for a few selected steps to be taken for improvement on an urgent basis.

(2) **Education**

The significant quantitative expansion in primary and secondary school for both boys and girls has been accompanied in the past by no improvement, if not an actual decline, in the quality of education. Without high-quality secondary education, the progress in all areas of Bangladesh—economic, social, and political—is greatly handicapped. In the medium term, while efforts continue to improve the quality of secondary education, focusing on the development of high quality and motivated teachers, an immediate attention in the short run should be paid to the establishment of at least 12/15 high-quality secondary schools in the country (along the lines of cadet schools in the pre-independence days) equipped with not only highly qualified teachers but also with commensurate educational equipment and facilities including libraries and laboratories. The admission of students should be determined by nationwide competitive entrance examination with generous scholarships for poor, qualifying students. Even though such an approach smacks of elitism, there is no alternative way of increasing the supply of trained manpower in the short run.

15 A policy has been formulated in early 2010 in this respect, but not yet entered the phase or for implementation.
At the same time, the state of higher education, i.e. universities, needs attention. Again, while sustained and comprehensive efforts for the improvement of higher education in private and public universities should be under way, what is needed in the immediate future is the establishment of a few selected centers of excellence. There are two ways of doing this: one is to select 2–3 universities and build them as centers of excellence.

Alternatively, a few disciplines of high importance for national development in social and physical sciences should be selected—i.e. economics, business administration (selected branches), computer science, public administration, physics, and chemical sciences, etc. and they should be allocated among the different universities so that each one of them could specialize in establishing a center of excellence in one or two disciplines. At the same time, at least one of the engineering universities should be selected as centers of excellence in science and technology. These and similar suggestions have often frequently been discussed by academics but never received the political support they deserve.

In the development of these centers of excellence in both social and technological sciences, it would be necessary in order to achieve quick results to make “twinning” arrangements with well-known universities in advanced countries to undertake the task of upgrading the quality of education in the selected universities or selected disciplines in the chosen universities. This arrangement should include not only the formulation of the curriculum but also teaching methods and materials as
well. The exchange of teachers and students between the centers of excellence at home and selected universities abroad would facilitate their development.

(3) Food and Agriculture

In the light of recent experience of food shortages and high food prices, Bangladesh has once again been reminded of the need for sustained efforts for the achievement of food security. A reassessment of (a) the most cost-effective measures to increase food production, (b) an appropriate balance between imports and domestic food stocks to achieve stability of food supplies and prices; and (c) the optimum degree of agricultural diversification or balance between food and nonfood crops, needs to be undertaken urgently.

The development of the fisheries sector, both sea and inland fisheries, deserves high priority in view of the endowment of water resources in Bangladesh.

Three areas of highest priority in the food and agricultural sector are: augmentation and efficient utilization of water resources, with widely varying characteristics in different regions of the countries; agricultural research; and the extension system. The institutional deficiencies in all these areas are grave. The institutional framework for research and extension has deteriorated over the years. Action is needed urgently. Additional resources in these sectors cannot be used or efficiently used without significant improvement in institutional framework and implementation capacity.
Many and extensive reviews and assessments have been undertaken in the past several years in respect of all the above components of food and agricultural strategy. It is worth examining whether in each of the above areas the objectives and policies pursued in the past were appropriate. If policies were right, were they implemented? If not implemented, why not? What were the political or administrative or institutional constraints? The answers to these questions should be the key to the future of the agricultural and food security programs in the country.16

(4) Local Government

A very important policy issue concerning the political economy of development relates to an effective local government. A basic objective underlying the introduction of local government institutions is to widen the participation of the people in the making decisions regarding programs and policies directly affecting their lives. In fact, the local governments hold the key to rapid and efficient formulation as well as implementation of a wide variety of rural development programs in the short as well as in the long run. The local programs and policies can thus respond to the needs and aspirations of the people if they are reflected through their participation in the local government. The people can exercise monitoring and watchdog function over the implementation of the local-level programs, projects, and policies ensuring an effective monitoring of rural development projects though the mechanism of official national-level agencies is difficult. The supervision and overseeing of officials of the national government, stationed at the local level in the performance of their duties, has been known to be inadequate and fraught with inefficiency. The maintenance and repair of infrastructure projects as well as projects, which require collective action involving the cooperation of the population at the local level, are much better done by the local governments directly responsible to and within the visible reach of the population.

16 The recently held “Agrarian and Food Security Investment Forum” in March 2010 did identify the most important policy and investment issues/programs. It is reported that follow-up actions are being taken in earnest in cooperation with the donor community.
On the political front, the representative local governments are an essential component of political pluralism. This widens the scope for vigorous political competition. The political parties governing the central government are not always likely to be the same as those governing the local governments. This would facilitate bargaining and compromise among various political parties resulting in more widely representative decisionmaking process — reflecting different points of view. In this context, it is worth consideration while at the local government proportional representation should be tried.17

The perennial problem in this area is how to share power between the local government-elected leaders and members of the Parliament in terms of patronage distribution in their constituencies, which happen in many cases to coincide for the two sets of coordinates. It is argued that since success in elections for either local government or national parliament depends on the candidates being able to bring projects/resources to their constituencies, there is a direct competition between them for communal over local resources to be spent on schools, hospitals, roads, public-works, and irrigation projects, etc. So to the extent that such projects are undertaken by the local government, financed either by local resources or financial allocations from the national government, the members of the Parliament do not have power of patronage distribution in respect of individual projects.

There seems to be a snag in this line of reasoning. The competition between the local leaders and the members of parliament for recognition/credit and getting votes on the basis of projects and dole-outs seems to be irrelevant since they are not competing for the same position; one is trying to win in local government elections and the other in the national government election. They should be non-competing groups in terms of patronage distribution in order to secure votes. If none of the candidates from the different parties competing in the elections for the national parliament have any

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17 The interim government (2007–2008) produced a report on the local government reforms, which analyzed several earlier reports on the subject as well as made new recommendations of its own. Since these notes were written in January 2009, the establishment of effective local governments with adequate resources and responsibilities, independent of any interference or involvement by the members of the Parliament, has run into difficulty as was the case in the last several decades.
power to distribute patronage in terms of local project, then the control over local resources is not relevant for their competition in vote getting. One can have a more benign interpretation in that candidates for the national parliament are caught in the old mind set when they had access to such resources. They assume wrongly that somehow the candidate for the other party would obtain access to resources. It could be some form of “isolation paradox” which could be overcome once the first set of local elections is held.

Also, the candidate for the national parliament, it is argued, may think that the local leader with control over resources having distributed patronage may in the next round compete for the national parliament and would have a built-in advantage in the national election. This argument may have some validity. On the other hand, if resources, power, and the ability to distribute patronage are all at the local level, should a local-level politician seek election to the national parliament, he would lose future control over resources. However, it is conceivable that a local leader may seek election to the national parliament for such reasons as recognition as a national leader with associated prestige, including the possibility of becoming a minister.

However, to the extent that resources are obtained from the national government and the members of the Parliament are able to bring more resources to their constituencies, the local government leaders, as well as the voters, should credit the former for their services. This should help them in getting elected. It may, however, be argued that this is not a visible act in the sense in

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which actual projects and programs financed by such resources are not decided by him and in fact appear as achievements of the local government leaders. However, during the election campaigns, the local officials and leaders may publicly acknowledge the role of the member of the Parliament in having secured financial resources for the constituency as a whole.

One may suspect, however, a less honorable motive. The intention of the candidate for national parliament to have command over local resources or projects may be due to his desire to have a share of public resources for private use/benefit. This could partly at least be a way of collecting funds for meeting the election expenses. Since both the candidates from the competing parties are in the same position, they want the power over the disposal of local resources in order to obtain a share for their personal or political use. After all, such resources would come in handy, if for nothing else, at least to pay off to some extent the old debts incurred for the past election expenses or to save funds for expenditures during the next elections. Thus, to an extent, reforms of the system of election financing are closely linked with the solution of this problem.

A question may be asked why should the members of national parliament seek to have control over the resources allocated to the local government, since they can influence allocation of resources of the national government, which are a significant multiple of the resources at the disposal of the local governments. This would remain so in the foreseeable future. To argue that access to national level resources is basically shared by the ministers and their political associates and not by the large number of the members of parliament who are not ministers, do speak not highly of their lobbying power with the ministers. At the same time, their membership in the parliamentary standing committees provides one means of putting pressure on the ministers/their associates to share access to resources with the members of the parliament. Under the worst of circumstances, to make a limited progress out of the current impasse, it may be examined whether a certain percentage of the resources under the control of national governments can be assigned to the
members of the parliament to be spent on projects in their constituency—let us say, between 10-20 percent of resources, provided that the economic cost/benefit analysis justifies such projects. In case the bulk, if not all, of resources of expenditures to be incurred at the local level are transferred to the local government, it may be considered whether a certain percentage of resources of the local government can be put under the control of the members of Parliament. In any scenario, as above, for the effective exercise of power by the members of the local government in decisionmaking and implementation, it is essential that the supervising authority over the officials of the various line ministries and agencies who work and implement projects at the local level should rest with elected officials of local government, i.e. chairmen, for example.

The basic assumptions underlying an effective local government with independent responsibilities, effective authority over the officials working at the local level, and adequate resources need to be appreciated, accepted, and supported by the political leadership in the country. It is within this framework that the various aspects of power and resources sharing between the local and the national-level politicians can be examined and carefully resolved through debates and discussion in the public domain. In fact, in many established democracies, the national leaders have to lobby with the local leaders for access to resources and projects for their own constituencies. Are the advantages of local government of this type, as elaborated in the earlier sectors, worth the loss of control by the national politicians? An analysis of the local government institutions in comparable
countries in the developing world, including not only India and East Asian countries but also the new democracies in Eastern Europe, may provide lessons. The lessons of such experiences may be evaluated in the particular circumstances of Bangladesh.

At the same time, the link of this issue with the system of financing election campaigns merits much more attention than it has received so far. The present system of requiring candidates to declare their expenses and keep them under a pre-determined level, as experience shows, is ineffective. The entire subject of election financing needs to be reconsidered.

(5) Indo-Bangladesh Economic Relations

A very important economic issue with political ramification is the relationship with India. It is necessary to take more pro-active steps in developing a mutually beneficial relationship with India, keeping in view economic, political, and security concerns of both countries. As history and current experience elsewhere corroborate, a common understanding and cooperation on political and strategic issues is more often than not an important determining factor—if not a precondition—in the promotion of economic cooperation. Trust and confidence in overall relationship is necessary for furthering economic relationships. The present period may be an opportunity for greater harmony in political and strategic relationship between the two countries than in the past.

Keeping these considerations in mind, an effective institutional arrangement is needed
Four important economic issues of high priority in the immediate future in Indo-Bangladesh relationship are: (i) facility of transit for India through Bangladesh to the neighboring states of India; (ii) access to Chittagong/Mangla Ports for Indian trade with its Eastern states, (iii) liberalization of bilateral trade and investment, and (iv) cooperation on water resources development. These issues have been pending agreement over many years. In the light of recent changes in the world as well as in

at a high policymaking level of both countries for regular and systematic consultation and decisionmaking. Two institutional arrangements may be suggested: (a) first, annual consultation on economic matters by the economic coordination committees constituted by both countries. Each country’s coordination committee should consist of all economic ministers, i.e. ministers of finance, planning, commerce, and industry, etc. headed and coordinated by the planning and finance minister in each country; (b) second, at the political and strategic level, a separate group should be established consisting of defense, national security, home and foreign ministers of both countries. In view of the Prime Minister in Bangladesh being traditionally the defense minister, there needs to be National Security Adviser (civilian) with the status and responsibilities of a minister, who should head the group.

Both groups, economic as well as political and strategic, should meet annually. They can meet more frequently if urgent matters need to be dealt with. The foreign and finance/planning ministers may attend both the committees as and when necessary.

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While negotiating with India, the priority issues of immediate concern to India, i.e. the transit arrangements and the use of the Bangladesh ports by India, have to be matched or set against the vital issues of concern to Bangladesh, i.e. water and trade issues. There is a possibility of mutually advantageous bargain between the two countries. Adequate expertise based on empirical studies and analysis of these two sets of issues needs to be brought to bear on the negotiations; it is worth serious consideration whether in the short run Bangladesh should not draw on external and technical expertise in these areas on the basis of experience in the other areas of the world.

Two pre-conditions in Bangladesh are needed for any breakthrough in these areas. First, an adviser enjoying the full confidence of the head of the government should be appointed to lead, coordinate, and drive the preparation and negotiations. Decades of foot-dragging and suspicions in the government ministries and agencies in both countries cannot be overcome without a very aggressive leadership by a strong

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18 Subsequent to the writing of these notes, the Indo-Bangladesh Joint statement was issued in January 2010 which listed a very comprehensive and long list of issues on which agreement has been reached between the two countries. A few of these issues such as land and maritime boundary issues as well as the problem of enclaves in the border areas are pending since the 1974 Indira-Mujib agreement. The detailed cost and benefit analysis of the various issues included in the agreement needs to be undertaken in all seriousness. It is necessary to educate the public on several of these issues. Unless there is some broad-based national consensus on the implications of this agreement, its implementation in the future may be impeded since the implementation of at least a few of these issues given in past record of performance is likely to extend to successor governments.
person with the full confidence of the head of the government. On the basis of my own experience during 1972–75 when the Bangladesh Planning Commission had to play this role in leading and coordinating inter-ministerial efforts in Indo-Bangladesh economic negotiations, I venture to suggest that the “point man” to be designated for this task now has to be ready to encounter a considerable resistance and inertia, and a great deal of unpopularity and criticism, justified/unjustified from within and outside the government. This task will need to be assisted by a team of the “best and brightest” assembled for this task. All the experts to be mobilized need not be close ideological associates of the government in power. The technical expertise of those who may not see eye-to-eye politically with the government can be used with advantage if the leadership of the negotiating process has the self-confidence and ability to handle them. Also, for generating wide public support with the country, it is important to include the experts who may not see eye-to-eye with the government and to confront their arguments with counter-arguments. That is why it is important to assemble “the best and the brightest.” This scale of effort is necessary because it is necessary to strike while the iron is hot. Momentum may be lost and it will be certainly lost with a change in government in either country.

Secondly, it is important to explain to the public not only the main objectives of the principal components of this agreement but also gains or advantages which will accrue to Bangladesh. Preferably, no attempt should be made to produce exaggerated estimates of gains/advantages to generate enthusiasm for the critical issues until such time when quantitative estimates are available, qualitative explanation of the gains should be given, and counter-arguments adequately dealt with.¹⁹

It is important to emphasize that the gains from such cooperative arrangements have both short- and long-term aspects. They need

¹⁹ Bangladesh should undertake these studies with the help of both national and, if necessary, of foreign experts with considerable experience and expertise in dealing with similar issues in regional/bilateral cooperation agreements in other parts of the world, both developed and developing—NAFTA, EU, ASEAN, Mekong River Project may provide comparative studies.
to be clearly distinguished. In the short run, the costs of investment in projects to achieve these objectives will be heavy and apparent, while the gains will be in the long run and not immediately visible. However, judgment and decisions have to be made as always on the basis of most reasonable assumptions, systematic analysis, and currently available qualitative information. Also, it should be noted that cooperative efforts or projects may bring in unrelated economic and political advantages, which are not foreseen ahead of time. In order to generate public support or momentum for cooperation, it is useful to have a subset of projects which would produce some immediate and visible benefits in the short run. An agreement in the reduction of tariffs, especially non-tariff barriers to trade and few selected joint river projects may be important for this purpose. Some progress on the transit arrangements for the Indian trade and the launching of a joint study on the expansion of and placing for the use of port facilities should be an inducement for India.²⁰

²⁰ Since the writing of these notes, cooperation in energy and power sectors has been initiated in 2010. This is an additional area in which some immediate results are achievable.
SOME PRELIMINARY THOUGHTS ON POLITICAL AND CONSTITUTIONAL MATTERS

1. To ensure a wide participation by political representatives in decisionmaking process, some progress has already been made to strengthen the standing committees of the Parliament relating to various ministries or clusters of such ministries, equipping them with adequate support staff to undertake enquiries and studies. Testimonies or evidence on relevant subjects should be provided to the committees by (a) nongovernmental experts and/or (b) concerned individuals or institutions. The media should be provided access to the deliberations of the committees. Alternatively, the summary of the proceedings should be published. The findings and recommendations of the standing committees should be debated in the Parliament and, among other things, provide the essential inputs into decisionmaking process of the Parliament. This process should help generate and mobilize public opinion in favor of policies and programs.

2. On the political front, there are several other issues which deserve consideration.

During the last few years, the manner in which the President is elected has come up for considerable public discussion; it may need a close re-examination. For two specific reasons, this issue has become more
important than it needs to be in an established parliamentary democracy. First, because of the constitutional innovation which Bangladesh introduced in respect of parliamentary elections, i.e. the institution of a caretaker government, the President assumes more power than usual, especially in terms of control over the armed forces, during the tenure of the caretaker government. Moreover, the Chief Advisor is the head of the caretaker government and is chosen by the President normally from the Judiciary on the basis of seniority. But the appointment of the judges and their seniority can be and have tended to be adjusted / managed in order to ensure appointment of the Chief Justice whom the ruling party wants as a chief advisor as happened in 2005/06.

Secondly, even though the President acts on the advice of the Prime Minister, he can exercise his powers of persuasion and moral suasion. He is expected to act as someone who rises above party considerations and is amenable to discussion and consultation with the opposition parties. Various suggestions have been made to ensure that the President owes no special allegiance or feel overly obligated to the party in power, and that he can act on occasions independently. This is true that in most parliamentary systems, the President is the choice of the majority party in power. However, in countries where the democratic traditions are long established, the President, even if he is selected by the majority party in power, does sometimes act without being totally subservient to the party in power.

This is true that in most parliamentary systems, the President is the choice of the majority party in power. However, in countries where the democratic traditions are long established, the President, even if he is selected by the majority party in power, does sometimes act without being totally subservient to the party in power.
political parties do not violate and drag the President into decisions with potential for political frictions with parties, even though there have been exceptions in India as well. India is after all not an example of a mature democracy as yet—a fact which the Indian analysts readily admit. However, unlike in Bangladesh, the Indian political landscape is not so totally divided into two political parties which oppose each other on all conceivable issues and are perpetually in a confrontational mood. India has multiple political parties and constant compromises are the order of the day. In younger democracies like Bangladesh, other ways may need to be explored to ensure that he is a consensus choice of the party in power as well as of the major or combined opposition parties. There are various ways of electing the President to allow him some elbow room away from the total alignment in all matters with the political party in power. For example, he can be elected by two majorities, i.e. a majority of the party in power as well as of the majority of the combined opposition members, or a majority of all the members of the Parliament as well as the majority of the combined opposition members. This is a subject that needs to be carefully analyzed in the light of experience of parliamentary democracies in the developing world as well as in the new democracies in the transition countries in Eastern Europe.

3. Apart from the special circumstances of the caretaker government, even under the normal circumstances, the independence of the Judiciary is important in ensuring the rule of law in disputes between the state and the individual citizen as well as between the individuals/institutions in the country. It is an important constraint on authority of the executive; it can ensure the conformity of the legislations with the constitution of the country. Several suggestions have been made in the past about this issue including transparency is in the appointment process, the availability in the public domain of the curriculum vitae of the candidates as well as an assessment of their qualification and experience by the independent lawyers’ groups. The devil, however, is in the details and in its implementation. It is necessary to ensure a process which is perceived by the public as fair.\(^2\)

\(^2\)The High Court, I am told, has recently suggested guidelines on the basis of which the Ministry of Law is expected to formulate the detailed procedures for the appointment of judges.
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