

**Ph.D. Thesis
on**

**Democracy and Economic Growth: An Analysis of Political
Economy of Bangladesh**

**(The study has been conducted under the Fellowship Program of
University Grants Commission of Bangladesh)**

**Supervisor
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Registration No. 79
Session: 2012 - 2013
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November 2016

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Certificate of the Supervisor

I am pleased to certify that Mrs. Sabera Yasmin, bearing the Registration No. 79 for the Session 2012 - 2013 in the Department of Political Science, University of Dhaka has prepared her Ph.D. thesis “Democracy and Economic Growth: An Analysis of Political Economy of Bangladesh” under my supervision. This study was monetarily supported by the University Grand Commission, University of Dhaka, Bangladesh.

The thesis is Mrs. Sabera’s original work where Mrs. Sabera’s earlier M. Phil study findings serve as a foundation. This thesis was not submitted earlier for degree or publication.

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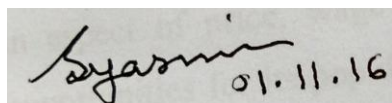
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Declaration

This doctoral thesis entitled “Democracy and Economic Growth: An Analysis of Political Economy of Bangladesh” submitted by me for the award of the Degree of Doctor of Philosophy at the University of Dhaka is based upon my own work. This study was carried out under the supervision of Professor Dr. Khundkar Nadira Parveen, Department of Political Science. It was carried out on *leave-for-study* granted by the Government of Bangladesh where it was monetarily supported by the University Grand Commission (UGC), University of Dhaka.

I here declare that this thesis was not earlier submitted to any university or institution for the award of a degree or publication.



Sabera Yasmin, M. Phil. (Pol. Science, DU)

Ph.D. Fellow

University Grant Commission (UGC)

Registration no. 79

Session: 2012 – 2013

University of Dhaka

Abstract

Democracy and Economic Growth: An Analysis of Political Economy of Bangladesh

Democracy is a government of the people,
by the people, for the people.

--- Abraham Lincoln, Gettysburg Speech, 1863

Economic growth of a country, like Bangladesh, can be comparative to the strength of its democratic institution that simultaneously require a good governance where higher strength of democracy in practice can lead to a greater economic growth where checks & balances on government as a mechanism for securing property rights must be in place.

--- Sabera Yasmin, Doctoral thesis, Dhaka
University, 2016

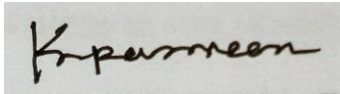
Economic development of Bangladesh is a very critical issue. It is very simple word but it is easy to say and difficult to do. There is change in constraint behind the economic development in aspect of price, wage and employment. In our country the main problem is inadequate opportunities for its population to work on. So, rapid growth of population is not a great threat for economic development if both in home and overseas employment opportunities can be created. Nowadays, most of the countries that employ foreign labors prefer seeing political stability of Bangladesh, which requires the regime to put effort for democracy & good governance simultaneously. In good governance perspective, regime's responsiveness (RE), accountability (AC), rule of law (RL) and transparency (TR) seem to be the dominating factors behind the process of good governance where these factors are inter-related each other. With the statistical findings in this study, it might be remarked that the current state of governance of Bangladesh is poor where regime faces challenges like lack of accountability and transparency, lack of rule of law, inefficient leadership, rampant corruption etc. In democracy perspective, Bangladesh has been facing a number of challenges like institutionalized political parties, judicial independence (JI), democratic gesture (DG), executive constraint (EC) etc. Efforts for democracy should involve public education and changing attitudes and expectations, therefore, it is important to begin the process with a clear understanding of problems and potential points of intervention. This will facilitate monitoring of progress and measurement of change over time. Improvements and reforms in other areas will have little impact if the gains made over the last

several decades in elections cannot be maintained. An important element in ensuring that elections are credible is transparency. Civil society advocacy and observation will both be important to maintain and increase transparency. Also important to reduce political tension and encourage acceptance of election results is a perception that the process was administered fairly and neutrally, so advocacy for an unbiased, un-politicized neutral and independent Election Commission might be appropriate. Civil society organizations may encourage the growth of more open, inclusive and democratic political parties by supporting activities aimed at changing public and internal understanding and expectations about the appropriate role of parties in a democracy. This may be accomplished by facilitating the development of issue groups, and by encouraging parties to expand their membership base, so that the parties better represent the interests and aspirations of the broader population. Mechanisms might also be developed that provide opportunities for better communication between Parliament Members and constituents, to strengthen accountability and improve representation. Civic education should also aim to reduce tolerance for corruption and impunity. Finally, to strengthen civil society and help balance the power of the political and commercial sectors, democracy assistance actors should explore ways to encourage the development of voluntary associations and membership organizations. Since 1/11 dilemma is considered to be a black spot to our new phase of democracy (1990 – 2006), it might be a right time to think spreading military bases to many different districts. It might have a very limited office size in capital city for top level communications. In 21st Century, the ICT domination *era*, by so doing, the government can curtail its huge amount of costs in one hand; on the other hand, it can put further effort for democracy & good governance without worrying the repetition of ill motives of military. Overall, in this gloomy *scenario*, regime's efforts for good governance & democracy simultaneously are the dire need of the hour. Though good governance has always been a dream for our country yet, this dream can be transformed onto reality. Sincere and dedicated government can make this dream come true. But it cannot be achieved in a wink of an eye. It requires a great toil and sacrifice. The civil society can play a significant role in this regard. Now, it is very easy to raise public opinion for democracy & good governance through the use of electronic media. The meetings and rallies are also very essential means to bring the trend of establishing democracy & good governance simultaneously on the right track.

Certificate of the Supervisor

I am pleased to certify that Mrs. Sabera Yasmin, bearing the Registration No. 79 for the Session 2012 - 2013 in the Department of Political Science, University of Dhaka has prepared her Ph.D. thesis “Democracy and Economic Growth: An Analysis of Political Economy of Bangladesh” under my supervision. This study was monetarily supported by the University Grand Commission, University of Dhaka, Bangladesh.

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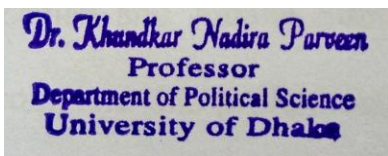
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I am indebted to Dr. Akim M. Rahman, whose continuous guidance on designing research project, mathematical modeling, running the Statistical Analysis Software (SAS & SPSS) using my data statistics has made this project to be complete. Special thank goes to my *sister-in-law*, Architect Suraiya Farzana, who has morally supported and dedicated her joyful time in many folds that has facilitated the current project to be complete without delaying.

I offer my sincere thanks to my Academic Supervisor, Professor Dr. Khundkar Nadira Parveen, who's personal and professional examples have been constant sources of inspirations and motivations in this journey. I could not have entered this program or completed it without her inspirations. Thanks are due to the members of the doctoral thesis committee for agreeing to serve on this research project.

I am indebted to my beloved husband, Moniruzzam, our two daughters, Lavina Moureen Zaman and Juhana Subhana Zaman for allowing me spending significant amount of time to complete this project and I have enjoyed their unfailing supports and good humors, which has kept me moving with smile.

I am thankful to my parents for sharing with me their self-reliance, curiosity and lifelong love of learning. My beloved parents would have smiled and would have been proud if they were

among us today. Just over six months ago, I lost my mother who was residing with me since after my father passed away in September of 2012. Rather being emotional, this loss makes me to think: who will now play dual-roles in keeping our all siblings hanged-tight in loop?

Thanks go to my siblings & sister-in-laws and to nephews & nieces for their understanding where I have intentionally missed to joining many family-gatherings, birthdays for the sake of working with research project. In this perspective, I thank all family members of my husband side for their understandings.

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Yasmin, Sabera, *et al.*, (2009) Estimating Revenue outflows Evolved from Evasions in Bangladesh: A Mathematical Model under Direct Taxation and Policy Options, *American International University of Bangladesh (AIUB) Journal of Business and Economics*, vol. 8, no. 1, January 2009

Paper Presentation in Conferences

Sabera Yasmin and Akim M. Rahman, (2016), *Multimedia Classroom: The Dilemma of Strategic Teaching-style and the Goals Meeting the 21st Century Needs – A Case Study of Private Universities Located in Dhaka City*, presented in an International Conference, hosted by *The Independent University of Bangladesh (IUB)*, April 22 to 23 of 2016.

Chapter 1

Introduction and Rationales of the Study

The ballot is stronger than the bullet
--- Abraham Lincoln, speech,
May 19, 1856

I. Introduction

Most of the developed countries, with exception Singapore, United Arab Emirates (UAE) etc., are democratic. However, the political history suggests that some of these democratic countries became rich under authoritarian auspices (North, 1990). UK, Japan, USA and Australia countries are bright examples in this category where UK, Japan, USA and Australia ranked 21st, 22nd, 6th and 10th respectively of world GDP per capita (IMF, 2012). Furthermore, these countries' Corruption Perceptions Index (CPI) ranks are 14th, 18th, 19th and 9th where scores are 74, 74, 73 and 85 respectively where 0 means that a country is perceived as highly corrupt and 100 means it is perceived as very clean (Transparency International, 2012).

On the same token, Singapore, UAE etc. became rich because of its steady fast commitments on good governance despite questioning on its institution types where Singapore and UAE ranked 3rd and 32nd respectively of world GDP per capita (IMF, 2012). Furthermore, these countries' CPI ranks are 5th and 26th with scores 87 and 68 respectively (Transparency International, 2012).

In contrast, countries that have initially started with institutional process, after strong commitments to institution and its hard works have promoted them to be the most democratic countries. However, countries that initially started with institution without good governance may not be the richest nations yet in the world (North, 1990). India is one of bright examples in this category where political institution is democratic without good governance where level of corruptions is very high where India ranked 133rd of world GDP per capita (IMF, 2012).

Furthermore, India's CPI rank is 94th with the score 36 (Transparency International, 2012). *In contrast*, Pakistan placed 140th of world GDP per capita (IMF, 2012) and its CPI rank is 127th with score 27 where Pakistan had on and off military regime until 2009. Despite the fact that both nations suffer from very high level of corruption, the data statistics suggests that economic growth in India is better than that of Pakistan. Furthermore, India has democratic institution since its birth and Pakistan had autocracy on and off for over 65 years.

Our observations suggest, democratic institution can lead higher performance of economic growth but democracy without good governance may result higher corruptions. On the same token, it would not be overstated saying that just good governance can ensure access to donor-organizations. However, it does not ensure the fruit of democracy for all where transparency, reliable election process and free media etc. are vital. It does not protect opportunities for all to play based on its own attributes for success in competitive market.

The cavity of our beliefs is that it may trigger the gap between rich & poor segments of the population. Military regimes thus are among the first to embrace some components of good governance. However, military regime produces political environment with no rule of law, no government transparency, no free media, and no elections. In this aspect, the dark days of Bangladesh can be cited as examples where military rulers did not hesitate looting the wealth. In some cases, the military regime might produce responsiveness, efficiency, effectiveness and some sort of less corruption which are core attributes of good governance. However, it undermines the core attributes of democracy, which can cause barriers accessing to inflows of foreign donations, aids and can limit accessing to worldwide export markets. In this scenario, Pakistan can be cited as an example that had ran on and off under military influences until 2009

and it ranked 140th of world GDP per capita where Bangladesh ranked 156th of world GDP per capita (IMF, 2012).

Political history suggests that Pakistan has been independent for 68 years where it has been receiving military equipment & facility monetary helps from western nations, *especially*, from USA. *In contrast*, Bangladesh has been independent for 42 years where it had military influences for a short period of time and the latest military regime was removed by a civilian movement in 1990. In Corruption Index perspective, Pakistan ranks the 127th, however, Bangladesh ranks the 136th where scores are 27 and 26 respectively where 0 means that the country is perceived as highly corrupt and 100 means it is perceived as very clean (Transparency International, 2012).

In this comparison of data-statistics, based on ages of states' independency, it can be concluded that Bangladesh is doing comparatively better in both GDP and corruption index perspectives than that of Pakistan. Also, Pakistan had longer period of military regimes compare to that of Bangladesh. In democratic institution perspective, Bangladesh has longer period of democratic institution in place than that of Pakistan but a shorter period than that of India where all these three countries face challenges instituting good governance. Therefore, it would not be over stated that democratic institution in place has led India to be in better position than that of Bangladesh. On the same token, Bangladesh has led to be in better position than that of Pakistan.

With this historical phenomenon of dual political-economy in hand, the literature of political economy suggests that democracy and economic growth are linked. The supporters in literature used data statistics from more than one countries at once to validate its claims (Easterly, 2003). Even though these commentators have agreed with the conclusion, *democracy and economic growth are linked*; they widely differ on the issue whether a country should first

start with democracy for achieving economic growth or whether a country should first start with investing in human and physical capital accumulations so that democracy can be followed. Both of these groups have collected data statistics from many countries instead of a single country over a time period (Barro, 1991). Furthermore, they have used relevant data statistics in their empirical studies examining their hypotheses (Barro, 1991).

The differences between opinions of these two blocks become wider and shadowy on the question: *whether democracy follows economic growth?* Alternatively, *whether economic growth follows democracy?* Despite India as an example of economic growth follows democracy, some commentators have suggested that democratization in developing countries produces political instabilities, ethnic conflicts, and poor economic outcomes. As an example, this group has cited that democracy has opened up African politics and brought people liberty. However, it has also produced a degree of chaos and instability that has actually made corruptions and lawlessness worse in many African countries as well as in many South East Asian Countries.

We also find that democratic system in a nation is always friendly with economic growth. But democracy is not the only political system for economic endowments as a whole. There are few countries such as China, Vietnam, Singapore and South Korea have reached the highest level of development without practicing of western democracy where China, Vietnam, Singapore and South Korea ranked 93rd, 134th, 3rd, 23rd respectively of world GDP per capita (IMF, 2012). Nonetheless, in today's world of favor seeking politics, most of the rich countries pledge financial donations or foreign aids to developing countries, which are contingent to democracy first in place where most of these developing countries would have been worsen if it did not have access to inflows of these foreign aids and to monetary loans from those rich-nations. Bangladesh is a bright example of one of the beneficiaries in these inflows of foreign aids and

donations from rich nations. In some cases, Bangladesh is also a victim of political retaliation by rich nations, which negatively effects the economic growth. For example, the US's recent move on curbing Bangladesh trade privileges, *especially*, the punitive action against Bangladesh in regard to its GSP eligibility in the United States market. Very recently, the UK imposed restriction on Bangladesh Airlines' entry into the UK Airport with a claim of poor initial security inspection. As a result, Bangladesh was forced to hire a British security company to run the security issues at the Shahjalal International Airport, Dhaka, which has caused offshore jobs and imposed extra expenditure on security measure.

Therefore, Bangladesh economy is very sensitive to its political institutional process that is or will be chosen by the political regime whatever the political party is or will be leading its administration. On the other hand, Bangladesh as a sovereign country has an absolute right on choosing its own political institutional process without any foreign influences. With these dual options available to countries such as to Bangladesh, the opinions of the two blocks in political economy literature become shadowy and interesting for seeking answers in practicality in Bangladesh perspective.

To overcome the limitation in literature on the issue, *study of a single country instead of many countries at once*, a recent empirical study was carried out by the current author in the subject area of political economy of Bangladesh where its political economy was chosen as case study based on facts that

- a) Bangladesh is an upper middle developing country as per UNO definition
- b) Bangladesh is a single unique country where the nation has witnessed liberation war-wreckage economy, early stage of democracy, then socialism move, then army-dictatorship and then efforts on re-establishment of democracy over forty-two year period where it had a caretaker government provision under the constitution (caretaker government provision was abolished in year 2011) for ensuring a free and fair election

- c) Political history worldwide suggests that no country had caretaker-government system *except* Bangladesh for ensuring a free and fair election. The recent political *dilemma*, the 10th Parliamentary election (2014), its outcome and positions of the opposition parties all relate to the provision of caretaker government. The political history suggests that caretaker government system was the only remedy of this *dilemma* where it was supported by both group of the aligned parties. Now one group wants it and the other doesn't.
- d) Like any other developing countries, Bangladesh economy heavily relies on foreign aids & trades, *especially*, exporting garment products & labor force of the economy, which are politically sensitive in a world of favor seeking politics.

Furthermore, the earnings from expatriate manpower have been dominating significantly the economic development in Bangladesh. However, these opportunities are very often tied up with cordial relationships with host nations and in many instances it was used as a tool to undermine strengths of the regime(s) of Bangladesh by the host nation(s) (Yasmin, 2010). More specifically, the history of expatriate manpower & foreign earnings suggests that the host nation(s) would prefer to extend its helping hands to its fullest in this perspective once the regime(s) become its favorable based on policies or something else. It does not hesitate tightening this opportunity if the regime becomes unfavorable to its philosophies for the interest of the home nation. A bright example of recent incident "building of garment factory collapsed and then Bangladesh was threaten by the United States and other western nations putting embargo on importing garment products from Bangladesh unless Bangladesh reassess the contract of labor union so that interests of members of the labor union can be preserved.

The findings of the study under the M. Phil degree research work (Yasmin, 2010), funded by the University Grant Commission (UGC), Dhaka University, authored by the current research-investigation of this study, suggest that

starting with democratic institution in place first can open doors for Bangladesh in many folds accessing to monetary aids and helps globally in revitalizing its human and physical capital to meeting the 21st century demands in global markets where, in return, its economic growth can be expected to follow.

It further suggests that Bangladesh economic growth can be comparative to the strength of its democratic political institution where higher strength of democracy in practice can lead to a greater economic growth where checks & balances on government as the mechanisms for securing property rights must be in place.

However, the limitations of the above findings were that

- a) It was not guided by historical data statistics
- b) It was a cross sectional study where data statistics on institutional quality (i.e. regime's performances on various factors) were collected from a selected population group who have witnessed regimes' performances and answered from their memories
- c) All plausible institutional measures were not incorporated into the mathematical models that were designed to examine the linkages and the directions of the linkages *i.e.* Is democracy first or economic growth first in Bangladesh perspective?

The current Ph. D. research work is an extension of the M. Phil degree research program in the subject area of political economy of Bangladesh where the project is being funded by the UGC, Dhaka University. Therefore, the findings of the M. Phil degree research work is served as a foundation of the current research work where its efforts can be laid out in three facets

Firstly, this study takes up the challenges to overcome the limitations of the M. Phil degree research work.

Secondly, the current study further examines the prospect of the third plausible option, a combination of both, "democracy first" and "economic growth first" in Bangladesh perspective and then it measures the plausible proportions of the two in efficiency perspective. For clarity, *democracy first* and *economic growth first* means regime's efforts for democracy & economic

growth go simultaneously. In other words, whether regime cultivates the efforts for democracy & good governance simultaneously in Bangladesh?

Thirdly, it measures regime's efforts of democracy cultivation where the *ratio* of the two, *democracy first vs. economic growth first*, will suggest how the regime has contributed to and the direction of its contributions. For clarity, it means who has done what when it comes putting efforts for cultivating democracy & good governance?

With this research framework in hand, the findings of the current research can give a new dimension on policy evaluations and recommendations addressing various problems that hinders the economic growth in Bangladesh. This study also finds the relationships of democracy with economic growth in Bangladesh. Overall, the expected findings can facilitate institutions or academic departments within institution(s) that can play crucial roles in classroom training for generation to come. It can further provide new direction of studies of Bangladesh political economy where the political leadership(s) can take lessons for greater interests of the nation.

After liberation in 1971, since Bangladesh has passed an eventful period of more than forty two years, it is the time now to evaluate, analyze and then explain the development in various areas of the country's political system with scholarly insights and objectivities. In this short, comparing it to life span of today's developed nation(s); span of life, the political system of Bangladesh has passed through turbulent periods. The country has experienced various types of government such as presidential, parliamentary, militancy dictatorships and then experiment with the caretaker government. From the various forms of governments, it has been seen that the democracy has been playing an effective and vital roles in social and national development. As time passes, since the flourish of democracy is becoming appealing from grass root to elite groups in Bangladesh, it appears to be the principal architect of making a successful nation. But a

majority of the developing countries like Bangladesh are facing serious challenges in advancing the democracy with economic growth for their nations. So it is highly needed a thorough investigation on democratic roles and the economic growth where Bangladesh phenomena is utilized as a proxy because it has witness all scenarios that are common in most of the developing countries in the world. In this perspective, this research will give a new dimension on policy evaluations and recommendations addressing various problems that hinder the economic growth of the country. This will also find the relationships of democracy with economic growth in Bangladesh. This finding is urgently needed for the department of Political Science that can play crucial roles in classroom training for generation to come. It can further facilitate new direction of studies where funding sources can be attracted by creating the proposed center for publications in the subject area.

II. The rationales of the study

Our observations suggest that the rich nations still reluctant to help and make donations or adopts policies for investment to less developed or developing countries, like Bangladesh, for win-win situation unless political regime begins with democracy (Yasmin, 2010). In aim to ensuring accesses to the pledges to foreign aids from rich nations, the developing countries are desperately designing its political agendas in such ways so that it becomes palatable to rich nations in democracy-establishment perspectives. However, its effort in this perspective produces political instabilities, ethnic conflicts, and poor economic outcomes (North: 1990; Kaplan, 2000; Zakaria, 2003; Chua, 2003). For instance, Robert D. Kaplan (2000) states that “If a society is not in reasonable health, democracy can be not only risky but disastrous”. Fareed Zakaria (2003) points out that “although democracy has in many ways opened up African politics and brought people liberty, it has also produced a degree of chaos and instability that has

actually made corruption and lawlessness worse in many countries.” Amy Chua (2003) argues that: “... in the numerous countries around the world with a market-dominant minority... adding democracy to markets has been a recipe for instability, upheaval, and ethnic conflagration.”

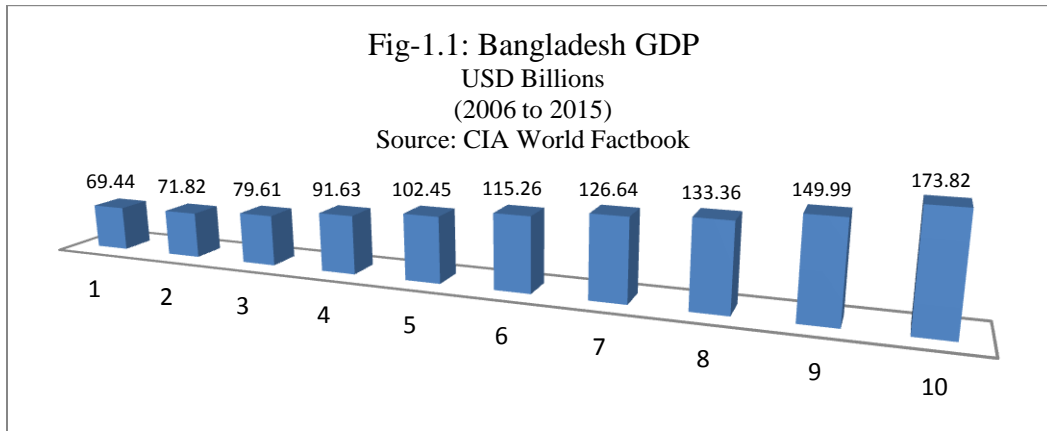
These authors buttress their claims with examples of democratic reforms that led to economic chaos and eventually a collapse back into autocracy. Such anecdotal evidence can be problematic from two perspectives. First, it is not clear how universal the pattern is. Perhaps the vast majority of other countries have had more successful transitions. For example, we rarely hear in these accounts about Mauritius and Botswana, two long term African success stories that also happen to be democratic countries. Secondly, these anecdotal accounts leave the counterfactual unspecified. Perhaps countries would have been even worse off in the absence of democratic transitions (North, 1990).

With *pros and cons* of “starting with democracy so that economic growth can follow” in any developing or less developed country, since democracy is contradictory to monarchy, corruptions etc. policy practitioners are struggling to balance two things:

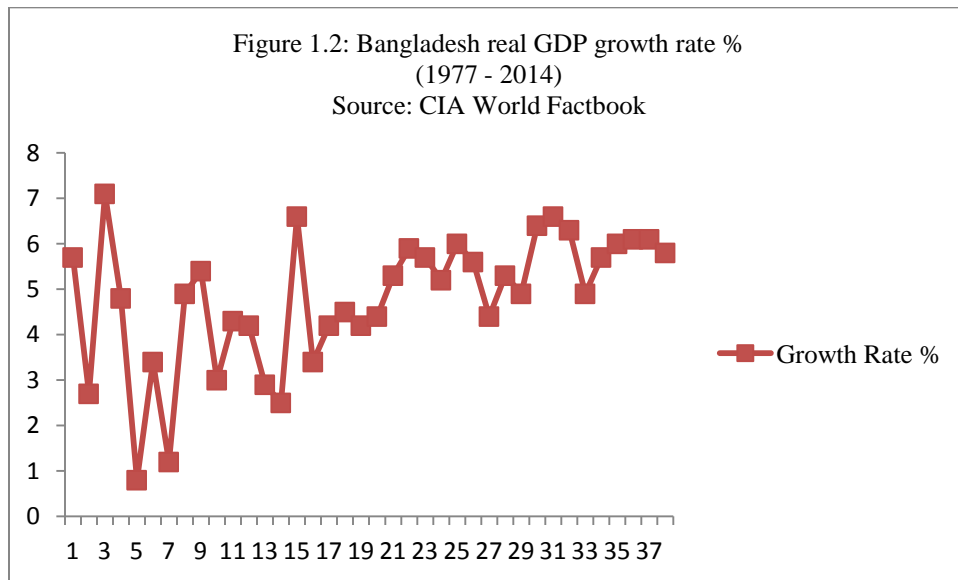
- a) Balancing between political incumbent’s own desires for democracy vs. demands from aid donators and
- b) Domestic stability & demand for democracy vs. desires of political incumbent for democracy

The magnitudes of these challenges in political arenas are varied from one developing country to that of other but their existences are undeniable (Yasmin, 2010). Therefore, it warrants for study of political economy of each country separately. So that findings can be helpful to cross-examine policy preferences based on its practicality rather than just following donator-countries’ orders. It can further be helpful to cross-examine incumbents’ (administration) desires for monarchy or a

combination of the two. This begs question: why is political economy of Bangladesh a case study?

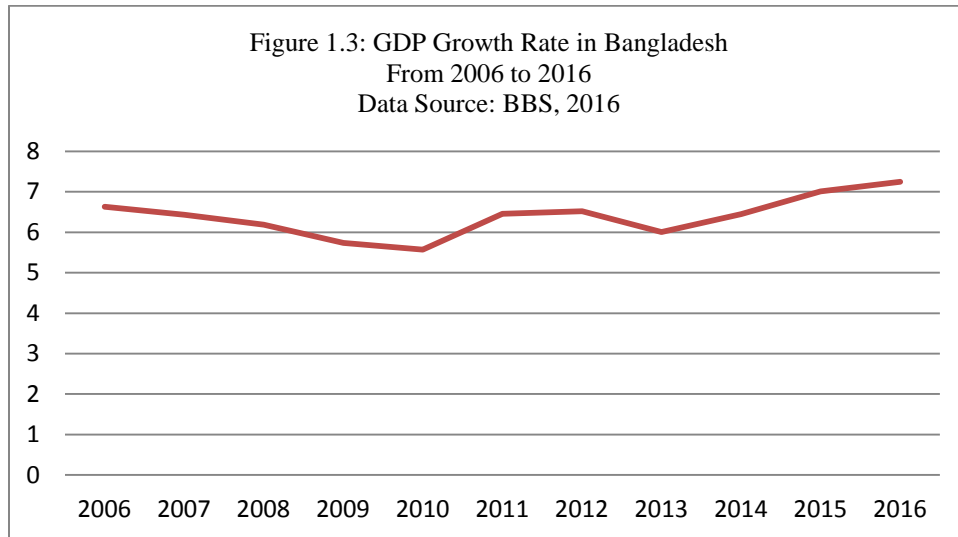


The GDP trends data-statistics (Figure-1) of Bangladesh suggest that in recent years, Bangladesh economy has witnessed significantly increasing growth with bumpy growth rate percentage where the growth rate percentages (Figure-2) are not stable and steady (Yasmin, 2010).



More *specifically*, exports advanced 23.22 percentages in December of 2013 from the previous month to take last year's earnings to \$29.1 billion. It was the highest improvement in the nation's history, despite of the political turmoil at home and image crisis faced by the chief export

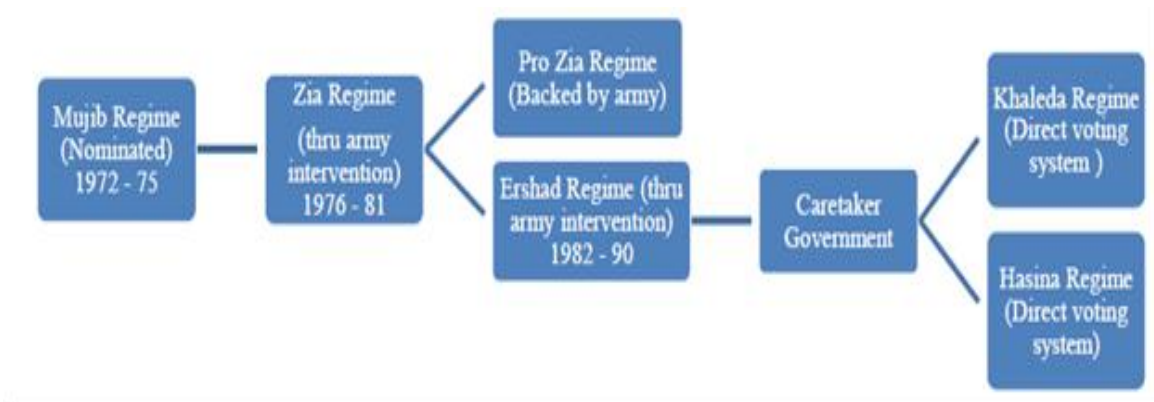
grosser, the garment sector (The Daily Star, January 10, 2014). Propelled by garment products which raked in a record \$23.5 billion, last year's figure is also an improvement of about 16 percentages over 2012's takings of \$25.1 billion (Export Promotion Bureau, Bangladesh, 2014).



In Figure 1.3, in year 2014, along with exporting goods, the foreign remittances were going up and up which started debouching the GDP growth in Bangladesh. In year 2016, it has reached to 7.25% and it is expected that the GDP will grow faster in the near future where it is expected that recent Chinese huge amount of loans agreement and its utilization will play significantly (The Daily Star, October 21, 2016).

The cross-examination of this rapid economic growth under various regimes over forty year period (1972 – 2012) sheds some lights on issues such as institutional quality, amount of foreign aids received and domestic political harmony etc.

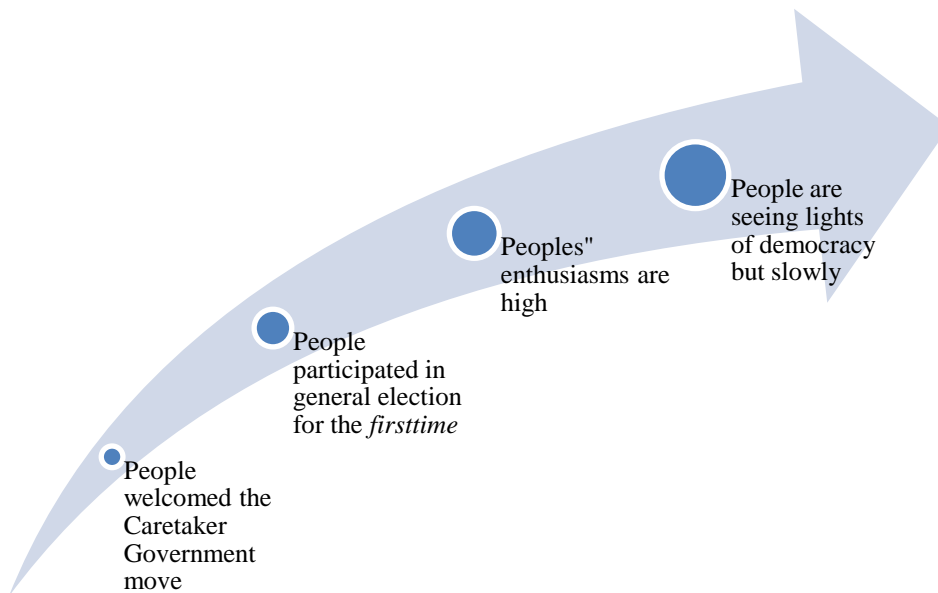
The trend of this economic growth and changes in political incumbent (s), Flow-charts 1.1 to 1.3, show that nation has witnessed democracy to socialism, to autocracy to prodemocracy, to autocracy and then to today's democracy.



Flow-chart 1.1: The name of the political regime, regime period and regime type



Flow-chart 1.2: The historical path of democracy in terms of regime type



Flow-chart 1.3: Peoples inspirations for democracy in Bangladesh

Flow-charts 1.1 to 1.3 further suggests that Bangladesh is a country that has gone thru all struggles for establishing today's democracy that has been playing significant roles on bring fruits of today's political economy in life, which are more or less appealing to most of the nations in the world.

Therefore, we believe that the findings of our current study of political economy of Bangladesh can be helpful as a prototype to other developing or less developed nations in aim to achieving prosperous in a short period of time, in one hand. On the other hand, the application of Bangladesh political institution as a model can ensure a full speeded inflow of foreign aids, which are most needed for domestic instability neutralizations in any developing country. It can further be a lesson for generations to come in Bangladesh so that it can guide us on whether we go back to autocracy or we stick to our ongoing democracy and work for a healthier democracy for further prosperous economy. It can further be said that after minor modifications of the mathematical models, which will be used in the current study, report cards on manifestos & efforts of political party(s) towards democracy (i.e. towards economic growth) can be developed, which can be published yearly for the citizenry reviews.

Chapter 2

Objectives, Hypothesis and Methodology of the Study

Democracy is a process by which the people are free to choose the man who will get the blame

---- Laurence J Peter (1919 - 1988)

I. Introduction

In any scientific study, one of the obvious challenges is to find an idea for study where investigator needs *science* involved, which requires applying scientific methods. The scientific method or technique can be stated several ways. It basically involves looking at the world around us and coming up with an explanation for what the investigator observes. In this approach, the investigator may test the explanation to see if it could be valid, and then either accept the explanation or reject the explanation and then try to come up with a better one. Therefore, the exact number of steps to any scientific method depends on how investigator breaks up the steps and in this aspect, the basics are: i) make observations & develop specific goals ii) propose a hypothesis iii) design & perform an experiment to test the hypothesis iv) analyze the data to determine whether to accept or reject the hypothesis and, if necessary, v) propose & test a new hypothesis.

Therefore, our study in the subject area of Political Science advances first by laying out the objectives & expected benefits of the study where we breakdown our objectives in two folds: i) general objectives and ii) methodological objectives so that it becomes further effective to all levels of the readers. Moreover, our methodological objectives in this study are broken down into two segments – *in broader sense* and *in specific viewpoint*. Subsequently, the hypotheses were developed underpinning the objectives of our research. Finally, research methodologies were

utilized to examine our hypotheses and to conclude on findings and by so doing this empirical analysis proceeds with laying out eleven self-stand chapters.

II. The objectives and expected benefits of the study

In Bangladesh perspective, this scientific study mainly focuses on examining evidences on two major questions:

- a. Whether democracy and good governance of regime (not necessary to be democratic political phenomena) are essential for continuation of nurturing economic growth in Bangladesh?
- b. Whether democratic role and good governance under the banner of democratic political regime (necessarily to be democratic political phenomena) can foster economic growth in Bangladesh?

In aim to answer to the above questions, we study the roles of three important political components namely: i) political regime ii) political parties and iii) party systems, over a forty year period, in viewpoint of democracy establishment for economic prosperity in Bangladesh. It is expected that the findings of our study answer to the following two questions -

- a) Whether democracy is essential in Bangladesh? and
- b) Whether democracy and good governance both are simultaneously necessary for economic growth in Bangladesh?

Answering to the above questions, the objectives can be broken down into two segments: “the general objectives” and “the methodological objectives” where both objectives are elaborated as follows

a. The general objectives

The promise of establishing democracy was the driving force in general for the liberation war of now Bangladesh and as a result, the Bangladesh emerged as a democratic country in year 1971 (Constitution of the People’s Republic of Bangladesh). Since Bangladesh has passed an

eventful period of more than forty-two years after the liberation war, it is now time looking back the historical events for lessons to learn. More specifically, it is now time for evaluation, analysis and cross-examination and then for explanation the historical development in various areas of the country's political system with scholarly insights and objectivities. In this span of life, the political system of Bangladesh has passed through turbulent periods including bloodshed of the highest leadership(s) for the sakes of political profits. Despite these carnages, because of the strength of the brotherhood & parenthood bonding society that initially started with for establishing its own dialect interests called “language movement” in 1952, the county has never been trapped by civil war in the post liberation *era*. However, the country has experienced various types of government such as: i) Presidential ii) Parliamentary iii) Militancy dictatorships iv) Caretaker Government and now v) Democratic regime.

From various forms of governments, it has been seen by popular opinions that the democracy has been playing an effective and vital role in social and national development (Ahmed, 2010; Yasmin, 2010). The majority of the world community now supports the national aspiration of democracy and independency that took place in 1972. The forty-two year time span of Bangladesh political atmosphere along with economic development clearly now suggests that the democracy is the principal architect of making a nation like Bangladeshis – a nation of progressive political stability and its long-ability is growing by years in number (Yasmin, 2010).

But in today’s world of favor seeking politics, a majority of the developing countries like Bangladesh are facing serious challenges in advancing the democracy with economic growth for their nations. So it is highly needed a thorough investigation on the success of democracy and of good governance relevancy to the economic growth of Bangladesh. So that conclusions can be

drawn, which can be a model in manifestos for those counties that need it most for establishing stable political environments for its further & uninterrupted economic growth.

b. The methodological objectives

In broader sense

In broader sense, the objective of the current study is to develop a theoretical framework of democracy and of good governance in Bangladesh perspective. By utilizing scientific evidences in literature, we plan to cross examine whether democracy is essential for economic growth and then whether democracy & good governance both are necessary in Bangladesh. We then develop a proposition on the basis of practicality in Bangladesh. Finally, we assess our proposition using longitudinal multiple regression analysis of data statistics of over forty year period, from year 1973 to year 2013 of political events in Bangladesh.

In specific viewpoint

1. Exploring the trends of economic growth, democracy-indicators, good governance & democracy-fostering-endeavors of regimes and efficiency-pointer (ratio of economic growth & democracy cultivation and ratio of economic growth and good governance) using data statistics from year 1973 – 2013 --- a utilization of time series data statistics.
2. Cross-examining the endeavors of regime in light of good governance and fostering democracy for economic growth in Bangladesh
3. Identifying the problems and obstacles of economic growth, of cultivating democracy and of cultivating good governance in Bangladesh
4. Examining relationships between democracy-indicator(s) and economic growth; between good-governance-indicator(s) and economic growth in Bangladesh using various a) economics tools including cost-benefit, risk-factor analyses & efficiency tests (ratio of democracy & economic growth) and b) statistical techniques including hypothesis development & testing (*t*-test / *Chi*-square test), co-linearity test among variables etc.

5. Identifying factor(s) that is responsible hindering full-swing of democracy in *parallel* to prospect for economic growth or *vice versa* in Bangladesh: a policy diagnosis & prescription for generation to come in political arena in Bangladesh and beyond, *especially*, in South East Asian Countries.
6. Grading the regimes over the period based on efficiency-test-trend analysis where the *ratio* of the two: the *economic growth* and good governance of the regime will be used and examined

III. Expected benefits of the study

To fulfill the above-mentioned objectives, this study is carried out carefully so that the findings can be helpful to policy practitioners, professionals and academicians in institutions, *especially*, in the Department of Political Sciences of any institutions for effective classroom trainings for current students and for generation to come. Currently, most of the research works on political economy within Department of Political Science in most of the academic institutions in Bangladesh are related with the systems or types of government in Bangladesh and beyond. In this perspective, this research can give a new dimension on policy evaluation, analysis, cross examination and recommendations addressing various problems that can hinder the economic growth of the country.

This study further takes up the tasks of detecting and uncovering relationships of efforts on fostering democracy (i.e. public policy) with economic growth in Bangladesh, which are urgently needed for academic institutions. It can play crucial roles in classroom training for generation to come in one hand. On the other hand, it can provide new directions for scientific studies where sponsors of monetary grants worldwide can be attracted by creating any specific research center. This proposed center can be say Center for Policy Initiative (CPI) within the Department of Political Science in any university in Bangladesh for study in the subject area for

publications routinely. Overall, this proposed setup can be effective for policy practitioners in designing policies and rules for greater interests of the nation as a whole.

IV. The Research Hypotheses of the Study

Chapter 1 briefly portrays on worldwide debate: *Does democracy or democratic regime type in the political realm foster or hinder economic growth?* On this debate, the public economic policy research has identified two broad approaches. They are i) start with democracy in place first, and then economic growth is expected to follow (Smith, 1776; Przeworski, *et al.*, 2004a) ii) put efforts for human and physical capital accumulation first, and then a democratic political institution is expected to follow ((Lipset, (1960); Barro, (1999); Alvarez *et al* (2000); and Przeworski (2004b)).

The relevant political economy literature suggests that both aforementioned groups have collected data statistics from many countries instead of a single country over a period of time and have used the relevant data statistics in their empirical studies examining its hypotheses. To overcome this limitation in political economy literature, the author of the current study has carried out a study, in prerequisite of completion of its M. Phil degree, in the subject area. In the M. Phil thesis, the current author answers the question whether the hypothesis: *Democracy or democratic regime type in the political realm fosters economic growth* is applicable when it comes a single country such as Bangladesh (Yasmin, 2010).

The findings of the M. Phil degree research work (Yasmin, 2010) suggests that

starting with democratic institution in place first can open doors for Bangladesh in many folds accessing to monetary aids and helps globally in revitalizing its human & physical capital to meeting the 21st century demands in global markets where, in return, its economic growth can be expected to follow.

It further suggests that Bangladesh economic growth can be comparative to the strength of its democratic political institution where higher strength of democracy in practice can lead to a greater economic growth where checks & balances on government as the mechanisms for securing property rights must be in place.

These findings are well suited with the initial claim, *beginning with democratic political institution can lead to a greater investment in human & physical capital, which can result a greater economic growth*, made by Adam Smith (Smith, 1776; Alvarez, 2000). Furthermore, the finding: *checks & balance on government* in Bangladesh reaffirms the urgency of meeting the requirements set by donor nations and by international financial institutions, *especially*, IMF on any foreign aids & loans to Bangladesh. In this aspect, *checks & balance on government* in Bangladesh can ensure utilization of democratic processes in decision-making and in implementing these decisions by the government where *checks & balance* on government can produce good governance of a regime.

The political history of Bangladesh shows that Bangladesh was born in December of 1971 with a promise of establishing democracy for its own economic prosperity. However, its economic growth started with slow progress and bumpy road in receiving recognition as a new nation in the globe. The United States of American, then a foe of our freedom from Pakistan, played significantly curtailing US monetary aids. With this inspiration, then Pakistan engaged for political retaliation.

In 1975, Bangladesh witnessed political turmoil either thru internal conflict or *via* foreign inspirations where assassination of political leadership was the beginning of military dictatorship for the first time. It continued on & off until year 1990 where Ershad regime was removed by a civilian movement for the first time in Bangladesh. After 1990, despite the fact that Bangladesh begins seeing the ray of democracy, the democracy's impact on economic growth is not so much.

It could be as a result of inefficiency in policy design, lack of political consensus & continuation of economic policy, pressures from lobbying groups, lack of institutional reform etc. that can undermine economic growth in any democratic nation (Center for Policy Dialogue, 2013). Furthermore, corruption, handicapped parliament no matter which party is in power, constant threat on political overthrow, political violence etc. are significantly dominating the current political environment in Bangladesh. And probably a permutation & combination of all these factors suggest that the key socioeconomic indicators of Bangladesh have apparently experienced improvement since the new phase of democracy in 1991.

In analytical perspective, this development can be characterized by *at least* three parallel trends. The first one could be the mobilization of concessional foreign aids and the second one could be getting effective market access for exports from Bangladesh. The third one could be the amount of remittance inflow in Bangladesh where the earnings of expatriate manpower have been dominating significantly the economic development in Bangladesh.

None of these impacts are deniable when it come influencing economic growth in Bangladesh, which fits in well with the findings of the M. Phil thesis of the current author (Yasmin, 2010). However, in the 21st Century where we live in a world of favor seeking politics; therefore, these opportunities are very often tied up with cordial relationships with host nations and in many instances it was used as a tool to undermine strengths of the regime(s) of Bangladesh by the host nation(s). The consequences of this polarized sweet deal might have contributed to economic improvements since the new phase of democracy in 1991. However, this economic development is not adequate enough ruling out political setup “democracy first” or “economic growth follows democracy” *at least* in Bangladesh perspective.

Then it raises question: why the nation of Bangladeshis has not yet been seen expected economic prosperity compare to that of other nations that have shorter ages of independency in political history?

The current study takes up the challenges to answer the question posed where the findings of the M. Phil degree research work is served as a foundation of the current research work where it mainly focuses on examining evidences on whether democratic roles are essential for fostering economic growth in Bangladesh. *Particularly*, this study explores whether democracy and good governance both are necessary for economic growth utilizing data statistics of over forty year period of Bangladesh political economy.

It is expected that the findings of the research answer the question: whether evidences of democratic roles of regime and of political system can foster or hinder economic prosperity in Bangladesh? For clarity, whether good governance and democratic political system both are a prerequisite or something else for economic growth of a country like Bangladesh?

Therefore, in the current study, our research hypotheses are

(a) Democracy is essential for economic growth in Bangladesh

(b) Democracy and good governance both are simultaneously necessary for economic growth in Bangladesh

V. The Methodology of the study

To examine our hypotheses and to conclude on findings, this empirical analysis proceeds in eleven self-stand chapters.

Chapter 3 begins with by laying out the theoretical framework of democracy and of good governance in line of economic growth in Bangladesh. We then define the concepts and analytical aspect of the concepts. Chapter 3 is further expanded for

examining the policy debates on issues and the current acceptable phenomena on democracy and on good governance in the line of economic growth in Bangladesh.

In Chapter 4, we incorporate into Bangladesh political history as a background in aim to answer to the questions posed:

- a) How we have reached to today's political environment where destructive street-movements (*hartal, agitation by burning cars / trucks and killing people etc.*) has played vital roles in politics?
- b) Whether the successor regime is better than the predecessor regime in establishing democracy?
- c) Whether our nation is becoming a democratic in politics or something else?

In Chapter 5, the conceptual analysis of measuring democracy, good governance and then economic growth in viewpoint of Bangladesh are carried out. As a background, we identify various indicators derived from the definitions of economic growth, democracy and of good governance relates to political institution and to political system in relevant literatures. We then cross examine the impacts of the economic growth on macro economy namely on employment, purchasing power, rich-poor gap and on poverty eradication. We expand our cross examination of the impacts on social development namely on health, education and sanitation areas.

In Chapter 6, we examine the historical trends of economic growth in Bangladesh and then identify beneficiaries of this economic growth sector wise where major sectors namely agricultural, industrial and manufacturing are chosen for analysis.

In Chapter 7, we analyze the trends of GDP in line of regime type (s) and then we examine regime's policies and performances. Here we layout the trends of economic growth in Bangladesh from year 1972 to year 2012 and then we detect the point (s) of

inflection on the curve and examine whether regime type (s) in Bangladesh has any influences to these points of inflection. In this perspective, we cross-examine the efficiencies of economic growth & democracy cultivation using the efficiency-pointer.

In Chapter 8, a comparative study on the endeavors of political regime in line of economic growth, democracy and good governance over forty year period is carried out.

In Chapter 9, we examine historical economic growth and political stability in Bangladesh. In this perspective, we identify the regimes over the period based on efficiency-test-trend analysis where the *ratio* of the two: the *economic growth* and *endeavors for democracy cultivation* of the regime is used and examined.

Chapter 9 deals with designing mathematical models that we use carrying out testing our hypotheses. More specifically, in Chapter 9, we introduce mathematical models for detecting linkages and testing study hypotheses in two folds. They are a) linkages between democratic institution and economic growth where we conclude whether democracy is necessary in Bangladesh. b) Linkages between good governance and economic growth where we conclude whether democracy and good governance both are simultaneously necessary in Bangladesh perspective. This Chapter begins by discussing the research methodology that is employed to test the research hypotheses where we construct a *prima facie* for a historical understanding of movement for democracy in Bangladesh and its relationship to economic growth in Bangladesh. We then construct another *prima facie* for understanding good governance of regime and its relationship to economic growth in Bangladesh. It is expected that this effort translates into a straightforward empirical modeling strategy: regress country's GDP on a democracy-indicator and a number of control variables and then examine whether the

partial correlation between democracy-indicator and economic growth is statistically significant. With the same analytical technique, we construct regress of country's GDP on good-governance indicator and a number of control variables and then examine whether the partial correlation between good governance indicator and economic growth is statistically significant. It is expected that this effort explains the variation in per capita growth rates that exist during each political regime, which is used judging the regime on its roles in establishing democracy. Similarly, we expect that this effort explains the variation of per capita growth rate that exists during each regime, which we use judging the regime on its role on establishing good governance.

Chapter 11 deals with research findings and analysis where we discuss and analyze the results of these regression-tests. In Chapter 12, we identify the problems and obstacles of economic growth in Bangladesh. In this aspect, we identify factor(s) that are responsible hindering full-swing of democracy in *parallel* to prospect for economic growth or *vice versa* in Bangladesh. With this effort in hand, we analyze the current political situation in Bangladesh & make recommendations for generation to come in political arena in Bangladesh and beyond, *especially*, for South East Asian Counties. Finally, we discuss and analyze the democratic growth effects in Bangladesh, its magnitudes, its policy significance and the directions for future research.

Chapter 12 deals with problems and obstacles of economic growth in Bangladesh. The study conclusion is concluded in Chapter 13.

Chapter 3

Theoretical Framework of Democracy and of Good Governance in Bangladesh Perspective

Democratic political institution, *first in place*, can open doors for any developing countries like Bangladesh in many folds -- accessing to monetary aids & other reliefs globally in revitalizing its human & physical capital meeting the demands in global markets of the 21st Century where, in return, its economic growth can be expected to follow.

---- Sabera Yasmin, M. Phil. degree thesis, Dhaka University, 2010, Dhaka, Bangladesh

I. Introduction

The theoretical framework of democracy and of good governance was established in this study by outlining various concepts from political economy literature and then by presenting analytical aspects in line of politics and of economic growth in Bangladesh. *Subsequently*, underpinning the theoretical framework, policy debates and current acceptable political phenomena were cross-examined by an opinion survey of registered voters of Bangladesh.

In this opinion survey, performances of regimes on establishing democracy and good governance were scored in numbers by registered voters of Bangladesh. In the survey, entire population of the registered voters was sampled gender wise, “male” and “female”. In the 2008 parliamentary election, the official registered voters of male and female were 51.58 and 48.42 percentages (ECS, Bangladesh, 2013). Therefore, the ratio 52:48 is the chosen ratio of our sample size in this study where we use 2008 Parliamentary election as the base because it was a widely accepted fair election, which was praised by most election-delegates worldwide (UNO, 2008). For *clarity*, through an opinion survey of registered voters, conducted by the author of this study, the policy debates relate to democracy and to good governance in Bangladesh were examined. In opinion survey, the samples of registered voters are i) male registered voters ii)

female registered voters. These registered male and female voters are comprised 100 percent of the total registered voters of Bangladesh, which is matched with data statistics published in 2013 by the Election Commission of Bangladesh. With this justification on the number of respondents in different groups, the findings of the survey were further utilized in various facets including testing hypotheses in this study. Therefore, a detailed on data collection technique, sample selection and sample size etc. are incorporated into in Chapter 9 that deals with forming mathematical modeling for testing hypotheses of the study.

II. Theoretical concepts in Bangladesh perspective

A. Democracy in line of politics

In the 21st Century, democracy by nature is the most traded phenomenon in worldwide political market places. Across the countries worldwide politicians use this notion in running the statecraft or its governance for various reasons. Sometimes it is used for right purposes and sometime not. In today's world of favor seeking politics, the term "democracy" is used very often as the catchword of political discourse (Schmitter and Karl1991). "Today liberal democracy is the 'only game in town' (Chowdhury, 2011; Motohi, 2002) but we are free, of course, to play it badly" (Sartori 1991). However, people struggle for democracy securing its freedom and a better way of life across the countries of the globe (Chowdhury, 2011; Motohi, 2002). The nation of Bangladeshis is no exception where the Bangladeshis have been struggling for establishing democracy since the birth of the nation (Muniruzzaman, 1990) where political leaders blame each other with causes of failing to establish democracy. In some instances, leaders go one step further and write opinion columns for international readers with expectation of supports for addressing the issue for greater interest of the nation.

This multipurpose utilization of the term “democracy” raises question: what is “democracy” in line of politics? Political economy literature of South East Asian Countries shows that some authors emphasize on three main elements of democracy (Mahoney, 2001; Milam, 2009). The three elements are a) freedom or liberty b) free & fair elections and c) meaningful political competition where democratic institution needs to ensure “integrity of political competition and participation” (Hagerty, 2007). Democracy is a system of power sharing with all groups. In regards to decision making, it acts as a political force with authority. There is no alternative to institutionalization of democracy, where all major actors, parties, or organized interests, forces or institutions involve (Linz and Stephan 1997; Hossain and Siddique, 2006). Some authors went further and stated “democracy is consolidated only when all major groups come to both accept and defend democratic rules and procedures” (Harris, 2006). In the long run, democracy is the safest means to solve the problems where political parties or people engage for resolving disputed issues for greater interest of the majority.

However, people of Bangladesh are facing a lack of decentralization of power, corruptions, ineffective parliament, violence, mistrust, halted normal lives by calling frequent *hartals* or blockages and the enmity (Chowdhury, 2011; The Daily Star Newspaper in 2013). As consequences, the current set up of the democratic political institution in the society exacerbates problems rather resolving it for the greater interests of the nation. In the 10th Parliamentary election, people of Bangladesh waited for a peaceful change of power through general election that took place on January 05 of 2014, under circumstances in which it was eroding rather building confidence on free and fair election. In this pre-setup election as many called it, the major opposition party did not take part with a blame of “lack of confidence”, which evolved from its unfulfilled demand for restoration of caretaker government system. On the same token,

the incumbent had rejected the demand of opposition party and formed coalitions by arranging parliamentary seats and completed the election. As a result, in the 10th parliamentary election, 153 candidates out of 300 parliamentary seats were selected without contest and as media reports, 10 - 15 percent of the total registered voter casted votes in the election (The Daily Star, Newspaper of January 06, 2014). Because of this low participation and over 50 percent of parliamentary seats were selected without contest, the 10th parliamentary election cannot represent a democratic free and fair election by definition as critics view it. *In contrary*, the completion of the 10th parliamentary election was a fulfillment of the constitutional requirement as supporters view it. The former advisor to a caretaker government, Akbar Ali Khan termed the just concluded election 'legal' on constitutional basis. However, Khan believes that holding mutual talks for reaching a consensus for a fresh election as soon as possible (The Daily Star Newspaper, Jan 6, 2014) is an essential one. The developed countries had loudly criticized the election of 2014 and few of them have taken punitive measures such as GSP is still on hold by the United States. But the Hasina administration has smartly with the help of law enforcement forces handled the political crisis where the major opposition party has become further vulnerable politically. Furthermore, with the friendly cooperation of China, India and Russia, the Hasina administration has overcome the odds on securing international loans for continuation of development works such as *Padma Bridge* Project. Under the current administration, the legal system has promptly ruled on the cases, *especially*, roles on anti-liberation cases and executed Kamruzzam, Salauddin Quader etc., which have created little extra supports for the administration. Furthermore, the administration has started many new work-projects including higher scale electricity generation, domestic infrastructure, *especially*, upgrading Dhaka City sewerage system and roads improvement etc. With all these together in hand, the administration

has earned massive supports from Bangladeshi people and completed the City Corporation Election in 2015 where the major opposition party participated in the election. In 2016, the GDP growth rate is above 7.50% and the government is now spending huge amount of money for having better sewerage system in capital city and beyond, which has opened up huge opportunity for domestic employment. In the middle of this good news on economic growth, despite having law & order problems, the government has called for *Union Parishad* election under party banners. Most of the opposition parties are now participating in the election even though major opposition party's concern "will not be fair election" is still live but they are not boycotting it. During the phase by phase *Union Parishad* election, over 30 people have lost their lives and a massive vote racking has taken place as it has been reported in most of the news media of Bangladesh.

With this political *saga* in hand where the claims of both parties appear to be judicious, the *dilemma* of democratic institution as it is in Bangladesh raises question: Is there one model of democracy that fits in with every society of South East Asian Countries and beyond?

The answer to the question posed is "no" because the political history of Bangladesh suggests that sometime benevolent dictators can run the country better and good governance can exist even in case of non-democratic regimes (Hall and Taylor, 1996). In this aspect, most Bangladeshis now refer to Zia regime despite the fact that Zia took over state power. After military intervention led by a group of junior army leadership that ended then Mujib regime and Mujib's socialism move. Zia's this approach was then highly accepted by most people from all level of Bangladesh. Zia was praised by many as a 'people's leader' for saving the country from further violence and repression and promoting a pro-people state system. But many also held him

responsible for guiding Bangladesh straight into the army cantonment. Since Zia's move against socialism was praised then by most citizenry, three reasons of Zia's popularity can be identified.

First, Zia was a rescuer for democracy, which was the only promise on which Bangladesh was born in 1971.

Secondly, Zia was the leader of the general people despite the fact that Zia was struggling to undermine army-cantonment influences in many faucets and to stop violence caused by then Mujib supporters where Zia took killing and "putting in prison" policies to overcome the struggles.

Thirdly, Zia was charismatic on connecting with grass-root people and on bringing veteran politicians on podium to forming political coalitions with common goals.

In a short period of time, in 1977, Zia successfully formed his own political Bangladesh National Party (BNP), which is now one of the two major political parties in Bangladesh where BNP is led by wife of Zia and Awami League (AL) is led by daughter of Mujib.

Since the current leaderships of most political parties in Bangladesh have chosen democratic institution first in place (World Bank, 2013), the third reason of Zia's popularity becomes significant in Bangladesh and beyond alike political arenas. Therefore, with the acceptance of political atmosphere where leaderships in all levels understand the magnitudes of dependencies of monetary inflows in Bangladesh, it would currently be a daunting task for any ambitious military future leadership to take over or grab state power. For example, General Ershad, who took over state power by military intervention in 1987, was removed from office by a massive civilian movement in 1990 and later as consequences, Ershad was jailed for constitutional violations and for other state offenses. And now the current administration uses Ershad & Ershadism as dummy for looting political money and keeping the BNP dismantle where Rawshan Ershad, wife of Ershad is the leader of opposition party in current parliament.

These two *contrary* dogmas of dictator-with-democratic slogan, the success of Zia and the failure of Ershad, can be a lesson for any ambitious military future leadership in Bangladesh

and beyond in South East Asian Countries. In this aspect, Pakistan can also be cited as an example that had ran on and off under military influences until 2009 where General Musharraf, who took over power by military intervention, was forced to quit and left the political office for self-exposed-exile. Recently, after returning to Pakistan from the self-exposed-exile, Musharraf was put on trial by democratic administration accusing his actions to be wrongful and Musharraf is currently waiting on Court judgment. On the same token, General Moeen, who was blamed to be responsible for bloodless military intervention, also known as 1/11 conspiracy (*minus two dilemma*) in Bangladesh. It is currently facing legal consequences of Constitutional violations in Bangladesh. Moeen is now hiding in a foreign country for avoiding justice through legal actions that are recently launched in Bangladesh for Moeen's wrongful actions that took place on January 11 of 2007.

With these two *scenarios* of success and failure of dictator-with-democratic slogan in political history of South East Asian Countries, *especially*, in Bangladesh, “one model democracy” may not be suitable for establishing tranquility & prosperous economy. It is the reality of Bangladesh political market place where the term “democracy” is used very often as the catch word of political discourse by any civilian political or military leadership or both in aim to grab the state power.

Therefore, democratic institution of Bangladesh is needed to be something new that fits in well with the needs of Bangladesh for its own economic prosperity for generation to come. Hence, with or without foreign influences, emulating any type of political institution for installing one in Bangladesh might cause further deterioration of political stability and economic calamity. In this aspect, the recent *saga* of the 10th Parliamentary election by the Hasina Regime was an unwanted reality in political arena and in political economy of Bangladesh where many

people have lost their lives and the economy has suffered significantly. This time the civilian political regime, here the Hasina regime has crafted it by terming its political move as “fulfilling constitutional requirements”, and “eliminating enemy of liberation” which are no different than that of any military intervention based on outcome. On the same token, despite having sound efforts for holding mutual talks, the opposition party boycotted the election by terming its political move as a “necessary step” because of their belief that there was a lack of confidence in absence of caretaker government system in place. And now the opposition party is participating in Union Parishad election under the same administration. Nonetheless, in this political irony, one thing clearly stands out in Bangladesh political environment. And that is:

Despite major opposition party leaderships’ inspirational slogans for military intervention, this time the military leadership did not intervene. Rather it had followed the commands of the state for fulfilling its duty, which has produced violence free election with minor incidents.

However, the election had the lowest percentage of voters’ participations in history where 153 parliamentary seats out of 300 were elected without contest, which is the major factor that conflicts with the prerequisites of democracy. In recent public opinion polls, conducted between January 12 and 27 of 2014 by the International Republican Institute (IRI), a 59 percent of the respondents stated that the country was straying from the right direction due to political turmoil, poor economy and frequent strikes. In contrast, 35 percent respondents stated that the country was on the right track. Sixty-two percent of the respondents have said the election results should not count because all parties didn't participate. Thirty-eight percent people, however, thought otherwise. Interestingly, 52 percent respondents didn't support the decision of the BNP-led alliance to boycott the polls. Forty percent people, *in contrast*, have supported the BNP move. About 57 percent people spoke for a new election within six months while 34 percent said the

government should complete its tenure, according to the survey. However, 77 percent of the respondents thought the caretaker government system should be brought back before the next parliamentary elections and 18 percent have opposed the restoration of the system. Improvement in education and law and order situation, more development and better economy were the reasons behind their opinions. Meanwhile, more than three-fourths of the participants spoke for the restoration of the caretaker government system, which was scrapped through a constitutional amendment by the Awami League-led grand alliance government in 2011.

Therefore, working together of political parties with common goals can resolve the issues as it had done in 1990 and until 2009 where the Hasina regime was put in office by a majority casting votes, which is contrary to recent election-win of a 10-15 percent of total population casted votes in the 10th Parliamentary election (The Daily Star, Newspaper, January 07 of 2014).

This contrary obviously singles out the missing component, “the over whelmed participation of people” in the 10th Parliamentary election that has undermined its creditability in the eyes of democratic process even though Hasina formed a multi-party coalition. Forming multi-party political-cabinet is obviously a courageous democratic move. However, the question is whether it was constituted on earlier *errors* or whether it has corrected earlier *errors* in the calculus of democratic politics of Bangladesh where one-half of nation’s budgets depends on foreign loans, donations and expatriated & exported incomes in a world of favor seeking politics.

In this aspect, some foreign countries have already expressed its dissatisfactions on administration’s political move and then on election outcome. These countries have further used very strong words on economic consequences and asked for amicable political accommodation so that participation of all parties is ensured in *redoing* the 10th parliamentary election.

Since the 9th parliamentary mandate expiration was approaching as per the Constitution of Bangladesh's Article 123(2) (a), the general election of Bangladesh took place on 5th January of 2014. The election was full of controversial where almost all major opposition parties boycotted, 154 of total 300 parliamentary seats were being uncontested and around 21 people were killed on polling day. The United Nations Organization (UNO) has criticized both the BNP and the Awami League saying they should “resume meaningful dialogue and to urgently address the expectations of the people of Bangladesh for an inclusion political process (Al Jazeera & Agencies., January 07 of 2014)

After election, as Constitution requires, Awami League-Hasina was assured victory by the EC-Bangladesh with 127 of the 154 uncontested seats by default. Of the remaining uncontested seats, the Jatiya Party led by Rowshan Ershad (wife of Ershad) won 20, the Workers Party won two and Jatiya Party (Manju) won one. With this so called victory, Hasina coalition government was formed and Rowshan Ershad becomes Opposition Party Leader in the new designed politics, which is the updated status of Bangladesh parliamentary politics.

In commenting on recent election, just after election, the Daily Star featured an editorial that called the election the deadliest in country's history and that Awami League won “ a predictable & hollow victory, which gives it neither a mandate nor an ethical standing to govern effectively” (The Daily Star, January 06 of 2014). Similarly, the Daily Star criticized the opposition that “political parties have the right to boycott elections. They also have the right to motivate people to side with their position. But what is unacceptable is using violence and intimidation to thwart and carry on election” (The Daily Star, January 06 of 2014).

It is never too late for making corrections of these *errors* immediately rather than hatching it. Because in hatching, the *errors* can be grown exponentially where the growth pattern

is as old as of millennium years of humankind on the earth. This probable hatching of *errors* may cause political and economic travesty where influences from domestic or international or from joint efforts of both can make the travesty to be severe in the near future. The severity of this travesty can limit the access to foreign monetary donations and put the economic growth on hold and cause political instability, civil war etc. In this saga, with political motivations, few rich countries may involve where these countries are still sound players in the arena of world politics.

Therefore, political moves such as the recent 10th parliamentary election of the administration should not be allowed unscreened for the greater interest of the nation, despite currently it appears that the administration has scored politically to undermine the consequences for now.

B. Good governance in line of politics

Good governance is an essential prerequisite for any country that chooses not to be isolated from interaction for its own prosperity. Good governance is a relatively new term that is often used to describe the desired objective of a nation-state's political development. The principles of good governance, however, are not new. Good governance is, in short, anti-corruption whereas authority and its institutions are accountable for effective and efficient, participatory, transparent, responsive, consensus-oriented, and equitable in practice. These are the major characteristics of good governance as outlined by the United Nations (Haq, 2010). Donors and worldwide development partners including many international organizations such as World Bank has been using the word 'good' with governance since 1980's and has been tying it as a prerequisite accessing to these benefits (Chowdhury, 2008a). It has classified good governance and poor governance in the sense of both effective and ineffective performances of

the governments. Ideal and satisfactory system of government has also been as good governance (Chowdhury, 2007a).

Political history of Bangladesh suggests three scenarios on military intervention and roles on building civil-military relations. They are

- a) Failure of politicians to establish good governance results in military intervention in general and most Bangladeshis now see the intervention to Mujib regime in 1975 was one of those, which was later led by General Zia.
- b) Military sometime take over power to fulfill the ambitions of its few leadership and most Bangladeshis now see the intervention to Zia minded regime in 1987 was one of those, which was led by General Ershad.
- c) Military as a whole often play role in governance e.g. military personnel used to work for checking terrorism, anti-corruption drive, flood and cyclone control, building infrastructure and bridges even sometimes work to ease worst traffic situation. These tasks obviously reflect a civil-military relation, which means relation between civilian political government and the military.

The political history of Bangladesh suggests that military's influence into politics is another dimension of the problem where political leaders for its own interests very often use inspirational language for a possible military intervention. In this aspect, after the 10th parliamentary election, the opposition political groups' many political statements were criticized by many fronts including foreign observers. The political economy literature of Bangladesh suggests three groups of opinions on civil-military relation (Anisuzzaman, 2000).

The first group argues military as a political and conservative force that is not trained to involve in civilian rule as well as political management. However, in this *scenario*, the military has an inherent institutional desire to serve its corporate interests where Ershad's move on militarized up to upazilla level was criticized by many quarters, which was a significant factor behind the civilian movement 1990. For this reason it is incapable to lead any developing or modernized nations. Furthermore, military is not a force for change (Chapman, 1990) and

Baxter, 1992). The development and modernization involve building of political institutions, which is far away from military rule where younger military officers' attempt to make some changes slightly to alter present situations (Bassford, 1994) and Perrow, 2006). However, the changes may not occur finally. The 1982 military intervention of Bangladesh showed same thing where young military officers tried to reform political organizations and government institutions (Baxter, 1991).

The second group argues that revolution is the only mechanism. Development and modernization can be brought under this initiative (Ahmed, 2003). It argues that regular military is the principal obstacle to this process in developing nations. This group compares Latin America's military interventions (Ahmed, 1994). In spite of differences of opinions to the main thrust, this view is partly related to the first opinion of military conservatism. It rejects the notion that developing countries military is capable of real development and stressed a neo-Marxist viewpoint (Huntington, 1991 and Hossain & Siddique, 2004). This group concludes that military is dependent on 'big powers' for military equipment and trainings such as Pakistan is one of the countries that heavily relies on USA. Sometime military such as African military is reactionary (Hadenious, 1997), however, some military rulers such Congo-Brazzaville and military rulers of Ethiopia are Marxist orientated (Hadenious, 1997).

Finally, the third group argues that military values, skills, ideologies are the antithesis of the first view. Military politicians in developing countries such as in Pakistan made the best to change the society (Khan, 1989; Kochanek, 1998; Shils, 1962; and Johnson, 1964) over the past sixty-five year period. 'It has been a growth-industry in illiberal democracies' (Zakaria, 1997a). However, it is not clear whether Bangladesh would make the best through any military regime for changing the society of Bangladesh. The policy failure of Ershad regimes and then Ershad's

muscleman attitudes were rejected and defeated by the general people of Bangladesh in 1990 and now Ershad is known to be as dictator, in contrary, Zia was a leader of the people. Therefore, it can be said that the success of any probable military regime in the future in Bangladesh is in doubt and, if that happened, the level of corruption might spread within military as it happened while Ershad was in state power. Furthermore, it can be said that the society of Bangladeshi and society of Pakistani are somewhat contrary *at least* on sentimental issues when it comes choices of military regime or military intervention for the greater interest of the nation.

The history suggests that Pakistan had on and off military regime for sixty-five years until 2009. *In contrast*, Bangladesh had two regimes: Zia regime was for six years where Zia was a rescuer of democracy and Ershad regime was for four years where Ershad was removed from office by a massive civilian movement in 1990. Therefore, military will not be capable to run the country for a long time *at least* in Bangladesh because of peoples' sentimental issues on military regimes. Secondly, it is a daunting task to become peoples' leader as Zia became after grabbing state power. Furthermore, the civil-military in democracy *especially* in an electoral political order is not always democratic and it causes illiberal democracies, despite the fact that it can be a growth-industry as it played role in Pakistan until 2009 where Pakistan receives monetary help for military equipment & facilities from western countries. However, the core values of good governance, in short anti-corruption where the authority and its institutions are accountable for effective and efficient, participatory, transparent, responsive, consensus-oriented, and equitable practice in office are missing in many South East Asian Countries including Pakistan, India and Bangladesh.

C. Democracy in line of economic growth

The relationship between political democracy and economic growth has been a center of debate in the past fifty years (North, 1990, Barro, 1991) and this issue is often linked to the legitimacy of democracy and of democratic political regime. Nowadays, most of the developed countries pledge financial donations, loans and aids, which are conditional to “democratic regime first in place first” in recipient countries such as Bangladesh. This is the reality of facts and politics of today’s world of favor seeking politics where democratic government in any political system is essential for ensuring accesses to the donations and foreign aids delivered by most western nations. Therefore, democracy of political system is essential for ensuring an uninterrupted inflow of foreign aids, which is essential for domestic economic growth of any recipient-nations. In this aspect, the example of Bangladesh political economy is very fascinating because the reality of the economy of Bangladesh is a stronger driving force of its choices for political institution than that of peoples’ preferences (Yasmin, 2010). The world statistics report suggests that one-fourths of our government budget depends on foreign donations, loans & aids and one-fourth depends on expatriate manpower earnings & export earnings (*especially* from garment industries) in a world of favor seeking politics. In response to garment industry building stumble that cost lives of many and during the 10th Parliamentary election, the Bangladesh government was threaten by the European Union countries and the United States on putting ban importing garments from Bangladesh until it meets the conditions set forth respectively (The Daily State Newspaper)

D. Good governance inline of economic growth

The relationship between good governance and economic growth has been a center of debates in recent years where mostly the developed nations and the international financial institutions have crafted the prerequisites of good governance for developing nations. These prerequisites are conditional to entrée for receiving foreign aids, donations and loans in various forms (Malvyn, 2010). In recent years, international financial institutions and the developed nations are utilizing various criterions of good governance *prior* to pledging for and delivering foreign donations and loans (Malvyn, 2010).The World Leaders at the 2005 World Summit concluded that the good governance was integral to economic growth, the eradication of poverty and hunger, and sustainable development. The views of all oppressed groups, including women, youth and the poor, must be heard and considered by governing bodies because they will be the ones most negatively affected if good governance is not achieved. For good governance to exist in both theory and practice, citizens must be empowered to participate in meaningful ways in decision-making processes. They have rights to information and to access of information. Although widespread accessibility remains a barrier for many countries, one of those ways is through Information and Communication Technology (ICT) applications such as the Internet. E-governance has emerged as a viable means to address development issues and challenges because citizens find empowerment through access to information.

On the other hand, the definition of good governance does not address elections of a nation on whether it is democratic or otherwise. But it addresses the issue of anti-corruption whereas authority and its institutions are accountable for effective and efficient, participatory, transparent, responsive, consensus-oriented, and equitable practices, which are the major characteristics of good governance as outlined by the United Nations (Haq, 2010).While

identifying three most important problems currently in Bangladesh, 70 percent people chose economy, 68 percent political instability, 41 percent strikes and 36 percent picked corruption (IRI, 2014). Asked which of these problems the government should address first, interestingly, highest 41 percent respondents opted for stamping out corruption, 33 percent for fixing political instability and 7 percent for solving economic problems first (IRI, 2014).

This data statistics clearly signals that the economic growth performance is the burning issue in Bangladesh that needs to be addressed in such way so that it connects all the dots of the political problem so that better outcome can be seen without further delay.

E. Analytical aspects of the concepts

It is logical and politically accepted phenomena worldwide that a country will have very little choices than promoting for democracy and for meeting the requirements of good governance if that country's budget significantly depends on foreign donations, loans, aids; and on earnings from expatriate manpower and from exporting goods in world market. Because the political regime of the recipient country knows that its political stability will be challenged and developments will be on hold if the donations, aids, loans etc. and access to expatriate manpower earnings are shrunk as consequences of its policy preferences (Yasmin, 2010). Furthermore, it will be a counterproductive to its efforts for reelection bid in general (The Economist magazine, 2011) for the incumbent.

The data statistics of political economy of Bangladesh can be cross-examined with these theoretical frameworks. The world statistics report suggests that one-fourths of Bangladesh government budget depends on foreign donations, loans & aids and another one-fourths depends on expatriate manpower earnings & export earnings *especially* from garment industries

(Economic Review, 2010, Ministry of Finance, Bangladesh). In other words, half of the national budget of the government of Bangladesh depends on cordial relationships with other countries that pledge financial donations, loans & aids, and employs Bangladeshis and imports garment-industry products of Bangladesh. Furthermore, most of the infrastructural development such as building roads, bridges etc. are done based on loans received from different countries and from international financial institutions where we live in a world of favor seeking politics (World Statistics Report, 2012).

With this data statistics, we pose question: what choices of government of Bangladesh has when it comes to decide whether “democracy is essential” and whether “good governance is necessary” for a sound and a vibrant political economy of Bangladesh.

It is obvious that the government of Bangladesh does not have better options than sticking to choices “democracy first in place” and “compliance with requirements of good governance”. The reasons of these preferred choices can be grouped into four. They are as follows

First, it is the only option that can guarantee an inflow of donations, aids and all other monetary opportunities and accesses to it in today’s world of favor seeking politics

Second, it can guarantee getting reelected of incumbent because of continuation of developmental works using the donations, aids etc.

Third, because of developed nations’ ongoing efforts on promoting democracy worldwide are unavoidable, therefore, as a result, the young generations worldwide are inspired for tastes of democracy and the number of this cohort is growing geometrically where young generations of Bangladesh are no exception. In this aspect, the recent Shahabug-gathering & then subsequent movements in this aspect have showed a new avenue for displaying inspirations for democracy in Bangladesh.

Fourth, if we look back the 1990 political *era* of Bangladesh, we see that there were civilian movements against dictatorship, autocracy and bottleneck economy of Bangladesh. If we look back after 1990 and afterwards, we see the inspirations of Bangladeshis at all ages, at all levels for enjoying the taste of democracy and good governance, welcoming the free & fair election etc. (The Daily Star Newspaper, 2013).

Our observations further suggest that political leaders nowadays blame each other by claiming that one's actions are making democracy deteriorate than that of others. For example, the opposition leader Khaleda Zia recently asked for assistance from the military, police and civil administrations for what she said "safeguarding democracy" and "development of the country" (The Daily Star Newspaper, September 29, 2013). On the same token, once the current Prime Minister (Hasina) said, "the opposition party is trying to destroy the progress of democracy". And the Prime Minister asked for young generation to protect the anti-movement of democracy. Recently, former adviser to a caretaker government of Bangladesh, Akbar Ali Khan said "the country is not enjoying the benefits of democracy due to a lack of the rule of law and democratic values. There is a shell of democracy in Bangladesh, it has no life,"

Hence, it would not be overstated saying that our observations clearly suggest that "democracy first in place" is a preferred choice of regime(s) where political leaders blame each other by raising questions on adequacy of institutionalization of democracy. But none raises questions on alternative of "democracy first in place". On the same token, the incumbent, no matter who is in state power, claims that governance of its regime(s) has improved and is in compliance with the requirements of good governance as outlined by the UNO.

Therefore, the answer to the question posed is that Bangladesh does not have a better choice than sticking with "democracy first" and "compliance with good governance requirements" for a prosperous political economy and for political stability without putting economic growth on hold. For further *clarity*, in Bangladesh, democracy is essential and good governance is necessary where none of these two can be effective unless the both are in place *simultaneously* and there is a continued nursery of the two. Safeguarding these two by the array of the political leaderships in Bangladesh and the time span can ensure success sooner than delay.

F. The data statistics on registered voters and data sample of our opinion survey

There were total ten Parliamentary Elections held in 1973, 1979, 1986, 1988, 1991, 15th February 1996, 12th June 1996, 2001, 29th December 2008 and 5th of January in 2014 (ECS, Bangladesh, 2013) where total 35,205,642 voters in 1973, which reached to total 81,087,003 in 2008 (ECS, Bangladesh, 2013). Over this thirty-five year period, growth rate of registered voters grew by 56.58 percentage (ECS, Bangladesh, 2008) where population growth rate reduced by 1.6 percent over 1990 – 2010 period. On the same token, 55.64 percent registered voter casted votes in 1973 whereas 87.13 percent casted votes in 2008 where over this period, casting voters grew by 36.14 percent whereas population growth rate declined by 1.53 percent (Farid *et al.* 2011).

With this data statistics, we have randomly chosen 100 registered voters with a ratio of 52 : 48 (male vs. female) that matches with the voter-list ratio of male and female of the 2008 parliamentary election in Bangladesh (ESC, Bangladesh, 2008).

Data collection and justification of the techniques used

In the opinion survey, respondents were asked for scoring on performances of regimes (Fig. 1.1 and Fig. 1.2) in numbers on the following issues over a forty year period

- a. Government effectiveness
 - Quality of public service provision
 - Quality of bureaucracy
 - Success in tax compliance
 - The independence of civil service from political pressure
 - Creditability of the government's commitment to policies into a single grouping
- b. Executive constraints
 - Whether authority of executive was utilized without authority = a
 - Whether checks & balances of executive were maintained to its fullest = b
- c. Risk of international investment
 - Dimension of law and order
 - Corruption Level

Risk of government contract reputation

- d. Political stability and freedom
 - Competitiveness of political participation
 - Free flow of information to the people of Bangladesh
 - Political rights
 - The constraints on chief executive
- e. Interference with the private sector
 - Property rights
 - Business regulation index
- f. Judicial independence
 - Tenure of Supreme Court Judges
 - Tenure of the highest ranked judges on administrative case
 - Existence of case law
- g. Democratic gesture
 - The spirits of cooperation among parties
 - Leadership roles on solution were based on balancing preferences of parliament & civilian people
- h. Government ability to adopt policy
- i. Efforts on fostering democracy
- j. Freedom of speech
- k. Economic Development
 - Overall economic development
 - Gross Net Product
 - Gross Domestic Product

Both “direct interview” and “Postal mail out Survey Form” were used to collect the data statistics from randomly chosen respondents from samples, which were assumed to be composed of the total registered voters of Bangladesh.

Approach for ensuring bias free

In this data collection process, the respondents were facilitated for a “take-home-response” as well as for “face to face interview” and the perceptions of the respondents were

completely anonymously. Therefore, in this perspective our approach is bias free and here the respondents had facilitated to utilize its judgment to its fullest for providing their opinions. Furthermore, along with scale of measuring the variables, the respondents were provided with definitions of each variable for its clarity so that the respondents could use their judgment in scoring regime's performances on various factors.

The sample group and the mail survey

Total 100 questionnaires or Survey Form were utilized for randomly chosen respondents of total two sample groups where 52 respondents were in male sample and 48 were in female sample. Since the current registered voters *ratio* male vs. female is 52: 48 (ECS, Bangladesh, 2013), our preference choosing 52 males and 48 females for our two sample size is logical. Therefore, in this study our total populations are 100 ($n = 100$) where we have two samples of registered voters: male and female where each sample is constituted with students, employed individuals, unemployed individuals, laborers, retirees, farmers, business owners with a variation of its numbers in each sample. Since the Election Commission of Bangladesh prefers not counting the expatriate voters when it counts the total numbers of votes casted, in our survey, the expatriate voters were not counted for the reason of making it bias free. Since our each sample is constituted with seven subcategories, it can be utilized as samples of registered voters for further scientific study in the subject area.

Questionnaire preparation and sample groups

For the purposes of this research project, a questionnaire (see appendix) was prepared in such a way so that respondents could give anonymously their opinions on regime's performance

on aspects relate to democracy, good governance linked to economic growth. The respondents were asked to score based on overall regime's performance not its yearly performance. The survey questionnaire was used for face to face interview and mailed to sample groups of registered voters for their opinions on various issues of regimes over the period of thirty year period.

Underpinning the importance of public opinions and the factors that were needed to be evaluated, a lengthy self-explanatory questionnaire (Appendix - A) was prepared and distributed among target groups in such way so that it represents entire registered voters of Bangladesh. In this opinion survey, face-to-face & telephone interview and postage paid mail-out questionnaire methods for data collection were used. The purpose of the survey along with historical feedback on politics & economy of Bangladesh was plainly elaborated *prior* to question & answer session. *Subsequently*, the responses of these selected registered voters were collected for utilizing them in analytical purposes. It is well accepted assertion that the economics of any public policy may be invisible instantly; however, it should be computable anytime to those who have authority to quantify it. With this slogan noted in the questionnaire, the target groups were asked to give their opinions for political regime for each year even though economics of the public policy and or executive's official orders implemented were not detectable in the year, in which they were rating the political regime. In this aspect, their responses were vital whether they were working or seeking employment; they were retired or affiliated with political parties; and or they were in another situation.

The shortcoming of this public opinion survey is that it does not represent the entire population of Bangladesh; however, it represents the registered voters in Bangladesh where there are many people who are eligible with voting rights in Bangladesh but do not register for casting

votes. A partly of these nonregistered voters who do not know or do not care about political matters may often cast votes in elections, because of the influences of organizers of political parties or because of receiving monetary incentives or gifts for casting votes for its prearranged candidate(s) in elections. Therefore, it would not be over stated saying that the public opinion survey of this study represents opinions of a significant portion of the total registered voters of Bangladesh.

G. Is a democratic political institution *essential* in Bangladesh?

Political economy literature suggests that democratic political institution, *first in place*, can open doors for any developing countries like Bangladesh, in many folds (Yasmin, 2010). In Bangladesh, one-fourth of national budget depends on foreign donations, aids & loans and one-fourth depends on expatriate incomes and earnings from export-markets worldwide (Bangladesh Bureau of Statistics (BBS), 2012). In other words, half of our government budget depends on cordial relationships with other countries that pledge financial donations & aids, and employs Bangladeshis and imports our garment-industry products (World Bank, 2012).

Therefore, in one hand, Bangladesh economy is very sensitive to its political institutional process that is or will be chosen by the political regime whatever the political party is or will be leading the administration. On the other hand, Bangladesh as a sovereign country has an absolute right on choosing its own political institutional process without any foreign influences. With these dual options available to countries such as to Bangladesh, the opinions of the two blocks in political economy literature become murky and interesting for seeking answers in practicality in Bangladesh perspective.

Starting with democratic institution in place first can open doors for Bangladesh in many folds accessing to monetary aids and helps globally in revitalizing its human and physical capital to meeting the 21st century demands in global markets where, in return, its economic growth can be expected to follow (Yasmin, 2010). Furthermore, it is palatable to say that Bangladesh economic growth can be comparative to the strength of its democratic political institution where higher strength of democracy in practice can lead to a greater economic growth where checks & balances on government as the mechanisms for securing property rights must be in place (Yasmin, 2010). The efforts of reestablishment of democracy by Bangladeshis in 1990 were loudly praised worldwide. It has captured the political attentions of many rich nations that are *at least* democratic; however, because of lacking of its good governance, Bangladesh very often struggle taking advantages of loans, donations, aids and export market worldwide. The recent *dilemma* of holding back preapproved loan by the World Bank for further assessment on decision can be cited as a consequence of failing the prerequisites of good governance in Bangladesh.

Underpinning the statistics on monetary dependencies and the literature of political economy of Bangladesh, we ask ourselves what choices our government has when it comes deciding whether “democracy first” or “economic growth -- investment in human capital accumulation first”. In practicality, it can be said that our government prefers to stick with the choice “democracy first in place”. The recipient nation such as Bangladesh has no choice but to promote democracy in order to keep the inflows of monetary donations and loans uninterrupted. Therefore, democratic political institution in Bangladesh is absolutely essential and in compliance with fulfilling this necessity, the domestic economic growth can be continued and the political stability can be sustained. Overall, it can reignite the efforts for regime’s reelection bid among general citizens (Ahmed, 2006).

Therefore, no matter whether BNP or AL alone or a coalition is in power, the regime must fulfill the prerequisites set by the international monetary institutions as well as by the rich nations for ensuring the inflows of loans and donations under the banner of good governance and democratic institution in place. For example, after 10th Parliamentary election, despite controversies, the Hasina regime immediately formed a coalition government in aim to keeping the inflows uninterrupted. Hasina regimes' this move has so far partially helped justifying its position under the banner of "democracy first" in a world of favor seeking politics. Russia, China and few other countries have expressed its satisfactions by congratulating the regimes and have renewed the promise on cooperative efforts. In contrary, few other world powers and western rich nations are inspiring the regime for holding a fresh poll so that all parties can take part in the election so that the new democratic move started in 1990 can be uninterrupted. The recent opinion poll, conducted between January 12 and 27 by the IRI funded by the USAID (IRI, 2014) suggests that about 57 percent people supported for a new election within six months while 34 percent believed the government should complete its tenure. However, 77 percent of the respondents supported for the caretaker government system inclusion before the next parliamentary elections. However, 18 percent opposed the restoration of the system in the survey opinion. The findings of the IRI study (IRI, 2014) obviously justifies the current positions of the rich nations where they are continuously inspiring Hasina regime for a fresh polls so that democratic move can be uphold. Sooner or later, the consequences of failure meeting rich nations' concerns may force the current regime to set a date for holding a fresh poll where all parties can take part in the election.

H. Are democracy and good governance both *simultaneously* necessary for Bangladesh?

In order to cast an answer to the question posed, we first raise a relevancy question: Are democracy and good governance both compatible? Since the foundation of these concepts relies on different sets of indicators, it is difficult to determine whether they are related to any significant degrees. However, world's view is that democracy mainly relies on procedural indicators of electoral democracy including universal suffrage, elections registering voter preferences faithfully, unbiased choice among alternatives (Dahl, 1989). Therefore, these preferences are the bases for constituting holders of public office without reference to whether the government that is produced is good governance (Dahl, 1989). *In contrast* the definition of good governance does not address elections of a nation on whether it is democratic or otherwise. But it addresses the issue of corruption whereas authority and its institutions are accountable, effective & efficient, participatory, transparent, responsive, consensus-oriented, and equitable, which are major characteristics of good governance outlined by the United Nations (Haq, 2010).

Since these two concepts rely on very different *criteria*, it is not clear whether good governance includes democracy or democracy includes good governance. However, democracy alone is not a sufficient cause of good governance and *vice versa*. This *dilemma* becomes further murky in case of some South East Asian Countries such as Pakistan (Zaidi, 2009) where Pakistan had on and off military influences until 2009 and it ranked 140th of world GDP per capita (IMF, 2012) and in corruption index, it ranked 127th with score 27 (Transparency International, 2012). Furthermore, Pakistan has economic ties and military-equipment helps from the Western Countries such as USA for so many years.

In contrast, India has democratic institution in place since its birth in 1945 and it ranked 133rd of world GDP per capita (IMF, 2012) and in corruption index, it ranked 94th with score 36

(Transparency International, 2012). Furthermore, India had economic ties and military-equipment helps from Eastern Countries such as Soviet Union for so long and, in recent years, India has economic ties and military-equipment helps from both Eastern and Western Countries.

Country liberated for	Institution Type	Rank		Score	Status on data statistics
		GDP	Corruption		
Pakistan: 65 years	On and off military regime until 2009	140 th	127 th	27	Good
India:67 years	Democratic by birth	133 rd	94 th	36	Best
Bangladesh: 42 years	Democratic, socialism move, military regime and democratic since 1990	136 th	144 th	26	Better

Table - 1: Comparison of data statistics on GDP and Corruption Index, 2012
(Score 0 means highest corruption and 100 means absolutely no corruption)

Therefore, the levels of corruption in both nations are significantly high where both nations inherited British structure of judiciary, civil service and military but a relatively weak legislative oversight at the time of its independence (Zaidi, 2009). The comparison of data statistics, Table-1, suggests that India is comparatively doing better than that of Pakistan in both GDP and corruption perspective, which raises question: why so?

Answering to the question posed, we revisit the political history of both countries and its economy at a glance. Over the time, in Pakistan, the domination of civil service and military in the affairs of the state disrupted the evolution of the democratic political process and further weakened the legislative organ of the state. *In contrast*, military in India has never dominated the affairs of the state and never disrupted the evaluation of democratic process. However, the domination of civil service and the family based politics in the affairs of the state weakened the

legislative organ of the state in India where institutions inherited from the British rule, were quite relevant for the requirements of the rulers of those times. Following independence, those requirements expanded in scope and demand while the level of expectations from the public and their elected representatives was heightened. But these inherited institutions failed to adapt themselves to meet the new challenges of development and social changes and respond to the heightened expectations.

Since the national budget of India does not require relying on monetary inflows as foreign donations, aids etc. the country was never obligated undermining the domination of civil service and the family based politics in the affairs of the state. On the same token, since society was in acceptance with meeting *rulers' requirements*, India was never obligated addressing the colonial institutional issues inherited from the British rule. Over the time, rather addressing issues, meeting *requirements of rulers* were further expanded in scope and demand while the level of expectations from the public and their elected representatives was heightened. Furthermore, keeping the mode of the society alive since the beginning of its freedom from British *era*, the leaderships have emphasized on establishing democracy to its fullest, which has served the regimes and civil service institutions in two folds. Firstly, it has enhanced reelection bids of the regimes and the legislatures over the time. Secondly, it has helped the nation overcoming its wound by characterizing it as a democratic political institution, which was its founding leaders' aspiration since after ending colonial domination. Therefore, the aspects of good governance have not been addressed adequately, which has expanded the magnitudes of corruptions and caused inequality in distribution of incomes despite the fact that its economy is booming significant, which has placed it 133rd of world GDP per capita (IMF, 2012).

In contrast, the national budget of Pakistan relies on inflows of foreign donations, aids, *especially*, in the area of military equipment & facilities from western countries and on other monetary loans since after separation of India & Pakistan. Therefore, the domination of the civil service and the military in the affairs of the state has emphasized undermining family based politics and any democratic move where society was in acceptance with meeting *rulers' requirements* inherited from the British rule. Furthermore, keeping the mode of the society alive since the beginning of separation of Pakistan & India, the leaderships have emphasized on establishing the domination of civil service and the military to its fullest. Since military was involved, state emergency was declared whenever there had been an uprising family based politics or democratic move in the affair of the state. Since the military leaderships had never required worrying about reelection bid, it had emphasized enhancing the mode of society where most of the population are Muslim, a mixed tribes of society that are guided by the leaderships of the tribes in general. Therefore, this on and off military and civil service ruled have produced various group of religious fanatics and caused corruptions in all levels of institutions, which has ranked the nation 140th of world GDP per capita (IMF, 2012) and undermined the uprising success of democratic move until 2009.

At this stage, a comparison on political *scenario* and on economic growth of these two countries can be concluded by saying that both countries have failed in good governance perspectives because of the modes, meeting the *requirements of the rulers*, of the societies inherited from British *era*. However, India and Pakistan ranked 133rd and 140th respectively of world GDP per capita (IMF, 2012) where India has democratic political institution in place, *in contrast*, Pakistan had nondemocratic rulers until 2009. Therefore, *at least* based on ranks of GDP per capita (IMF, 2012), India's economy growth is better than that of Pakistan. Therefore,

democratic institution in India has dominated the economic growth; *in contrast*, nondemocratic institution in Pakistan has undermined its growth in economic growth perspective.

From this comparative analytical study, it can be said that the military rule has undermined the democratic moves in Pakistan until year 2009. Here what we see is that good governance without democracy is in practice in many countries, *especially*, in Singapore, UAE where these countries ranked 3rd and 32nd positions respectively of world GDP per capita (IMF, 2012). *In contrast*, democracy without good governance in India has caused a soaring corruption in all levels however, Since donor organizations have a high priority on good governance, recipient governments are expected to be effective, honest, equitable, transparent, and accountable, while for the UNDP, a good government is expected to provide also for sustainable human development and for participation usually in the form of NGOs rather than an electoral process. Military regimes thus are among the first to embrace some components of good governance, a condition in which there may be no rule of law, no government transparency, no free media, and no elections, but including responsiveness, efficiency & effectiveness (Zaidi, 2009).

One source of this seeming contradiction between democracy and good governance is the ambivalent attitudes among citizens as to the efficacy of democracy. This is *especially* the case in Thailand, where, in a poll taken shortly after the Constitution of 1997 (“the People’s Constitution”) became effective, 82.6 percent of respondents recorded that democracy was “preferable to all other kinds of government,” but only 51.3 percent felt that democracy was “equally or more important than economic development” (Chu, *et al.* 2008: 22). In other words, democracy is important, but other regime features may be more important than democracy. This tension and the seeming contradictions that may exist between “democracy” and “good

governance” formed the cleavage that led to the overthrow of a democratically elected regime in 2006, and the subsequent removal of two successive governments after a semblance of electoral democracy was restored.

What does this Thai evolution tell us? By name of democracy sometime it does not work where peoples tradition, culture, social values dominate the preference of the type of political institution.

I. Policy debates on political economy of Bangladesh

In this section, data statistics collected from the opinion survey of the registered voters for comparing performances in different areas of the regimes over thirty-five year period suggest that 80.1 percent of registered voters believe that voters of Bangladesh are more conscious politically than that of Mujib *era*, or Zia *era* or Ershad *era*. Regards to economic growth and good governance, registered voters of 72.8 percent believe that Khaleda and Hasina regimes are better off than that of Mujib and Ershad, however, this number declined to 62.8 percent when the comparison is made with that of Zia regime. In other words, the opinion survey suggests that Zia regime was better than that of Muzib regime or of Ershard regime when the issues relate to economic growth and to good governance.

Since the overall perception of the registered voters of Bangladesh is very low when it comes Mujib and Ershad regimes, in this comparison analysis of economic growth and of good governance, Khaleda, Hasina and Zia regimes are chosen over Mujib and Ershad regimes. We begin this analysis by incorporating a table that shows the timeframe of the regimes

Regime	Time period	Regime type
Muzib	1972 - 1975	Democratic but was turning to socialism in 1975
Zia & Zia Backed govt.	1976 - 1981	Came thru military coup but was leading towards democracy
Ershad	1982 - 1990	Came thru military coup and turned towards dictatorship. Removed by Civilian movement
Khaleda	1991 - 1995	Elected in fair election; democratic government
Hasina	1996 - 2001	Elected in fair election; democratic government
Khaleda	2002 - 2006	Elected in fair election; democratic govt. Failed to handover power to Caretaker Govt. for holding election (created Constitutional Crisis)
Military backed caretaker govt.	2007 - 2008	Military backed Caretaker govt. took over and tried to continue (known as 1/11 political dilemma). With public pressure, election took place and hands over power to elected officials
Hasina	2009 - 2013	Elected with massive public supports but opposition termed it “vote ragging”
Hasina	2014 - now	Elected with huge voting differences where major opposition did not participate but other small parties participated, which has formed a weak parliament.

Table – 2: Political party and its timeframe in power: how the party came and exits the power

In case of effectiveness of the regime

a. Government effectiveness

Quality of public service provision

Quality of bureaucracy

Success in tax compliance

The independence of civil service from political pressure

Creditability of the government’s commitment to policies into a single grouping

b. Executive constraints

Whether authority of executive was utilized without authority

Whether checks & balances of executive were maintained to its fullest

- c. Risk of international investment
 - Dimension of law and order
 - Corruption Level
 - Risk of government contract reputation
- d. Political stability and freedom
 - Competitiveness of political participation
 - Free flow of information to the people of Bangladesh
 - Political rights
 - The constraints on chief executive
- e. Interference with the private sector
 - Property rights
 - Business regulation index
- f. Judicial independence
 - Tenure of Supreme Court Judges
 - Tenure of the highest ranked judges on administrative case
 - Existence of case law
- g. Democratic gesture
 - The spirits of cooperation among parties
 - Leadership roles on solution were based on balancing preferences of parliament & civilian people
- h. Government ability to adopt policy
- i. Efforts on fostering democracy
- j. Freedom of speech
- k. Economic Development
 - Overall economic development
 - Gross Net Product
 - Gross Domestic Product

Policy debates on other issues

- a. Recent parliamentary election

In Bangladesh, people have been continuing their struggles for establishing democracy through electoral processes since before ‘independence’. Once again, in the 10th Parliamentary

election, they waited for a peaceful change of power through general election that took place on January 05 of 2014, under conditions in which it was difficult to have any confidence. In compliance with constitutional requirements, since the major opposition party declared not to take part, the election was strategically pre setup where 153 candidates out of 300 parliamentary seats were selected without contest and as media reports, 10 percent of the voters participated. Because of low participation and representation and because of over 50 percent of the parliamentary seats were selected without contest, the said election cannot represent a democratic fair and free election by definition as critics view it. Former advisor to a caretaker government, Akbar Ali Khan terms the just concluded election 'legal' on constitutional basis. However, Khan suggested that holding talks for reaching a consensus on holding a fresh election as soon as possible to resolve the ongoing political crisis. Khan has further insisted for a fresh polls that should be organized immediately to protect the democracy because of moral basis needed to fulfill the purposes of holding a free, fair and transparent elections following the constitution (The Daily Star Newspaper, January 21, 2014).

The Western as well as the European governments have jointly proposed for forming a neutral transitional government that would have the confidence of all political parties and the international community would be encouraged to oversee immediate reelection in Bangladesh. It also seeks national reconciliation and dialogue between all political parties and a peaceful electioneering that will lead to a free and fair general election. However, India, Russia, China and few other developing countries governments have congratulated Hasina regime on its 10th parliamentary win despite the fact that none of them had attended overseeing the election. These countries have further expressed to continue its economic ties as days and years to come.

The 10th parliamentary election was a 'rare' incident in the world's history of democratic ruling system where winning of 153 candidates out of total 300 seats were uncontested in the elections, which makes to believe that democracy cannot be strengthened this way. The Bangladeshi people's politicians have crippled the democratic electoral system, which has made the next general election very uncertain. Even with this very dysfunctional electoral system, people dream of a functioning, dignified democratic government. Yet whether and when this controversial election will actually take place are issues of great uncertainty. Who will take part if they do, who will win, and what will happen if this party wins or that party loses remain subjects of intense speculation. The electorate has voted for different parties at different times, but they have all failed to fulfil their electoral promises. Ordinary people outside political groupings see no hope with these sets of leaders and parties. They want real and radical change in the system and leadership. However, the question remains as to who will bring about change, as the current politicians will not.

b. Leadership

Society as a whole believes that the politician most likely to rule after the next election is Sheikh Hasina or Khaleda Zia, and in near future, their offspring who are currently on political rings. Many predict that close family relatives from both political families will rule the future Bangladesh as this is what happened after the assassinations of Sheikh Mujibur Rahman and Ziaur Rahman. These political families have left few chances for others and muddied political platforms by creating the impression that politics is not for ordinary people. Since the offspring who are known on political stage of both leaders have been criticized for their roles at different

times and both stand accused of abusing state power, needless to say, people are looking forward to the end of dynasty politics.

Mujib was somewhat dependent on New Delhi and was struggling to work with western economy as well as with Middle Eastern economy which had caused domestic food crisis and a declined expatriated income. However, after learning lesson from Mujib's failure, Hasina's leadership has somewhat overcome the *dilemma* of foreign policies. Mujib's bitter struggle with the army high command is illustrated by the decision to form the ultra-loyalist *Jatiyo RakhiBahini* (National Defence Force). That struggle continues to date and many speculate that the 2009 Bangladesh Rifles (BDR) Mutiny was Hasina's vengeful continuation of that struggle. Mujib's fatal mistake was the fashioning of the single-party formation thereby abandoning the idea of pluralism by unilaterally transforming democratic provisions in the constitution (Ziring, 1992). *Parallel* to Mujib's mistake, most critics see now Hasina's most recent amendment of the constitution is to be against the spirit of democracy and in reality it has pushed the country towards violence. Slowly but surely as years unfold, the democracy is being washed out by the current system and the rule of law is being replaced by lawlessness.

In contrary, Zia is praised by many as a 'people's leader' for saving the country from further violence and repression and promoting a pro-people state system. But many also hold him responsible for guiding Bangladesh straight into the army cantonment. Following the assassination of Mujib, an estimated 2,000 persons were imprisoned on charges ranging from criticism of the government to high treason. Zia had instituted a stern system of military justice that meted out harsh penalties for acts deemed to be 'treasonous'. He is alleged to have sentenced thousands of officers and civilians to death for actions judged to be a mortal threat to the army as well as the nation (Ziring, 1992). Following the assassination Ziaur Rahman,

Khaleda Zia rose to become the country's first woman Prime Minister. Twice Prime Minister of Bangladesh, Khaleda Zia, like her long-term rival Sheikh Hasina, has battled back from claims of extortion and corruption to challenge the incumbent again for the top office. As head of the party, the Bangladesh Nationalist Party (BNP), Khaleda became a powerful opposition figure and played a vital role in fighting the military rule of Ershad. However, many observe see Khaleda leadership to be lack of farsightedness and of political understanding, opposite to Zia.

During years in power, Khaleda notably had failed to fulfil her electoral promises, continuing the path of her predecessors and failing to mitigate the rampant corruption in her party ranks. It was during Khaleda's most recent tenure that Bangladesh was ranked the most corrupt country on earth. Critics have criticized Khaleda for her lack of maturity in politics. Recently her letter asking the US to intervene in Bangladesh has provided more evidence of her nearsightedness and intellectual redundancy. This raises the question of how safe Bangladesh is with her and her advisors' hands on the steering wheel.

c. Military option

While autocracy has become self-reinforcing, democracy remains absent in political institutions and in state mechanisms. The state has increasingly become the source of abuses of power. In this aspect, 72 percent of the registered voters cited Ershad regime that had crippled the inflow of information and had established the idea of "might is right" in all levels of the society.

However, ordinary people believe that politicians will not change until they are forced to do so. It is unfortunate when a peaceful change of power does not take place, but who is

responsible? If politicians do not want elections to take place and there are no possibilities of dialogue, the only traditional alternative is an unconstitutional takeover of power.

Although some argue that the 2014 parliamentary election is pre setup, which makes the current government to be undemocratic and is itself creating space for a military takeover of power, we need to look more closely at the incidents when the military has taken over in recent history. The role of the military in attempting to pursue radical change has been widely criticized by many and welcomed by some. Some see their interventions as a glorious part of history, and many others as political disasters. The 15 August coup in 1975 resulted in the killing of Sheikh Mujibur Rahman, and the 30 May 1981 coup in the killing of Ziaur Rahman. However, progressive people in Bangladesh express concern about the outcome of any radical attempt of the military.

Policy debates on role of education, media and the judiciary: They are unfortunately numb

Let us assume that people have understood that all political parties have failed to fulfill their electoral promises and that there is need for a change in the system and that there are urgent issues to address. Why then are voters not noticing these failures when they make decisions? Are the voters themselves failures or is there some mechanism ensuring that change does not come.

English novelist, essayist, journalist and critic, George Orwell said,

“Whoever controls the image and information of the past determines what and how future generations will think; whoever controls the information and images of the present determines how those same people will view the past.”

The educational system has been designed and maintained in such a way in Bangladesh that it keeps people uninformed about contemporary politics where the system still dominate by British era structure. The learning population learns the history of the ruling elites, but the people’s class

struggle and history remains unheard. The mass media is politically polarized and owned by partisan business interests.

Critics have blamed the 'Daily Amar Desh' for talking favorably of the opposition BNP and presenting false news which has harmed the reputation of 'War Crimes Tribunals' recently setup in Bangladesh and increased religious fervors leading to rioting and destructive violences. However, many praise the newspaper for exposing some uncomfortable truths. This is not a novel scenario – some years ago the *Daily Janakantha* was also blamed by critics for presenting politically biased news. There are media outlets which claim to be neutral, but are owned by politically motivated businessmen.

Politicians keep the judiciary weak and make sure that appointees are chosen by them. This cleverly cripples the very instrument that should hold them accountable. In fact, politicians use every state instrument to create an anesthetizing sense of fear and hopelessness in which people are unable to bring about change and demand accountability.

d. The rhetoric and reality of Bangladesh political economy

Frustrated voters and critical analysts see Bangladesh differently from the people who have benefitted from the present political setup. For them, endemic social injustice, lawlessness, deeply rooted socio-economic inequality are certainties in Bangladesh. All the main political parties claim that they are the protectors and promoters of the legacy of the 1971 Independence struggle. However, the reality differs from their rhetoric: liberty of thought, expression, and worship; justice in social, economic and political sectors; and equality of status and of opportunity remains only for the selected few.

People feel that this is not the democracy they once aspired for. No matter which party they vote for, there is little change. For years, voters have focused on throwing out the incumbent party and bringing in the other party. In our society, there is an impression that elections are all that there is to democracy. In Bangladesh, class conflicts have traditionally played an important role in the political culture, whether superficially expressed as religious, or ethno-racial separatism, or through social movements and uprisings against landowners and factory barons. As a consequence, the general elections have become the site of registering these struggles.

It is also evident that politicians are not keen on any fruitful dialogue. The recent telephone conversation between Khaleda Zia and Sheikh Hasina is an example of this. However, they are very keen to meet western diplomats and mouth fake commitments to the international community regarding the promotion and protection of democracy and the rule of law in Bangladesh. Therefore, it can be said that sooner or later an election will happen, and that either the ruling party or the opposition will win in that election. However, many may ask: does that mean democracy prevail in Bangladesh? Many may ask: whether the present system is democratic or if democracy is yet to come. How long the people of Bangladesh will have to wait to see a democracy? Will it be the next election or the one after? Who will bring democracy? Or will they need another 1971?

J. Acceptable policy phenomena of regime type in Bangladesh

The current debate of politics in Bangladesh relates to reinstate of the Caretaker Government (CTG) provision, which has raised issues of mistrust, suspicion, discord and enmity in political environment. Such concerns have colored Bangladeshi politics throughout the period to 2011, at which point the CTG was abolished (CNN, 2011; Hanley, 2005). The sitting government succeeded a military backed civilian caretaker government which took over amidst

violent feuds among the then sitting government. Since then, the opposition has been demanding for a mandatory pre-election caretaker government, nonpolitical appointment of members of election commission, voter list publication etc. (Khan, 2011). This political dilemma goes further, the present sitting government at whose insistence, when in opposition, the novelty of pre-election caretaker government was introduced has made a complete volte face on its own invention, whereas the then sitting government, now the opposition, has vowed to boycott any election under its opponent. It underscores a thin and brittle veneer of democracy and a potential lurch towards an unelected government yet again. In this connection it is worth noting that the crusader of democracy who founded the nation-state and setup the multiparty parliamentary democracy had no less spectacular volte face; for with one term completion and then through pre setup election they opted for a one party manifestos just like any political dictatorship (Osman, 2010).

Under the present world system based on nation-state representative democracy, it is indispensable creating political environment where amicable discussion for holding a free and fair election can be achieved so that much participation can be anticipated. The question is what lay behind this apparent inability of the Bangladesh political classes to practice and sustain democracy (Kelly and Ashiagbor, 2013; Daily Star, 2012b).

Conclusion

Underpinning the meaning of the words or terminologies, the analytical aspects of democracy and of good governance in line of economic growth and of politics suggest that the aforementioned may not be replicated for fulfilling the goal of Bangladesh when it comes choosing political institution. It can be concluded that, in political arena, we all have chosen our

only option “democracy *first in place*” for the greater interest of ourselves without questioning whether it is given to us or we have chosen it. It is here appropriate to use word “we” because today all political parties in Bangladesh blame each other on “undermining democracy”, on “failure of governance”. No political party in Bangladesh now wants to see an intervention of our democratic move and of trends of good governance in leading the administration. Prominent citizens in Bangladesh nowadays very often warn the political leaders on the consequences of failing good governance of the regime and they frequently raise voices when the efforts of regime appears to be counterproductive to nurturing of democracy (the Daily Star). Therefore, a democratic political institution, *first in place*, along with effective governance can open doors for any developing countries like Bangladesh, in many folds for a prosperous economy. Furthermore, this proposed setup can steadfast facilitate accessing to monetary aids, loans and to other reliefs globally in revitalizing its human & physical capital meeting the demands in global markets of the 21st Century. Since it has been tested in many occasions since after its birth in 1971, there is no alternative but democracy *first in place* when it comes choosing political institution in Bangladesh. Today’s political leaderships in Bangladesh completely understand it, therefore, rather using the terms “democracy” and “good governance” as the catchwords of political discourses, they must display it in actions where observers worldwide are waiting to see it so that fruits of their actions can be seen sooner than further delay.

Chapter 4

Democracy in Bangladesh: Historical Background and Lessons Learned

God's hand, like a sign-board, is pointing toward democracy, and saying to the nations of the earth, "This is the way: walk ye in it."

---- Henry Ward Beecher, Plymouth Pulpit, 1947

I. A cross examination of political history of Bangladesh in viewpoint of democracy

Bengal - later East Pakistan – finally Bangladesh – The Government and the Politics:

Bangladesh independence (1971) is still young compare to that of the United States (1776), where it was a flourishing entre-port (now the area of Bangladesh) in trade and commerce between South Asia and the Far East that was famed as a land of plenty resources in ancient times. In 1757, when the British conquest of India began in Bengal, Bengal was already known for the manufacturing of fine fabrics and other products, which was probably a vital cause of this barbarism by the British monarchy (Bandyopadhyay, 2006). People in this region have been suffering in various stages of favor-seeing politics and in movements for establishing democracy, which has caused a slow growth in economy. It has further delayed establishing a form of government in which the people rule themselves either directly or indirectly through their representatives – *i.e.* the power of the people (Diamond: 1997) where peoples' liberty, dignity, property ownerships etc. are preserved by laws.

The term democracy is derived from the Greek words, *demos* – means the people and *Kratos*, - means power (Diamond: 1997). Democracy thus means power of the people. It is now regarded as a form of political institution.

In this perspective, a comparison performance of regimes and the historical background of politics of Bangladesh can be broken down into three segments. They are

1) Pre-liberation *era*

a) British Colonial era (1757 – 1947)

The British monarchy governance of Indian-territory began with Robert Clive's victory over the Nawab of Bengal, *Siraj ud-Daulah*, at the Battle of Plassey in 1757 (Bandyopadhyay, 2006). This was the first conquest in a series of engagements that ultimately had led to the expulsion of other European competitors in the business market for raw materials where the territory was being used as a vessel of abundant natural resources. The overall victory gave the British-East-Indian company dominion over Bengal, which became the headquarters of then British Administration in the sub-continent. Under the East India Company management in Bengal, the Kolkata (now Calcutta) on the Hooghly became a major trading port for farm products such as bamboo, tea, sugar cane, spices, cotton, muslin and jute in Dacca (now Dhaka), Rajshahi, Khulna, and Kushtia areas where these products were used as raw materials for industrial products produced outside of these areas, which had resulted a growing trends of industrial establishment in Britain and elsewhere.

In year 1857, the scandals and the bloody rebellion also known as the Sepoy Mutiny prompted the British government to intervene in the affairs of the East India Company (Brown, 1994). It took direct control away from the East India Company and established its imperial capital in City of Calcutta. In 1858, the authority in India was transferred from the Company to the Crown, and the rebellion was brutally suppressed. By 1900, the British province of Bengal constituted a huge territory, stretching from the Burmese border to deep into the Ganges valley (Brown: 1994). The expansion of the territory and then utilization of the territory solely for

producing raw materials were becoming controversial issues among peoples in the areas, which had inspired those raising voices for freedom from the British Colonial. The voices against the British monarchy policies establishing industries outside this territory were becoming intensive as the disparities of economic growth between the territory and the Britain were growing rapidly.

The beginning of the movements for freedom from the Colonial

In response to these aggressive British-moves, the Indians had increasingly been demanding a greater role in the government of their country since the late nineteenth century (Bandyopadhyay: 2006). The Indians contributions to the British war efforts during the First World War meant that even the more conservative elements in the British political establishment felt the necessity of constitutional changes, which has resulted the Government of India Act 1919 – a government system was known as Provincial "Dyarchy". Under the Provincial Dyarchy, certain areas of government such as education were placed in the hands of Ministers' responsibilities to the provincial legislature. Under this Dyarchy, others such as public order and finance were retained in the hands of Officials responsibility to the British-appointed provincial Governor (Encyclopedia Britannica Inc: 2009). While the Act was a reflection of the demand for a greater role in government by Indians, it was also very much a reflection of British fears about what that role might mean in practice for India and of course for British interests there. However, the "Diarchy" proved to be unsatisfactory where the particular frustration was on issue of the control of "purse strings", which had forced for an effort to review of India's constitutional arrangements. However, division between Congress and Muslim representatives proved to be a major factor in preventing an agreement on how federation would work in practice. Against this practice, the new Conservative-dominated National Government in London decided to go ahead

with drafting its own proposals (the white paper). A joint parliamentary select committee, chaired by Lord Linlithgow, had reviewed the white paper proposals at great length. On the basis of this white paper, the Government of India Bill was framed. At the committee stage and later, to appease the diehards, the "safeguards" were strengthened, and indirect elections were reinstated for the Central Legislative Assembly - the central legislature's lower house. The bill duly passed into law in August, 1935, which was a significant victory on the viewpoint of the movement for democracy (Keay, 2000). Under the Indian Act of 1935, the system of Diarchy was ended. It had established the provision of "Federation of India", which to be made up of British, India and some or all of the princely states. For the first time, it had introduced a provision of direct elections by increasing the franchise from seven million to thirty-five million people and a partial reorganization of the provinces by separating some states from India. Most significantly, it had introduced provision of membership of the provincial assembly rules, which had allowed more elected Indian representatives, who were now able to form majorities and be appointed to form governments and an establishment of a Federal Court in India. However, the degree of autonomy introduced at the provincial level was subject to important limitations such as the provincial Governors retained important reserve powers, and the British authorities also retained a right to suspend responsible government.

The rule of India was organized under a Viceroy and then it continued a pattern of economic exploitation where the executives were not fully free from constraints. However, famine racked the subcontinent many times, including at least two major famines in Bengal. The British Raj was politically organized into seventeen provinces of which Bengal was one of the most significant. For a brief period in the early twentieth century, an abortive attempt was made to divide Bengal into two zones, West Bengal and East Bengal & Assam, which was the

beginning of peoples' movement for establishing its rights and for keeping the economic benefits in their own region.

The beginning of significantly divided Muslim and Hindu groups

With the outbreak of World War II in 1939, the viceroy declared war on India's behalf without consulting Indian leaders, leading the Congress provincial ministries to resign in protest. However, the Muslim League supported Britain in the war efforts with a belief that the Congress could have unfairly treated the Muslim in an Independent India. The distrusts among religious groups were not new. Matter of fact, in the earlier centuries India was ruled by the Muslim and latter on its influences had declined and became Hindu-dominated Congress (Keay, 2004). In the late 19th century an Indian nationalist movement was developed with the Indian National Congress being founded in 1885 as a forum that became a political party subsequently. The Congress made no conscious efforts to enlist the Muslim community in its struggle for Indian independence. Although some Muslims were active in the Congress, majority of Muslim leaders did not trust the Hindu predominance and most of the Muslims remained reluctant to join the Congress Party. This mistrust was growing geometrically since the British administration acceded to popular demands and made Hindi, the official language, which was also a turning point. This had aggravated minority (Muslim) and they feared that the Hindu majority would seek to suppress their religion in an independent India.

Jinnah became disillusioned with politics after the failure of his attempt to form a Hindu-Muslim alliance. The leadership of the League was taken over by Sir Muhammad Iqbal, who in 1930 first put forward the demand for a separate Muslim state in India. The "Two-Nation Theory," the belief that Hindus and Muslims were two different nations, who could not live in

one country, gained popularity among Muslims. The two-state solution was rejected by the Congress leaders, who favored a united India based on composite national identity. However, the League rejected the proposal, which was the beginning of sour relationships between Congress and the League, between two groups - Muslim and Hindu.

The British government - through its Cripps' mission successfully attempted to secure Indian nationalists' cooperation in the war effort in exchange for independence afterwards. Gandhi, subsequently, launched the "Quit India" movement in August 1942, demanding the immediate withdrawal of the British from India or face nationwide civil disobedience. Along with all other Congress leaders, Gandhi was immediately imprisoned, and the country erupted in violent demonstrations led by students and later by peasant political groups, especially in Eastern United Provinces, Bihar, and western Bengal. In absence of Gandhi, with Japanese supports, Subhas Bose turned to the Axis powers to help liberating India, however, his life cut short in a plane crash. In early 1946, a number of mutinies broke out in the armed services and these mutinies found much public support in India, which had the effect of spurring the new Labor government in Britain to action.

In the Constituent Assembly elections of 1946, the League led by Jinnah won 425 out of 496 seats reserved for Muslims on a policy of creating an independent state of Pakistan, and with an implied threat of secession if this was not granted (Keay, 2000). Gandhi, Maulana Azad and Nehru, who with the election of another Labor government in Britain in 1945 saw independence within reach, were adamantly opposed to dividing India. The negotiations between the Congress and the Muslim League, however, stumbled over the issue of the partition.

The beginning of the movements for two independent states

Jinnah proclaimed August 16, 1946, *Direct Action Day*, with the stated goal of highlighting peacefully the demand for a Muslim homeland in British-India (Keay: 2000). In the following day, the Hindu-Muslim riots broke out in Calcutta and quickly spread throughout India. Although the Government of India and the Congress were both shaken by the course of events, in September of 1946, a Congress-led interim government was installed, with Jawaharlal Nehru as united India's prime minister. Later that year, the Labor government in Britain, who were exhausted by the recently concluded World War II, decided to end British rule of India and it announced its intention of transferring power.

b) Pakistan period (1947 – 1971)

After 1947 war, Pakistan became independent country where it was comprised by two geographically and culturally separated areas. The western zone was officially termed West Pakistan and the eastern zone was initially termed East Bengal and later East Pakistan. The population of the two zones was near to equal, however, they had differences in languages, cultures and even in religious beliefs -various sects under the umbrella of Muslim etc. Despite these differences, by then leadership's own setup, the political power was concentrated in West Pakistan and it was widely perceived that East Pakistan was being exploited economically as it was done by the British Colonial. This had led to many grievances such as economic disparities, employment disparities in all sectors etc. and these scenarios were getting worse year by year. In 1948, Pakistan's first Governor-General, declared in Dhaka that "Urdu' and only Urdu" would be the sole official language for all of Pakistan. The language controversy eventually had reached a point where East Pakistan revolted. Several Students and civilians lost their lives in a police crackdown on the 21st February of 1952, the day is revered in Bangladesh as the Language

Martyrs' Day. In 1966, Sheikh Mujibur Rahman declared the six points for the rights of East Pakistan where he also told, "other wise we will go ahead for the one point – the movement for liberation". The Liberation War followed until independence was fully established on December 16, 1971. The Constitution was initially promulgated in 1972. We have overcome forty years. We have seen Mujib, Zia, Ershad, Hasina and Khaleda periods. But our expectation has not yet been fulfilled to its highest level. Even our democracy is still a child in political crises and it is filled with instability, which are the obstacles of our economic development.

After long political struggles and silence movements for independence, in August 1947, the Partition of British-India gave birth to two new states; a secular state named India and an Islamic state named Pakistan (Sumit, 2003). But Pakistan comprised two geographically and culturally separate areas to the east and the west of India. The western zone was officially termed West Pakistan and the eastern zone was initially termed East Bengal and later East Pakistan. The population of the two zones was near to equal, however, they had difference in languages, cultures and even in religious beliefs – various sects under the umbrella of Muslim etc. Despite these differences, by the leadership's own set up, the political power was concentrated in West Pakistan and it was widely perceived that East Pakistan was being exploited economically as it was done by the British Colonial. This had led to many grievances such as economic disparities, employment disparities in all sectors etc and these scenarios were getting worse year. Even though the East Pakistan accounted for a majority of the country's population, the political power had remained firmly in the hands of West Pakistanis where the West was the center of all economic development in policy designs. Since a straightforward system of representation based on population would have concentrated political power in East Pakistan, the West Pakistani

establishment came up with the “One Unit” scheme, where all of West Pakistan was considered one province. This was solely to counterbalance the East wing's votes.

The beginning of the movements for establishing Bengali rights

In 1948, Pakistan's first Governor-General, declared in Dhaka that "Urdu, and only Urdu" would be the sole official language for all of Pakistan (Acharya: 2006). This proved highly controversial, since Urdu was a language that was only spoken in the West by Muhajirs and in the East by Biharis. The majority groups in West Pakistan spoke Punjabi, while the Bengali language was spoken by the vast majority of East Pakistanis. The language controversy eventually had reached a point where East Pakistan revolted. Several students and civilians lost their lives in a police crackdown on the 21st February of 1952. The day is revered in Bangladesh and in West Bengal as the Language Martyrs' Day. Later, in memory of the 1952 killings, UNESCO declared 21 February 21 as the International Mother Language Day in 1999.

Jinnah had envisaged a modern democratic state for South Asia's Muslims where he believed that Muslim nation would get fair representation and protection because of creation of Pakistan. Therefore, Pakistan was clearly rooted in the notion of a constitutional democracy, however, unfortunately that Pakistan's leadership was hijacked within a decade of its independence by the dark forces of dictatorship.

At the time of its independence in August 1947, Pakistan inherited the Government of India of 1935 as its constitutional model--a framework designed by a colonial power to govern a colony that provided for a strong central government, a bureaucracy dominated executive unanswerable to the legislature, and very limited representation with continuation of feudal domination over politics (Keya, 2000). Under this act, the head of the state was the governor-

general and legislative functions were performed by the constituent assembly, which was tasked with enacting a new constitution. The governor-general had the power to appoint or dismiss ministers at his discretion as well as assume emergency power. After Prime Minister Jinnah's assassination, political power began to be concentrated in the President of Pakistan and eventually the military dictatorship. The nominal elected Chief Executive, the Prime Minister, was frequently sacked by the establishment, acting through the President. East Pakistanis had noticed that whenever one of them, such as Khawaja Nazimuddin, Muhammad Ali Bogra, or Huseyn Shaheed Suhrawardy were elected Prime Minister of the Pakistan, they were swiftly deposed by the largely West Pakistani establishment.

A Major Constitutional Change in year 1956

The constitution of Pakistan that came into existence on March 23, 1956, abolished the office of the governor-general and provided for power-sharing arrangements between the President and the Prime Minister (Acharya: 2006). East Pakistan and West Pakistan were to have equal seats in the national legislature. While parliamentary and federal in form, the constitution ensured that the president retained supreme powers and the Central was more powerful than the provinces. But this constitution had a very short life. The country's first general elections were scheduled for February 1959 but then President Iskandar Mirza had feared a rise of East Pakistan's influence that could have undermined his hold on power. With this fear as political remedy, he abrogated the constitution before the elections in 1958 by establishing martial law and appointing army chief Ayub Khan as Chief Martial Law Administrator. This had set a precedent for the military to assert itself into the country's political affairs. It also had led to a

pattern of takeovers, subversion of constitutional provisions, and a military-bureaucracy dominated executive that superseded the elected parliament.

This new constitution came into effect in 1962 which failed to include fundamental rights until the first amendment was made to it in 1962, granting the executive power to the president and abolishing the office of the Prime Minister. Most significantly, in 1962 constitutional changes, it had institutionalized the intervention of military in politics by providing that for twenty years, the president or the defense minister must be a person who had held a rank not lower than that of lieutenant-general in the army.

In year 1969, the constitution of 1962 was suspended, martial law was declared, and General Yahya Khan took over power and the country did not get its first general elections until year 1970.

The situation had reached a climax when in 1970 the Awami League (AL), the largest East Pakistani political party, led by Sheikh Mujibur Rahman, won a landslide victory in the national elections. The party won 167 of the 169 seats allotted to East Pakistan, and thus a majority of the 313 seats in the National Assembly (Chowdury, 1974). This landslide victory had mandated AL the constitutional right to form a government. However, Zulfikar Ali Bhutto, the leader of the Pakistan Peoples' Party, refused to allow Mujib to become the Prime Minister of Pakistan. Instead, he proposed the idea of having two Prime Ministers, one for each wing. The proposal elicited outrage in the east wing, already chafing under the other constitutional innovation, the "one unit scheme". Bhutto also refused to accept Mujib's Six Points. By so doing, the Pakistani regime had delayed handover the power. On March 03 of 1971, the two leaders of the two wings along with the President General Yahya Khan met in Dhaka to decide

the fate of the country; however, the talks had failed, therefore, Mujib had called for a nation-wide strike.

On March 07, 1971, Mujib delivered a speech at the Racecourse Ground (now called the Suhrawardy Udyan). In this speech Mujib had mentioned further a four-point condition and asked the administration to consider his conditions before the National Assembly meeting, which was scheduled on March 25 of 1971. The four-point conditions were

- i. The immediate lifting of martial law.
- ii. The immediate withdrawal of all military personnel to their barracks.
- iii. An inquiry into the loss of life.
- iv. The immediate transfer of power to the elected representative of the people before the Assembly meeting of March 25

In speech, Mujib had urged the people of East Pakistan to turn every house into a fort of resistance. He had closed his speech saying, "Our struggle is for our freedom. Our struggle is for our independence." It was clear from Mujib's speech that a war was the ultimatum to the failure of fulfilling the conditions before March 25. In aim to neutralize this political flux, General Tikka Khan was flown into Dhaka to become Governor of East Bengal. However East-Pakistani judges including Justice Siddique had refused to swear him in. Later on, Mujib was arrested and taken to Pakistan and the liberation war began.

During this war, on March 26, 1971, then Major Ziaur Rahman (Zia) who led a Sector Force (Chittagong District) against Pakistani regime officially declared freedom fight from Chittagong Radio Station. However, Zia's this effort is still controversial where AL believes that it was unnecessary and motivational to undermine Mujib's earlier declaration. The other group, the BNP believes it was necessary to lead the nation in absence of Mujib. The BNP further continues and claims that Zia was the pro-claimer of the freedom fight even though he used

words "*on behalf of Mujib*" in his announcement. Since Mujib was arrested and the nation was in war, nobody raised questions on the legitimacy of Zia's proclamation during the war. The liberation war had lasted for nine months where few countries *especially* India and then Soviet Union (now Russia) had extended helping hands by providing means, shelters and other various ways including direct involvement in the liberation movement.

The current administration has reunited with and revitalized the old friendships with India & Russia by choice when Bangladesh was forced out by western powers in securing World Bank loan for the Padma Bridge. It has also established a new friendship with China where these three countries now appear to be mutual friends for financial development. This is as a lessons, the AL may someday realize that Zia's efforts on March 26 was not unnecessary but it was essential to keep the liberation movement live & vibrant in absence of Mujib. The history may prove someday that Mujib would recognize it if the father of the nation was here today. Similarly, since Zia had used the phrase "on behalf of Mujib", the brave Zia would not claim himself as proclaimer of freedom fight if he was here today.

2) Post-Liberation period

The Liberation War followed until independence was fully established on December 16, 1971 and later Mujib had returned from a Pakistani jail and took over the new government. This post-liberation period (1972 - 1990) had suffered with many setbacks in establishing a democratic Bangladesh where elected executives were fully or partially responsible. Addressing these interruptions to the promise of democratic Bangladesh, we break down the history in three segments.

a) Mujib Regime (1972 - 1975)

The Constitution, as it was initially promulgated in 1972, embodied the democratic yearnings of the long struggle for independence and guaranteed human rights and political freedoms within a system of checks and balances similar to those existing in the British and United States governments (Chowdury, 1974). In the administration process, Mujib had appointed Zia as Deputy Chief of Staff by making another army officer Chief of Staff who was junior to Zia but loyal to Mujib. Some including Zia himself had seen this move as a retaliation to his effort of earlier radio announcement. History suggests that Zia's career had not been prospered under Mujib, presumably as a retaliation of Zia's declaration of independence although he did mention "on behave of Sheikh Mujib ..." in his announcement (Gupta: 2002). Zia quietly but determinately had bided time and waited for opportunities.

In less than two years after the first parliament election in 1973, either by the influence of socialism countries, *especially*, then Soviet Union or by his own will, Mujib first amended the Constitution and assumed dictatorial powers in 1974. The structure and the character of the fundamental law of the land were changed and the country's political system was turned into a one-party monolithic structure. All political parties were dissolved and all newspapers were band except four to be retained by the state; the fundamental rights were suspended and made non-enforceable and the judiciary was reduced into a subservient agency of the executive branch of the state (Ahmed, 1994). In response to this political move, some western countries *especially* United States turned its back and were looking for ways to influence this socialism move so that Bangladesh couldn't be Soviet Union's alliance. In reality, this was the second time Bangladesh political system was challenged by the United States. During the liberation war, the United States had supported the Pakistani regime moves in various ways including sharing intelligence so that

the liberation movement could be vogue down. It had ordered to bind back the ship that was carrying relief food for the citizen of East Pakistan during the liberation.

In 1972, under Mujib's leadership, the party name was changed to Awami League (AL). The party was plagued with by internal corruption and failed to repair the nation's wounds from the independence war. As Bangladesh continued exporting jute to Egypt, violating US economic sanctions, the Nixon government barred grain imports that Bangladesh had already paid for from reaching the country. As results, the famine of 1974 was inevitable and 28,000 people died, and supports for Mujib declined dramatically.

In the mixed of this political struggle, after the AL-dominated-parliament decided to switch from parliamentary to a presidential form of government, in January 1975, Mujib declared a state of emergency and later assumed the presidency. Sheikh Mujib had renamed the League the "Bangladesh Farmers and Workers Awami League (*Bangladesh Krishok Sramik Awami League, BAKSAL*), and had banned all other parties. BAKSAL became the strong arm of what had turned into a dictatorship, with Sheikh Mujib becoming the lifetime president. Many opposition political workers, mostly revolutionary communist elements, were killed or jailed after three Members of Parliament were killed by the communist insurgency. The crackdown on opposition was aided by the elite paramilitary force *Rakkhi Bahini*, which was formed under the new direction. This approach was rejected by most of the Bangladeshis and it was the beginning of anguish among army officers.

b) Zia Regime (1975 – 1981)

Even though Mujib's socialism political approach was not welcomed by most of the Bangladeshis, they still believe that this policy approach could have been confronted in

democratic movements including political intervention rather than carrying out barbarism acts including putting guns on the head of the administration. It was unfortunate that in August 1975, some ambitious mid-level army officers took advantages of this political transition and they had used Mujib's controversial policy approach as a token. Without warning or sounding opposition to state socialism move or without creating any pressures to the administration, on August 15 of 1975, a handful of mid-level army officers carried out a military coup and they killed Mujib and others. Since it was the first-time in the history of newly born Bangladesh, most of the people with or without political basis, were shocked and trying to comprehend the reason of army interventions instead of political interventions against the administration's socialism policy approach.

Akin to many other army officers, since these ambitious officers including Zia started army career during Pakistani regime and were trained, educated in Pakistan Army Academic, who had witnessed the Pakistani Marshall law for a long period of time, most Bangladeshis and people abroad were seeing this army intervention as the imitation of the history Pakistani army.

After overthrown the Mujib regime, a new government, headed by a former Mujib associate, Khandakar Moshtaque, was formed. Successive military coups occurred on the 3rd and 7th of November of 1975, resulting in the emergence of Army Chief of Staff Gen. Ziaur Rahman (Zia), as strongman. He had pledged the army's support to the civilian government headed by the president, Chief Justice Sayem. Acting at Zia's behest, Sayem then promulgated martial law, naming him Chief Martial Law Administrator.

Without involving directly into these revolutions, Zia became Deputy Chief Martial Law Administrator in November 1975 and later Chief Martial Law Administrator in November 1976. Later, during his administration, then Major Nurul Islam had brokered with Libyan government

and arranged political shelters in Libya for the rebel group (military officers) that was responsible for Mujib's assassination. Furthermore, these military officers were employed in senior positions with Bangladeshi Embassies located in different countries. Moreover, under the *Indemnity Act* issued by President Zia in 1978, these assassins were given immunity from prosecution. These attainments and kindness to the rebel group of 1975 obviously begs question whether Zia was the architect of the initial military uprising in August 1975. The answer to the question posed is still mystery, which is the most important cause of today's rivalry between two major political parties even though the incidents took place over three decades ago. Later, Zia had emerged as the most dependable military leader and the one who could perhaps bring stability to an unstable nation. With most potential opposition dissipated, Zia had took over the government of Bangladesh.

After taking over the power, Zia had succeeded to a great extent in ushering in political and economic stability in Bangladesh through three stages (Hamid, 1993). First, he had used moderate and left-leaning groups and their leaders to neutralize the strength of the radicals who were insisting on bringing about fundamental changes to Bengali society through revolution, if necessary. Second, he had legitimized his power through a referendum in 1977, local elections in 1977, a presidential election in 1978, and a parliamentary election in 1979. Except in the local elections of 1977, Zia and the candidates of his newly created political party, BNP, won landslide electoral victories. He had formed his political party by i) welcoming political leaders, *especially*, the senior leaders of Razakar, who initially served and supported the Pakistani move during the liberation war and ii) bringing into ambitious army officers some of whom took retirements bumped promotion and had joined the party. These efforts served Zia in two ways: i) diminish the magnitudes of the threat of further coup and ii) easy way out - he had formed the

BNP in a short period of time with less political costs. However, the effort of welcoming Razakars was not welcomed by some of his former lieutenants or some members of the BNP and by forced-army-retirees who joined the administration but did not join the party. Obviously, he knew it was a growing problem but for his own political stability and since veteran politicians who were not coming forward with helping hands and since he was in need for veteran politicians for political success and probably he was fulfilling Islamic Nations demands in general, he welcomed the Razakars without reservations.

Despite this internal growing conflict, by 1980 Zia made a complete transformation from a military man to a charismatic, populist political leader, enjoying the full confidence of the vast majority of Bangladeshis (Hamid: 1993). During this time he had embarked on the last stage of bringing about national stability. His three pronged peaceful revolution to achieve self-sufficiency in food, full literacy, and zero population growth signaled an era of hope for the new nation. He had instinctively realized that without global cooperation his peaceful revolution could be replaced by a bloody revolution. Perhaps for this reason, Zia continuously had sought cooperation not only from developed countries, through the North-South dialogue, but also from other less developed countries through the non-aligned movement. In fact, it was Zia who first conceptualized a possible regional cooperation among seven countries of South Asia and took the initiative to formally propose a plan for the South Asia Regional Cooperation (SARC) in 1980, which culminated as a cooperation movement through an agreement between the seven countries in 1983.

Through Zia's "open arms - welcome" policy the traditional factionalism of Bengali politics was contained and balanced between opposing views and camps in civilian and in military at least for the time being even though the military vested interests was struck for the

first time. But personal rivalries coupled with the perception of injustice by one of his trusted lieutenants, Major General Abul Manzoor, abruptly ended Zia's presidency. On the early morning of May 31 of year 1981, in the city of Chittagong, Zia was assassinated in a coup led by General Manzoor.

c) Ershad Regime (1982 – 1990)

After several months of turmoil Ershad took over the government, declared martial law and suspended the constitution. This third wave of crisis of democracy, where after the second wave led by Zia, Zia was near to establishing a democratic political institution, was deepened further during Ershad's period, who ruled the country for a significant period of time (Kholiquzzan, 2005). During his time, leaders in both civil and military arena were privileged that had created further crisis of democracy. Moreover, these army interventions had aggravated the democracy by trying to shape the laws and events to suit their own designs, disregarding the urgent need for development of democratic institutions and failing to provide the commitment required for accelerating the economic growth. During this long term (1976-1990) of military rule, the political institution, which had been mostly damaged in democratic perspective, was used as the pivotal force for developing constitutionalism of the party system in the country (Kholiquzzan, 2005). In one hand, since the political activities were banned repeatedly, the strength and cohesion within the most famous parties was destroyed. On the other hand, the mash-room growth political parties of any ideology or program were created by money power just to give a democratic poster to the election of these military rulers.

His successors, most of whom were military men who seized power during various times of trouble, also ruled through autocratic means. As a result, successive regimes established

single-party systems representing military interests, with the leader wielding almost absolute power. Moreover, Ershad regime had allowed keeping the 1975 - massacre killers on the payrolls with minor changes in employment locations.

Yet the struggle for democracy was still alive in Bangladesh as of the late 1980s. The single-party system of the 1970s and 1980s was unable to satisfy the varied political movements and interest groups of the nation. Opposition parties - although they had represented conflicting views and were as unwilling as the ruling regime to share power - remained a vital force that commanded the loyalties of a large proportion of the population.

Socialist and communist parties, centrist parties representing the policies of defunct regimes, and conservative Islamic parties - each with a completely different vision of the path that Bangladesh should follow but had united in their opposition to the rule of President Ershad-- all vied for power in the late 1980s. Their refusal to participate in parliamentary politics under Ershad, who had seized power in 1982, relegated the opposition to illegal activities and demonstrations on campuses and in the streets that periodically brought economic life to a standstill in urban areas. The ineffectiveness and confrontational position of the opposition only strengthened the regime's hold over Parliament and the civil service and had allowed the military to continue its strong autocratic rule.

Remarkably, the policies of Bangladesh's autocratic military rulers have been characterized by a commitment to democratic ideals and an adherence to the Constitution. Ershad had seized power in the name of the Constitution, and he sought to legitimize his position by claiming that he brought stability to the country in order to guarantee democratic freedom. One of Ershad's most significant moves toward democracy was the establishment of a system of local elections that allowed voters to choose members of local representative councils. In the

short term, this democratic reform had allowed local elites to control government patronage, and it also made them docile supporters of the regime. Nevertheless, by the late 1980s the local councils had become training grounds for new political leaders and forums for democratic competition throughout the nation.

3) Re-establishment of Democracy (1991 – to date)

In December of 1990, the Ershad regime was toppled by a popular civil movement, which was led by alliance political parties where AL and BNP worked side by side, which was probably reinforced by the military elites' decision other than withdrawing its supports from regime (Halim, 1998). The country was freed from the clutches of military rule and the peoples' sustained struggle for democracy has at last triumphed with autocrat president Ershad and the time came to lead the nation on a new journey in search of constitutionalism and democracy in Bangladesh.

a) Government of Shahabuddin (December 06 to February 06 1991)

Shahabuddin Ahmed was appointed Chief Justice of Bangladesh on January 14 of 1990 by then President Ershad. However, in the face of the civil movement against Ershad and as a consequence on December 06, 1990, then the Vice-President Moudud Ahmed resigned, the Chief Justice Shahabuddin was appointed Vice-President of Bangladesh. On that very day Ershad resigned and handed over power to Shahabuddin Ahmed who became the head of the government as acting President of the country. He formed a Caretaker government with neutral non-political persons and held a free and fair election in the country in February 1991. During this period, he gave back freedom of the press by amending a number of laws including the

Special Powers Act. Since after Shahabuddin, the Caretaker government became a constitutional provision in Bangladesh.

b) Government of Khaleda (1991 – 1996)

Under Shahabuddin's leadership for free & fair election, with a unanimous vote cutting across all political lines, the BNP-led government had restored the parliamentary system through the 12th amendment to the Constitution in 1991. Khaleda Zia became Bangladesh's first female Prime Minister with the support of the majority of the members of the parliament.

While in power, Khaleda government made considerable progress in the education sector, including introduction of free and compulsory primary education, tuition free education for girls up to grade level ten, stipend for female students and the Food for Education Program (Kholiquzzaman, 2005). Under Khaleda regime, the tree plantation program had become a nationwide social movement where this policy had been applauded by most of the Bangladeshi. Further, it was in her first-term that the construction of the Jamuna Bridge was started. Khaleda played a commendable role in revitalizing the SAARC. It had also increased the age limit for entry into the Civil Service from 27 years to 30 years and made the budgetary allocation the highest priority in the education sector. However, in domestic political arena, Khaleda, who was also the wife of late Zia, had first started to systematically eradicate Mujib's legacy from the country and had tried to establish Zia's legacy in every steps it was possible, which was one of the vital causes of AL parties movements in parliament as well as outside of the parliament. Furthermore, Khaleda regime had continued to keeping cozy relationship with military elites with any costs and continued keeping the villains of 1975 revolution on the payrolls.

c) Government of Hasina (1996 – 2001)

Under the Constitution with free and fair election, the AL won 146 seats in the 1996 parliamentary elections (Kholiquzzaman: 2005). With the support of the Jatiya Party - Ershad and a few independent candidates that were enough for the 150 plus seats needed for forming the government. After forming majority, Hasina took the oath as Prime Minister of Bangladesh where she had vowed to create a *Government of National Unity*. Though some smaller parties and a few individuals from BNP did join the government, the distance between the main two political parties as well as its leaders remained as large as ever. Hasina did manage to convince Justice Shahabuddin Ahmed, who led the first caretaker government, to assume the post of President. This selection of an unbiased person as president was praised by her supporters as a proof of Hasina's good will to reach out to the opposition. On the other hand, to satisfy the burning demands of its own party members, Hasina for the first time had taken initiative to bring the villains of 1975 back home, however, they denied returning home, as a result, Hasina regime fired them from the jobs.

A major achievement of the new government was to strike a treaty between India and Bangladesh concerning the Farakka Barrage, a bone of contention between the two countries ever since it was built in the 1960s. According to the treaty, Bangladesh was to receive 33 thousand cubic feet per second of water. Hasina next went on to create a 'Peace Treaty' with the tribal rebels in the mountainous southeast of the country, thus seemingly solving a problem as old as Bangladesh itself. Though rebel activities have reduced greatly after the treaty, the region remains a hotbed of tensions.

On the down side, the AL was criticized for harboring gangsters turned politicians (Kholiquzamman: 2005). Her government was also criticized for over using Mujib, the country's

founding leader and also father to Sheikh Hasina in the media and naming many major institutions and constructions after him. By so doing, the AL maintained Khaleda's footsteps to systematically eradicate Zia's legacy. The BNP also accused the AL of politicizing the administration and state-owned media. Her party was also accused of being lenient towards India, especially after a shootout between border forces of India and Bangladesh left 16 Indian and 3 Bangladeshis' border guards dead.

During the last years of Hasina regime, the Transparency International had declared Bangladesh to be the most corrupt country in the world. Though Bangladesh had almost always been in the bottom five, the last position created uproar and was seen by many as a major failure by Hasina regime. Nonetheless, after Hasina was voted out of office, Bangladesh has remained at the last position in the Transparency International list. The opposition party – the BNP Alliance had demanded Hasina to be resigned and declared early elections, but Hasina refused to do so. She became the first democratically elected prime minister to complete her term.

d) Government of Khaleda (2001 – 2006)

After ending Hasina's term, under constitution, Justice Latifur Rahman became the head of the caretaker government; however, the AL alleged that he was biased towards BNP after he transferred a large number of civil servants immediately after taking office (Global Integrity Report: 2009).

The AL succumbed to a landslide defeat in the 2001 Parliament elections. It won only 62 seats in the Parliament, while the 'Four Party Alliance' led by the BNP won more than 200 seats, giving them a two-thirds majority in Parliament. Hasina and the AL had rejected the results and claimed that the election was rigged with the help of the President and the Caretaker government.

However, the international community was largely satisfied with the election outcomes and the 'Four Party Alliance' led by Khaleda had formed the government.

However, the AL had been irregular in the Parliament since the beginning of Khaleda's second term. The AL leader had continued with the claim that the ruling party didn't give the opposition enough time on the floor in policy discussion. In late of 2003, the AL started its first major anti-government movement by declaring through party- secretary-general that the government would fall before April 30, 2004. This failed to happen and was seen as a blow to the party and Hasina herself, who had implicitly supported the party-secretary-general derogatory assertions. However, in Khaleda's second term, her close relatives including her two sons, her political lieutenants were involved in massive corruptions, collection tolls from truckers in major city gates etc and her army based growing supports became counterproductive to her political image. Moreover, in Khaleda's second term, Hasina had faced with assassination attempts against herself. In June 2005, the AL got a boost when AL-nominated incumbent mayor won the important mayoral election in Chittagong, one of the important cities in Bangladesh. This election was seen as a showdown between the opposition and the ruling party, BNP.

In Khaleda's second term, the regime was plagued by rising religious militancy, continuing its spiraling of corruption reported by Transparency International, a rise in alleged attacks on minority groups such as Hindu and Ahmadiyahs, which was documented by the US State Department and Amnesty International (Codron: 2007). A particular controversial piece of legislation introduced by the government was the banning of Ahmadiya publications in January 2004, which had attracted considerable concern from international observers.

In second term of Khaleda regime, the BNP was also criticized for building alliance with its former political foe the Jatiya Party, and the Islamic party of Jamaat-e-Islami Bangladesh and the Islami Oikya Jot, which had helped to launch opposition movement during Hasina's term.

Khaleda, like Zia had been criticized much for making alliance with Jamaat-e-Islami, the party which had opposed the war of independence of Bangladesh and had formed Razakar, Al-Badar and Al-Shams team to help West Pakistan. Around 3 million people were killed by West Pakistan army with the help of Razakars, Al-Badars and Al-Shams in 1971. The general population of the country did not see it her political strength but it weakness as her husband, Zia, had been with the same cause. The four-party alliance then participated in the October 1, 2001 general elections and won the election with a two-third majority of seats in parliament and Khaleda was once again sworn in as the Prime Minister of Bangladesh.

e) Military backed interim Government

i) Iajuddin as Chief Advisor

At the end of Khaleda's term, the planned January 22, 2007 elections were marred by controversy. The Caretaker government was formed with claimed to be neutral nonpolitical persons where few of them were from retired army and from other professions. The AL and its allies had protested and claimed that the elections would not be fair because of alleged bias by the Caretaker government in favor of Khaleda and the BNP. Hasina had demanded that the head of the Caretaker government, President Iajuddin Ahmed, should step down and on January 3rd, 2007, she announced that AL and its allies would boycott the elections. Later in the month a state of emergency was imposed, Iajuddin Ahmed stepped down, and the elections were postponed.

Khaleda's term in office ended on October 27 of 2006. The following day rioting broke out on the streets of central Dhaka following uncertainty over who would succeed her as Chief Advisor so that a free & fair parliament election could be held. On the same day evening, a presidential statement declared that former Supreme Court Chief Justice K.M. Hassan, who had been due to takeover as Chief Advisor would not be assuming the role due to ill health. Subsequently, Iajuddin Ahmed, the President, assumed power as Chief Advisor of the Caretaker government.

After enormous domestic and international pressures and amid AL claims of partisanships, Iajuddin formed Interim government and stepped down as head of the Caretaker government.

ii) One-eleven Crisis and Fakhruddin as Chief Advisor

One-eleven is the highly talked words in Bangladesh, especially among the educated urban middle class. One-eleven is the date of January 11 of 2007, the oath-taking day of Interim Government. On January 12 of 2007, President Iajuddin swore Fakhruddin in as Chief Adviser to the Interim Caretaker Government. Fakhruddin was credited with bringing an end to the anarchy that had threatened to sweep the troubled nation. For a country widely perceived as one of the most corrupt country (International Report, 2008), the most dramatic aspect of Fakhruddin's role was his anti-graft campaign against the establishment. Many developed countries including USA, UK and Germany had directly involved for this move.

Anti-corruption drive

In his first move, Fakhruddin had postponed elections scheduled for January 22 of 2007. The new Caretaker government, in its fight against corruptions, had targeted many of BNP ministers. Khaleda's both sons were arrested for corruptions. It was also reported that, beginning

on April 9 of 2007, the government barred other politicians from visiting Khaleda's residence due to the state of emergency, imposed in January, which prohibits political activity.

Different news-reports had reported news on Khaleda & Hasina's futures where Hasina was on a personal trip to United States, Canada and United Kingdom. Some had claimed that the both leaders had options to go for exiles, Hasina could be barred to enter the country or both leaders would be confinement in their own homes etc. Underpinning these rumors on April 19 of 2007, a member of the BNP National Executive Committee filed the appeal urging the Court to order the government not to send Khaleda abroad against her wish and challenged the reported confinement of Khaleda to her house. On April 22 the High Court (HC) issued a rule on the government to explain within five days why the Court will not direct the government to produce Khaleda before the Court to prove that she was not confined to her house. On April 25, in what was viewed as a reversal, Khaleda's movement was not restricted as it was claimed by the government. Also, government had dropped its ban on Hasina's return.

The government was ordered on May 7 of 2006 by the High Court to explain restrictions on Khaleda that were said to remain in place. On July 17, the Anti-Corruption Commission sent notices to both Khaleda and Hasina, requesting that details of their assets be submitted to the Commission within one week. Khaleda was asked to appear in court on September 27, 2007 in connection with a case for not submitting service returns for Daily Dinkal Publications Limited for years. During this period, many corruptions cases were filed against political leaders including the Khaleda and Hasina. Based on these cases, both Hasina and Khaleda were arrested and confined in special-build houses in the Jatiya Sangsad area.

Initiative of party formation

During this anti-corruption drive, members of Chief Advisor along with the high officials in the army had tried to form a political party with members from different parties and from prominent intellectuals. In some instance, there were rumors of imposing Marshall Law if needed. It is not still clear whether imposing Marshall Law was a threat for getting things done as planned by the team of the Interim Government or it was a real threat came from the army.

Restructuring Election Commission

Though the prime responsibility of the Interim Government was holding a free, fair and generally accepted National Election, the Fakhruddin Interim Government had passed a year of its responsibility including anti-corruption drive, various reforms in administration and legal field and in politics. The Election Commission was also running through their declared 'roadmap' for National Election. As a result, activities of the government become very vast, complex, difficult and complicated. And of course the prime duty of the government stands in front of a question of citizens that was the government intending to hold a parliamentary election acceptable to all political parties and communities of the nation and society within the time declared in 'roadmap'?

After restructuring the Election Commission, the government and the Commission had agreed to prepare a competent voter list within a possible short period and holding a national election on or before December 2008. The Election Commission had also declared time segmentation for preparing voter list and for few other related activities.

In the election scenario of Bangladesh, the issue of local government election was also evolving with due importance. In Bangladesh, local government means six City Corporation, the Municipalities and the Union Porishads (councils). Most of the local government bodies were also due to hold elections. With this reason, the Election Commission was thinking of holding

the election of those local bodies in the time frame mentioned in election ‘roadmap’, which took then so long to redesign the roadmap.

Confusion surfaced among Bangladeshis

Because of the long ‘roadmap’ of Election Commission, the anticorruption drive of government, detention of top political leaders and other initiatives of the authorities had developed a doubtful situation among the politicians of the country. As a consequence, politicians of major parties were demanding a dialogue between political parties and the government. The government had also a feeling that a dialogue could be helpful to resolve many political, legal, ethical, administrative and constitutional problems and issues. One or more advisors of the Interim Government had already told that even post election issues could be and should be discussed in the dialogue with political parties. The heavy weights of the major political alliances and parties were also talking about the method and conditions of such dialogue.

Since the authorities had the good intention to conduct election of local government bodies prior to the parliamentary election, since the election commission was walking through their ‘roadmap’, since the politicians had the good purpose to resolve the national problems under constitution, a dialogue was essential between the Interim Government and the Political Parties of the Country.

General election

With enormous cooperation from international communities and from efforts from various segments of the administration, the Interim Government successfully held a peaceful, free and fair general election on December 29 of 2008.

Power handover to the elected government

The election had established the Constitutional binding and upheld Article 7(1). The constitution clearly states: "All powers in the Republic belong to the people, and their exercise on behalf of the people shall be affected only under, and by the authority of, this Constitution". President Iajuddin had congratulated Hasina, the leader of the winning party in the general election and invited her to form government as majority leader. The President had administered the oath under provision of Article 56(2) of the constitution of Bangladesh to leader of the House Sheikh Hasina as the Prime Minister at Darbar Hall, Bangabhaban on January 06 of 2009.

In Bangladesh, the very constitutional provision for a mid-term, non-partisan Caretaker government suggests that something was wrong with the normal functioning of democracy in which an independent election commission holds general election even when an elected party is in power. But the history suggests that in Bangladesh a party or parties could earn the trust of other parties because the opposing parties know for sure that the party or parties in power will manipulate the election in their favors. This mistrust among the parties has made Bangladesh politics confrontational rather than cooperative. The answer to this mistrust situation surely is the Caretaker government. This system can be trusted to organize a fairly neutral election; however, it can never be a permanent solution to Bangladesh democracy. If it goes on, it will be remain a stigma for the nation rather than as a blessing. Weaknesses on the part of political leaders have legitimized past military governments. The nation's political leaders may not agree with this, but it is true that their inability to guide the nation as well as their corrupt nature is mostly responsible for the sorry state of affairs in the political, social and economic domain. The people here know that for a vibrant functional democracy, leaders should be people-oriented. The political leaders also profess to serve the people selflessly. The people here now understand

that for an effective democracy, three things - good governance, rule of law and freedom of press are essential. The nation now needs the necessary political will to continue driving and making the institutional reforms meaningful through practicing participatory and accountable politics. With these struggles and rapid progresses in establishing democratic institution in a short period of time, over forty years period, Bangladesh has witnessed early stages of democracy, socialism moves, army dictatorships and then re-establishment of democracy. In essence to these phases in political history, Bangladesh is now a unique nation in the globe where no other nation has witnessed these stages in such a short period of time.

The Government of Hasina (2009 – 2013)

After inauguration in office, Hasina government was cleaning up the mess and using its brand of politics by calling it democratic move for reestablishing democracy. It started by motivating members of the Parliament for crafting laws that could ensure tightening further possibility of military intervention or any military influences in Bangladesh political history.

Ending the Caretaker Model

Although the caretaker model enjoyed wide popularity (International Crisis Group, 2015) a petition filed by a Supreme Court lawyer to the High Court division in 2000 and heard in 2004 challenged the thirteenth amendment. The BNP-led government's attorney general and the AL's advocate both backed the system.

With this progress in this line, instead of building consensus for a new model with the opposition, the AL government abolished the system through the fifteenth amendment in June 2011. This political move was justified based on the Supreme Court judgment and abuses of

power during the military-backed Caretaker Government (CTG), despite a mixed signal from citizenry of Bangladesh.

In politics, here BNP believed this was done to improve the AL's re-election prospects, given the advantages of incumbency, particularly control of the law enforcement apparatus. These perceptions were reinforced by the failure to introduce electoral reforms to prevent executive interference and strengthen the autonomy of the Bangladesh Election Commission (BEC). Transparency International Bangladesh (TIB) warned this would likely "jeopardize the level [electoral] playing field" (International Crisis Group, 2015).

The 2014 General Election and the controversial outcome: A rare political move

BNP's political fortunes had been rising as the 2014 elections approached, in part due to its opposition to the fifteenth amendment. In June-July 2013 election, BNP won all five major mayoral elections, which suggested victory in the general election was possible for the BNP. Yet, Khaleda was insisting on restoration of CTG, which was rejected by Hasina government. With this conflicting political move, chaos & violence were becoming a daily incidence in political arena of Bangladesh. As consequences, the EU's Election Observation Mission (EOM) cancelled plans to monitor the election, as did U.S., Commonwealth and other international missions. Election-related violence made the 2014 polls the most violent in the country's history. Countrywide *hartals* (strikes), demonstrations and traffic blockades that stalled economic activity and travel outside the urban centers were accompanied by attacks on AL supporters and officials in the run-up to and on the day of election where administration was not hesitant using law enforcement as a power to undermine the chaotic movements.

With a dramatic move in politics, some opposition leaders, notably Jatiya Party (JP)'s Hussain Mohammed Ershad, the former military dictator, were coerced to participate in the process to create the appearance of a competitive contest. Only twelve of forty-two registered parties participated. This so called election result shows that 154 of 300 seats were uncontested, of which 127 went to AL candidates by default (EC, 2015). The EC announced turnout was 40 per cent, however, the Fair Election Monitoring Alliance (FEMA), a local observer group, estimated it at 10 per cent (International Crisis Group, 2015). The U.S., UK and EU strongly criticized the election, but other influential states, including India, China, Japan and Russia endorsed the result.

Failing to galvanize opposition on the streets afterwards, the BNP participated in the six-phase *upazila* (local) elections, February-May 2014, scoring major victories in the first two rounds. It did less well in the later rounds, amid widespread allegations of rigging by AL workers and some security personnel (Prothom Alo, March 31, 2014).

Parliamentary Incapacity

Bangladesh's political system has vacillated not only between military and democratic rule, but also between presidential and parliamentary forms of government since 1975. In recent years, parliament was hampered by confrontational, zero-sum politics, marked by parliamentary resolutions against the opposition party and frequent opposition boycotts. Passage of the fifteenth amendment was emblematic of the unwillingness to cooperate; the ruling party pushed it through without meaningful consultations. Likewise, the BNP opted to boycott polls, resorting instead to violent agitation and so undermining the legislature's ability to check executive overreach.

Inadequate resources, including personnel, logistical support and research and analysis capacity, limit parliament's ability to shape legislation, provide oversight of the executive branch and respond to public needs. Despite the restoration of parliamentary democracy, there is also still a considerable degree of centralized executive power. Article 55 of the constitution vests all executive authority in the prime minister rather than cabinet; many legal experts consequently describe the form of government as "prime ministerial" rather than parliamentary (International Crisis Group, 2015).

In September 2014, the sixteenth constitutional amendment restored parliament's authority to impeach Supreme Court judges, by a two-thirds majority, for incapacity or misbehavior. It also gave parliament power to impeach holders of constitutionally mandated offices such as the chief election commissioner. This move nominally strengthened the balance of powers but has raised concerns of potential misuse under an AL government demonstrating willingness to politicize its actions and with parliamentary opposition defunct.

It also raises questions about "who guards the guards". Former ministers and state ministers from the last parliament now standing committee chairpersons are unlikely to investigate their own conduct or that of their former ministries. Such conflict of interest may defeat the purpose of the parliamentary committee system, all the more so when, in effect, there is no parliamentary opposition.

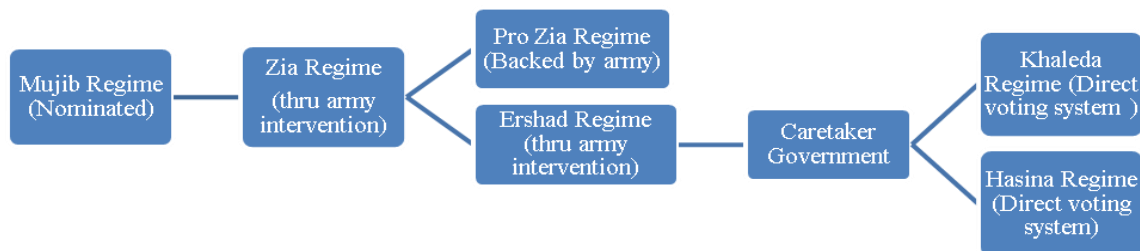
The current temperature of the political environment in Bangladesh suggests that a snap general election is likely to be held before the tenth parliament expires in 2019 to ensure that all parties participate.

II. Lessons learned from political history of Bangladesh

1) The probable causes of recent crisis

The causes of political crisis in Bangladesh did not arise overnight. Political history of Bangladesh suggests that it has linkages with the colonial political setup as well as with the East Pakistan political setup where religious was the backbone of policy setup. However, the liberation war and then the effective outcome together, had inspired the society as a whole for sticking with the fruits and for growing up prosperously as the time passes. But unfortunately nation once again became the victim of international politics where inner circle, *especially*, the military was found to be betrayal with the nation as a whole and for the first time it introduced Martial Law in the newly born Bangladesh. Figure 4.1 clearly shows how the nation walked through the dilemma and how it has been shaping the political appears in Bangladesh.

Bangladesh political regime (1972 – present)



a) Political Instability

Our observation, *especially*, the recent one-eleven crisis (2007) and the aftermath suggest that the reestablishment of democracy has passed its puberty stage; however, the opposition parties and the regime are still struggling to work together so that the democracy can grow.

Nonetheless, it is now well accepted that holding a regular, free and fair election to the Jatiya Sangsad (JS) is a welcome departure from the pre-1991 phase where elections were a cosmetic exercise to legitimize the ruling elite (Duby: 2001). With this development in hand, even though five national elections were held since 1991, the process is still unstable and no one knows what will happen for the next general election. Opportunistic alliances, dishonesty in the leadership, unwillingness to recognize & accept the popular verdict and lack of responsible oppositions make today's polity fragile and insecure.

b) Coalition politics and political opportunism

Since 1991 when the first multi-party elections were held, we see that four parties, three personalities, two families and one problem have dominated Bangladeshi politics: The four parties are-AL, BNP, Jatiya Party (JP), Jama'at-e-Islami, the three personalities are -Hasina, Khaleda and Ershad; two families are Mujib and Zia families; the one problem is personal animosity among leaders of the major parties.

Until 1975, the AL dominated the Bangladeshi political scene. Zia who came to power through a military coup in 1977 sought to consolidate his power base and floated the BNP where he formed the party mainly with members who were odd to the war of independence. Ershad, who deposed President Abdus Sattar in a bloodless military coup in 1982 and had followed the same example and formed the JP. Both the AL and the BNP followed a distinct pattern, after assassination of party leaders, the party leadership went to immediate relatives, daughter (Hasina) and wife (Khaleda) respectively. For its part, the JP had largely remained a military-establishment party and was on the wane since the restoration of democracy in 1991 (Mahmud: 2007). The Jama'at, which benefited by the removal of the ban on religious parties in 1976,

gradually consolidated its base and edged out moderate religious parties such as the Muslim League, which unlike the Jama'at, was essentially a political party.

The inbuilt animosity between Hasina and Khaleda precluded their cooperation even during national emergencies. The mutual distrust and animosity were so intense that in the 1980s they refused to handshake and but continued to fight against the military ruler Ershad. In fact, capitalizing on the situation, Ershad managed to convince Hasina to fight the March 1986 Jatiya Sangsad elections boycotted by the BNP. Likewise, prior to the 2001 elections and in a vain bid to weaken Khaleda, Hasina weaned Ershad away from the BNP-led coalition.

In their bid to capture power, the secular-oriented AL and the right-wing BNP were not averse to enlisting the support of the Jama'at which has thus emerged as a major player in coalition building. Its strength lies in its ability to forge issue-based partnerships with diverse groups without diluting its Islamic credentials. It is not averse to making common cause with both the principal forces in Bangladesh and has capitalized the mutual antagonism and animosity between Hasina and Khaleda. In some form or the other, the Jama'at played a significant role in the formation of all the three governments since 1991. Its alliance with the Jama'at largely enabled the BNP to secure an absolute majority in 1991 and 2001 general elections. Abandoning this alliance proved costly to it in 1996 when the AL secured the largest number of seats in the Jatiya Sangsad. Even though BNP is seen as the natural ally of the Jama'at, the AL was also not averse to reaching a tactical understanding with the Islamic group. Attempts by Hasina (1996-2001), notwithstanding her secular credentials, to co-opt the Jama'at during the opposition's boycott of parliament, considerably enhanced the political acceptability of the Jama'at.

c) No faith in leaderships' honesty

In 1991, when the military ruler finally opted to relinquish power to the elected leadership, a neutral non-partisan caretaker government was formed to conduct and supervise elections. This arrangement was institutionalized in 1996 following the controversial elections to the sixth JS held under the BNP government. Continued boycotting by the opposition had necessitated the introduction of a caretaker government.

In analytical perspective, based on the performances of the four caretaker governments since 1991, the following observations can be identified

i. Lack of popular confidence in elected government to conduct elections

Some Bangladeshi scholars have argued that this could be an ideal model for other Third World countries (Hakim: 2000). The arrangement, however, underscores the deep-seated distrust among the political parties and lack of popular confidence in the ability of an elected government to hold, organize and conduct non-partisan elections

ii. Accusations of partisanship of the Caretaker government

The mutual distrust among the political parties has compelled them to support the idea of a caretaker government to hold elections. Such an arrangement is seen as a lesser evil, which would minimize and preclude electoral malpractices. At the same time, the principal parties have doubted the 'impartiality' of the caretaker government. In 1996, Khaleda mentioned the 'partisan' attitude of Justice Habibur Rahman's government; and five years later, Hasina adopted the same posture vis-à-vis Justice Latifur Rahman's government. Their muted remarks turned into vocal criticism when the verdict went against them.

iii. Dangers of prolongation

Until now, three caretaker governments were in office for a short duration and the fourth caretaker government (2007) had stayed longer than two years because of political crisis. But this prolongation of tenure because of any unforeseen developments may erode the democratization process in the long run.

iv. Lack of accountability

Under constitution, even though holding free elections is the prime mandate of the caretaker government, it is also responsible for the day-to-day running of the country until an elected government takes office. A body that is explicitly and exclusively created to organize elections runs the administration during this period. Some have felt that, if an elected body cannot be trusted to conduct and organize free and fair elections, an un-elected body composed of people selected by a retired or working individuals cannot be trusted to run the administration.

v. Controversial decisions of caretaker government

Headed by non political individual with a specific mandate, the caretaker government is primarily an un-elected government and any sensitive decision it might take would lack political legitimacy. Indeed, during the 2001 elections, some of the decisions taken by the administration led by Justice Latifur Rahman came under criticism from the AL and from neutral non-political observers as well. By reversing some of the unpopular decisions of the elected government, *Justice Latifur Rehman had exceeded the constitutional propriety and usurped the powers of the elected government.* In his enthusiasm to 'clean-up' the support system that feeds corruption, he cancelled some of the national and international contracts signed by the Hasina government.

Indeed, the popular distrust against political parties and accusations of partisanship of even caretaker governments underscore the failure to evolve a permanent constitutional body like the Election Commission to conduct and administer the electoral process.

vi. Problems of Governance

The acuteness of political instability is compounded by lack of accountability of the political leadership and the absence of checks and balances. The opposition often disregards the parliament and has treated the institution as merely a forum for and by the ruling alliance. The lack of an institutional mechanism to restrict and curb authoritarian tendencies as well as to establish independence of various institutions has led to problems of governance. Furthermore, involvement by leaders or by its family members to corruption acts have severely damaged the images of both leaders of major parties

vii. Political Irresponsibility

Despite regular and periodic elections, political legitimacy continues to evade Bangladesh. Each JS election was followed by allegations of rigging, intimidation and other forms of electoral malpractices by the party losing the polls. Instead of gracefully accepting the popular verdict that goes against them, the losers rarely concede defeat but indulge in street protests, boycott of parliament and organize prolonged *hartals*.

During Khaleda's first government, the AL organized 173 days of *hartals* and the BNP retaliated with 85 days of total stoppage of public activities when Hasina was in power (Varian: 2005). These often lead to incidents of violence. Conveniently forgetting their pledges the political parties made while in office, they invariably resort to prolonged agitation in politics from the opposition ranks.

The continued inability of political parties to accept the popular verdict led to international intervention. On August 2, 2001, weeks before the Jatiya Sangsad elections Hasina and Khaleda gave a public pledge to former US President Jimmy Carter that they would accept the results and the party in opposition would not boycott parliament (Hye: 2001). But soon after the elections, Hasina conveniently forgot the pledge. Accusing that the elections were rigged and manipulated, she refused to accept Khaleda's landslide victory and opted to boycott parliament. Likewise, the removal of special security cover to the two surviving daughters of Mujib, including Hasina, provided an excuse for breaking her pledge against *hartals*.

The parties in power have also displayed lack of political acumen. They are unable to overcome past antagonisms; they tend to treat the opposition as an opponent rather than a legitimate player in a democracy. Indeed, Hasina's refusal to give adequate coverage to the opposition in the state-controlled media led to a BNP-sponsored *hartal*. Similarly, immediately after assuming office, Khaleda filed a series of corruption cases against members of the former Hasina government,⁸ banned a number of Awami League leaders from leaving the country⁹ and incarcerated a host of second rung leaders.

The prolonged trading of charges between Khaleda and Hasina has reached a new and dangerous level. In a measure reminiscent of personal vendetta of the pre-independence period, Khaleda began a process of revisionist historiography in Bangladesh. Efforts are being made to systematically erase Mujib's role in the liberation of Bangladesh.

The prolonged personalized politics between two warring families and gradual marginalization of Ershad could pave the way for the possible emergence of the Jama'at as a potential alternative. Its strong ideological moorings, well-organized network, corruption-free image and social

activism could work in favor of the Islamic party when other parties have none of these advantages and are saddled with negative stereotypes.

viii. Islamism and Dangers of Extremism

At the time of partition of the Indian Union, the Muslims of Bengal identified themselves with the Muslim League, leading to the formation of East Pakistan. Pakistan as the homeland of the Muslims of the subcontinent further consolidated the religious identity and submerged the Bengali cultural identity. However, party of Muslim League, East Pakistan was anti to war for independence. After winning in the war of 1971, Bangladesh has to differentiate itself from West Bengal and not West Pakistan. Therefore, despite his secular moorings and commitments, shortly after taking office as president of the newly formed Bangladesh began to embrace Islamic symbolism and, once again, Islam emerged as the primary national identity. Since Mujib's assassination in 1975, frequent military interventions strengthened, furthered and consolidated the political stronghold of the religious forces. Zia, who took over in 1977, needed political legitimacy and Islam turned out to be his support base. Despite not being overtly religious, he rekindled latent Islamic undercurrents and his political outfit, the BNP, gradually relegated Bengali cultural identity and promoted Islam as the primary national identity. His successor, Ershad, went a step further and declared that Islam would enable Bangladesh "to live as a nation with a distinct identity" (Kamaluddin: 2010).

The growing Islamic fervor in Bangladesh and growth of the Jama'at manifested themselves in far reaching changes that are taking place in the country. Despite its avowed commitment to secularism, the AL has adopted a number of overtly religious positions to win over mainstream voters. During the 2001 JS elections, its manifesto promised not to enact any legislation contrary to the Quran and pledged to establish a shariah bench at the Supreme Court.

The Jama'at, which fought the election as an ally of the BNP, sought to regulate and institutionalize 'mosque-based education.' Other parties have also adopted an overtly religious position in their manifestoes.

ix. Weakening Social Cohesion

Growing domestic violence has emerged as a major challenge to the Bangladesh government. The prolonged nexus between politicians belonging to the AL and the BNP with criminal elements, rampant flow of small arms and criminalization of university campuses have led to severe law and order problems. Restoration of peace in the streets dominated the 2001 election campaign with the BNP calling for district level special courts to deal "with heinous crimes like repression of women, abduction, acid burning, extortion and the like." The IJOF went a step further and promised to rid Bangladesh of terrorism within three months if it was voted to power. On the eve of the 2001 elections, the value of illegal arms in the country was estimated at a quarter of a million rupees (The Daily Star, October 28, 2002).

x. Wasting taxpayers' money

In Bangladesh, people have been continuing their struggles for democracy through electoral processes since before 'independence'. Once again, in 10th Parliamentary election, they waited for a peaceful change of power through general election that took place on January 05 of 2014, under conditions in which it was difficult to have any confidence. In this pre setup election the major opposition party did not take part, 153 candidates out of 300 parliamentary seats were selected without contest and as media reports, 10 percent of the voters participated. Because of low participation and over 50 percent of the parliamentary seats were selected without contest cannot represent a democratic fair and free election by definition as critics view it. Former advisor to a caretaker government, Akbar Ali Khan terms the just concluded election 'legal' on

constitutional basis, however, holding talks for reaching a consensus on holding a fresh election as soon as possible to resolve the ongoing political crisis. Khan has further insisted for a fresh poll that should be organized immediately to protect the democracy because of moral basis needed to fulfill the purposes of holding a free, fair and transparent elections following the constitution (The Daily Star Newspaper, January 21, 2014).

The 10th parliamentary election was a 'rare' incident in the world's history of democratic ruling system where winning of 153 candidates out of total 300 seats were uncontested in the elections, which makes to believe that democracy cannot be strengthened this way. Now the pulse of political environment suggests that a snap election is likely to be held before the tenth parliament expires in 2019 to ensure that all parties participate, which justify to say that it is nothing but wasting taxpayers' money.

Here the politicians have crippled the democratic electoral system that has made the next general election very uncertain in free & fair perspective. Even with this very dysfunctional electoral system, people dream of a functioning, dignified democratic government. Yet whether and when this controversial election will actually take place are issues of great uncertainty. Who will take part if they do, who will win, and what will happen if this party wins or that party loses remain subjects of intense speculation. The electorate has voted for different parties at different times, but they have all failed to fulfill their electoral promises. Ordinary people outside political groupings see no hope with these sets of leaders and parties. They want real and radical change in the system and leadership. However, the question remains as to who will bring about change, as the current politicians will not.

Chapter 5

Conceptual Analysis of Measuring Democracy, Good Governance and Economic Growth in Bangladesh Perspective

When you can measure what you are speaking about, and you can express it in numbers, you know something about it

----- Lord Kelvin (Sir William Thompson, 1883)

I. Introduction

The theoretical bases of democracy, good governance and of economic growth encourage a broader approach for explaining and measuring them while covering and integrating non-political dimensions. This is enabled by an understanding that these concepts supported in literature represent not only a concept of the political system, but also a concept that extends to society, and includes interfaces between politics, society and economy. Politics or policy has or should have a responsibility for economic, *especially*, socioeconomic performances. Furthermore, there are also needs that democracy and good governance reflect the context of its natural environment so that participants' potentialities can be blossom in competitive manners where legal systems must standalone without interruption to it. Therefore, the concepts of democracy turn out to be more demanding, the more they move from a mainly electoral democracy emphasizing elections, political rights to a liberal democracy & civil liberties. Overall, democracy is a fundamental concept of politics and it is unobservable therefore, it poses a difficult measurement problem for quantitative analysis.

With these limitations in measurements of democracy and good governance, we navigate relevant literature as follows and pinpoint the techniques of measurement, which will be helpful in designing our own mathematical models for calculations. In other words, in Chapter 5, we introduce unique techniques on measuring democracy, good governance etc., which will be used in Chapter 9 on forming our mathematical models for testing our hypotheses in this study.

II. Democracy, Good Governance and Economic Growth Measurement in numbers

In aim to transform political institution vs. its economic performance into testable hypotheses, in this section, we address the question of how to conceptualize and measure the three fronts: democracy, good governance and economic growth in numbers. In this viewpoint, we revisit the concepts and meanings of democracy, good governance and of economic growth in literatures. Here we identify indicators from the definitions of democracy, good governance and economic growth, which can be used to i) diagnose whether a political institution is democratic or something else ii) diagnose whether regime meets prerequisites of good governance and iii) measure sector wise economic growth of Bangladesh.

In growth measurement perspective, we have chosen the major sectors namely agriculture, industrial and services because these three sectors significantly dominate the economy of Bangladesh. In this measurement, we use the contribution share of each of these three sectors to the total GDP in percentage. For societal development measurement, we use improvements in the area of health, education and sanitation as indicators. For identifying the beneficiaries of growth in society, we use yearly rate of employment / unemployment, purchasing power, rich-poor gap (Lorenz Curve evaluation) and poverty eradication level as indicators.

After selecting the indicators of measuring the three fronts namely democracy, good governance and economic growth, we use them in Chapter 9, where we examine whether i) democracy is essential for economic growth in Bangladesh and ii) democracy and good governance both are simultaneously necessary for economic growth in Bangladesh.

In this scientific study, instead of cross sectional analysis, we use the longitudinal multiple regression analysis of data from year 1972 to 2012 where the political economy of

Bangladesh serves as a case study for the political economics of any developing countries. In this study, the utilization of this historical data statistics over the cross sectional data statistics and incorporation of all plausible institutional measures into mathematical models for examining linkages and its directions are significant over the M. Phil research work, which was completed in year 2010.

Our approach in this Section advances in two segments. In the first segment, we layout the meaning and concept of democracy, good governance and economic growth that are then used designing the respective mathematical models for measuring democracy, good governance and growth. In the second segment, we scan likely linkages between democracy & economic growth, and between good governance & economic growth by raising three questions: i) what the relevant scientific studies suggest on likely linkages of the two ii) what our observations suggest on likely linkages of the two and iii) what our beliefs are on likely linkages of the two

A. Meaning and concepts in numbers

Democracy

The term democracy is derived from the Greek words, *demos* – means the people and *Kratos*, - means power (Diamond: 1997). Democracy thus means power of the people. It is now regarded as a form of government in which the people rule themselves either directly or indirectly through their representatives.

Definitions of democracy as a form of government may not vary but like many other definitions in political science, they differ in their content and application (Kapur: 1993). Democracy, according to the Greeks, is the government in which people rule over themselves. Aristotle considered it as a perverted form of government. Herodotus says, the democracy

denotes that form of government in which the ruling power of the state is largely vested in the members of the community as a whole. In the words of US President Abraham Lincoln, it is a government of the people, by the people and for the people (Agarwal: 1991). According to Bryce, "democracy is that form of government in which the ruling power of a state is legally vested, not in any particular class or classes but in the members of the community as a whole". Prof. Seeley says, "Democracy is a form of government in which everyone has a share". According to Dicey, "democracy is a form of government in which the governing body is a comparatively large function of the entire nation. On the other hand Gettell's opinion, "democracy is that form of government in which the mass of the population possesses the right to share in the exercise of sovereign power.

Among the definitions of democracy given above, the definitions of Dicey, Bryce, Abraham Lincoln and Gettell are more important and popular. In brief, we can say that democracy is that form of government in which the sovereign power of the state is in the hands of the people and people are the source of the state power and the people take part in the government directly or through their representatives. It is safe to say that democracy is the government of the majority and the majority safeguards the interests of the people. In this form of government, the interests of minorities are not ignored. On the positive side, democratic institutions provide a check on governmental power and thereby limit the potential of public officials to amass personal wealth and to carry out unpopular policies. But on the negative side, more democracy encourages rich-to-poor redistributions of income and may enhance the power of the interest groups.

B. Forms of democracy

There are two types of democracy: (a) direct and (b) indirect or representative.

Direct democracy

The type of the government of a nation is called pure or direct democratic government when people of the nation directly express their wills on public affairs. Here people formulate laws in a mass meeting. As of Hearn Shaw, “a democratic form of government, in the strict sense of the term, is one in which the community as a whole, directly performs the functions of sovereignty.” Direct Democracy was established in ancient Greek city-states. In India, direct democracy was seen in Vajji Sangha during the Buddhist periods. Today when large and complex societies have emerged and when area of the State is very extensive, direct democracy is impracticable. This system now prevails only in four cantons in Switzerland.

Representative or indirect democracy

In case of representative or indirect democracy, the will of the state is formulated and expressed not directly by the people themselves, but by their representatives to whom they delegate the power deliberation and decision-making.

John Stuart Mill has said in this regard “Indirect or representative democracy is one in which the whole people or some numerous portion of them exercise the governing power via deputies, who are periodically elected by themselves” (Stuart: 2003). Another writer Bluntschli has said, “In the representative democracy the rule is that the people govern through its official while it legislates, and controls the administration through its representatives” (Sidgwick: 1886).

This type of government was established in England in the seventeenth century. In France, it was established in 1830 and in Italy in 1948. In Germany it was established after the First World War according to Weimer Constitution. Again this system was established in West Germany after the Second World War. In India direct democracy was introduced in the Minto-

Morley Reforms of 1909. Today this system is seen in many countries like Japan, Sri Lanka, India, Canada, Australia, New Zealand, the United States of America, West Germany, Italy, France, Holland, Denmark, Sweden, Norway, Austria and Belgium.

C. Characteristics of a democratic institution in general

The characteristics of a democratic institution can be derived from basic principles of a democratic institution and prerequisites of a successful democratic institution. Utilizing these two segments, we identify major characteristics of democracy in Bangladesh perspective, which will be used as indicators in measuring the democracy in line of economic growth. For clarity, transforming our political regime vs. its economic performance into testable hypothesis, computable indicators of a democratic institution or a democratic regime can be identified for examining linkages.

D. Basic principles of a democratic institution

1. Liberty & equal opportunity

The main basis of democracy is liberty and equal opportunity. The people enjoy maximum liberty and equal opportunity because criticism of the people is not only tolerated in this system, but it is also encouraged. For example, in Great Britain, the government pays the leader of the opposition and the Prime Minister consults him in national emergency. Political history shows that when south Rhodesia threatened to declare the freedom unilaterally and when later on it declared its freedom; the British Prime Minister consulted the leaders of the Conservative Party and Liberal Party. Similar historical tradition can be seen in India. For example, in 1965, when Pakistan invaded India, Prime Minister Lal Bahadur Shastri consulted

the leaders of opposition parties. Further example, Prime Minister Lal Bahadur Shastri conferred with the leaders of the opposition prime parties before leaving for Tashkent for talks with Pakistan President Ayub Khan on January 5, 1966. However, in cases of monarchies, dictatorships, aristocracies and oligarchies, the people and the opposition parties have no say in the matters of national importance.

2. Equality

Special emphasis is laid on equality in democracy and there is no disparity among the people on the basis of caste, religion and position of status. Besides this, all are equal before law and there is no privileged class. It is essential to establish political and economic equality along with social equality. Thus, in order to establish political equality, all disparities on the basis of caste, religion, color and sex have been removed in India and Adult Franchise has been introduced in order to give opportunity to all the citizens to contest election to Provincial Assembly and Lok Sabha (Agarwal: 1991). Efforts have also been made to establish social and political equality in democracies like England, Japan, France, Belgium, Holland, Denmark, Sweden, Norway, West Germany, the United States of America and Italy. Politics and social equality is useless without economic equality. The Indian National Congress passed a resolution in its Bhubaneswar Session in January 1964 to bring about socialism through democratic means. Sincere efforts are now being made to implement this resolution.

3. Fraternity

Democracy can become successful only in a peaceful atmosphere; otherwise democracy has to face many difficulties. For this purpose, in 1954, former Prime Minister of India, Jawaharlal Nehru placed an idea of Panch Sheel before the world. Our government and many other democratic governments of the world are making efforts to promote world peace under

Nehru philosophy. India is the President of the Non-Aligned Movement and propagating this policy.

4. The people as ultimate source of sovereignty

In a democracy, people are the ultimate source of sovereignty, and the government derives its power from them. For this purpose elections take place in democracies at certain intervals. For example, in India and England, General Elections take place after every five years and in USA after every four years.

5. Fundamental rights to the people

In a democracy people are given fundamental rights because in the absence of these rights the development of an individual is not possible. For example, fundamental rights have been granted to the people in their Constitutions in democratic countries such as India, Japan, U.S.A. France and Italy. In England the rights and freedom of the people are protected through the Rule of Law, Charters, Acts of Parliament, and Judicial Decisions given from time to time.

6. Independence of Judiciary

In a democracy, it is responsibility of the judiciary to protect the fundamental rights of the people. In our country the Supreme Court and the High Courts protect the Constitution and the fundamental rights of the people. Wherever judiciary is not free, the protection of fundamental rights is not possible.

7. The people are considered as an end and State as the means in a democracy

This is one of the main characteristics of democracy that individual is a mean and the state is an end. It means that the state makes use of the individual for its own interest. In a dictatorship no attention is paid to the freedom of the individual.

8. Welfare State

Democracy is a welfare state and in it special attention is paid to the welfare of the people as a whole and not to a particular class.

E. The prerequisites of a successful democratic institution

To make the democratic institution a success in any country, the following conditions should be fulfilled where the strength of the democracy largely depends on the degree of the effectiveness of these conditions.

1. Sound system of education

Where there is illiteracy, it becomes difficult to make democracy successful because many qualities are needed to make democracy a success. The citizens can acquire these qualities only through literacy. The people should have the sense of understanding political problems. They should possess such qualities as sacrifice, sympathy, selfless service of the country, discipline, fraternity etc. As far as possible, education should be free and the rich and the poor should be given equal opportunities for their development. The citizens should strive for mental and physical development through education. Otherwise employment shall prove harmful for democracy. In short, ideal citizens are prepared through education without which democracy cannot become successful.

2. Enlightened citizenship

People should have the knowledge of their rights and duties to make democracy success. So long as the citizens do not perform their duties is essential, it is equally essential for the citizens to become conscious of their rights, without which there is every possibility of the government becoming autocrat. Therefore, it is said that 'Eternal vigilance is the price of liberty.'

3. Political awakening

It is essential to inculcate political awakening among the citizens to make democracy a success. Where there is no political awakening, the citizens fail to understand the political problems. They are also unable to elect their representatives properly. Political disinterestedness does not help the citizens to understand the economic and political problems of the day and contribute their mite to the implementation of various national plans defense efforts of the country.

4. Freedom

Democracy guarantees the citizens the freedom of expression, freedom of profession, freedom of religion and freedom to form associations. A free and fearless press is the basic need of democracy in order to keep under checks the autocratic activities of the government. In the countries where press is not free, citizens cannot criticize the government with the result that they cannot fully enjoy much freedom. In Russia, china and other Communist countries, the press is not free to criticize the government. Press is also not free in the countries where there is military dictatorship.

5. Equality

Democracy does not recognize class distinctions. It is based on social, economic and political equality. In democracy all are equal before law and there is no discrimination on the basis of caste, color, religion, sex and economic status. Economic equality does not mean that everybody should be given equal monuments; it means equality of opportunity and a fair and open field for all. This kind of equality ensures social justice, which is the very life-breath of a democracy. Equality thus means giving everybody right to vote and contest election irrespective of caste, religion, property, sex, color and creed.

6. Law and order

The maintenance of law and order in society by the government is another essential condition for the success of democracy. Anarchy prevails where government fails to maintain law and order and the people's faith in government is shaken. They look towards dictatorship in order to get rid of anarchy.

7. Spirit of co-operation:

Every democracy has to face many economic, social, religious and political problems. In dictatorship, these problems are solved by the dictator according to his own whim. In absolute monarchy, the situation is similar to dictatorship, but it is different in a democracy. In democracy the Prime Minister or the President cannot act arbitrarily but they have to find the solution of problems according to the wishes of the Parliament or of the people. These problems can be solved by the co-operation of the people. Further, a democracy can flourish only if there is no big gap between the thinking of the people and of the government and when there is a spirit of co-operation between them.

8. Decentralization of powers and local self-government:

For the success of a democracy, decentralization of powers is essential. The concentration of power makes the government autocratic. With the division of power between the center and the provinces, the burden of the Center is reduced and the provinces get autonomy, which ultimately brings efficiency in the administration. With the introduction of local self-government, people take interest in the administrations and they give full support to the government. The French writer De Tocqueville has rightly said that, "Local institutions constitute the strength of free nations. A nation may establish a system of free governments but without municipal institutions cannot have the spirit of liberty."

9. High moral standard

The success of democracy also depends upon the high moral standard of the people as well as of the government. Where there is dishonesty, black-marketing, hoarding and smuggling and where the ministers and public servants are corrupt, the question of the success of democracy does not arise. People should have the spirit of patriotism, discipline, self-control, and honesty in payment of taxes and willing obedience to the laws of the land. The government should follow the ideal of service to the community, because a welfare state and a democracy are two inseparable things.

10. Social and economic security:

Economic security is essential for the success of democracy. The people should be given the right to work and it is the duty of the government to provide them with suitable employment. In case the government is unable to provide it to the people, it should at least provide them with shelter, clothing and food. In Russia and in many other Communist countries, the government has given this right to the people in their constitution. Our government should also recognize this right of the people for the success of democracy in our country.

Besides, social security is also essential. In this day and age, the government fixes hours of work, salary, bonus, paid holidays and compensation for fatal accidents in order to save the laborers from exploitation by the capitalists. The government should provide social security to the people in case of their being disabled due to old age, illness, accident or any other cause. Without this provision, democracy shall be considered useless. People in Russia have full social security. In India, too, some concrete steps have been taken in this direction.

11. Tolerance and spirit of unity

It is the responsibility of the people to make democracy a success. For this, the spirit of tolerance and unity is needed in a country like India where we have a number of religions, languages and castes, and where we find a disparity between the rich and the poor, these qualities are very essential. Despite the mutual disagreements, the people should join together to face a national crisis as a whole. In case of foreign aggression, the people should forget their differences of caste, religion, language and province and try to preserve the freedom of their country with a spirit of devotion and sacrifice.

12. Sound party system

In a democracy difference in views is not only tolerated but it is encouraged, because constructive criticism has an important place in a democracy. For this reason, many parties crop up in a democratic set-up. In the countries where there is only one party, and where other parties are banned democracy cannot develop, only dictatorship develops there. It happened in Germany during the time of Hitler and in Italy during the regime of Mussolini. Now-a-days, this type of dictatorship is found in Russia, China, East Germany, Czechoslovakia, Hungary, Rumania, Bulgaria and Poland. In order to make democracy a success, a healthy and influential opposition is a must; otherwise the ruling party will become an autocrat after winning the elections. The Opposition keeps a check on the autocratic activities of ministers. Without this, there is possibility that they are power-corrupt. Where there is a bi-party system, the task of making democracy a success becomes easier because one party rules and the other keeps an effective check over its activities. Where there are many parties, the legislature is divided into many small groups and no single party is in a position to form the government. The result is that coalition

governments are installed which is not stable. Therefore, bi-party system is better than multi-party system. There is a bi-party system in England and in the U.S.A. There is a multi-party system in France, Italy and West Germany. That is why democracy is more successful in England and the U.S.A, than in other countries where there is multi-party system. In France during the Third and Fourth Republics the government was very instable. As compared to France, there are fewer problems in Italy and West Germany, because certain parties are very powerful in these countries. In India, after the Fourth General Elections, we witnessed political instability because the Congress Party was unable to secure majority in some states. In certain states opposition parties established coalition governments, which could not survive long (Agarwal, 1991).

13. Written constitution and independent Judiciary:

For the successful functioning of democracy, people are given fundamental rights and written constitutions are introduced with a view to checking autocratic activities of the government. Where there are no written constitutions, the government can extend and exercise its powers in an autocratic manner. Judiciary is the guardian of Constitution and fundamental rights, and the independence of judiciary from the control of executive has been guaranteed. Where judiciary is not independent, there is no guarantee of the fundamental rights of the people and the constitution becomes useless. This is the condition in Russia, China and many other Communist countries.

14. Independent, impartial and periodical elections

Independent, impartial and periodical elections help in establishing faith of the people and the opposition a democracy, otherwise the opposition party will not get an opportunity for

forming the government and there will be no respect for public opinion. In the absence of independent, impartial and periodical elections, the opposition parties shall try to change the government by a revolution with the help of military or by the use of violent force. In Pakistan, elections were not held for many years. The result was that military dictatorship of General Ayub Khan was established in 1958, which have a severe blow to democracy.

15. Political security, good governance, economic prosperity and wise leadership

Efficient administration is another condition for the success of a democracy. In fact, the success of democracy depends upon efficient administration. People's faith in democracy is shaken in a corrupt administration. Political security is also essential because people start feeling the necessary of dictatorship, if a democratic government is unable to protect the sovereignty and integrity of the country at the time of foreign invasion. If a government fails to remove the scarcity of essential commodities, if the prices of these commodities are abnormally high and if people starve owing to abject poverty, the people's faith in democracy is shaken and they start feeling the necessity of some other type of government. Thus to protect democracy from being usurped by dictatorship intelligent leadership is very essential. For example, when Hitler started invading other countries, England was not prepared to face the challenge, but under the able and enlightened leadership of Winston Churchill not only democracy was saved but Hitler's dictatorship was also smashed. At the time of the Pakistani invasion in August-September, 1965 former Indian Prime Minister Lal Bahadur Shastri provided very successful leadership to the country. Similarly, at the time of Indo-Pak War in 1971, Mrs. Gandhi provided very strong leadership. It protected our country and inspired our army to give a crushing blow to the Pakistani army. An able leader can bring about economic prosperity in his country and give a clear administration to the people. Thus, he can make democracy very stable. Democracy has

taken deep roots in our country, while it has not become strong in Pakistan because Pakistan had no leader of the stature of Jawaharlal Nehru, Lal Bahadur Shastri and Indira Gandhi.

F. Democracy quality measurement

Few international organizations namely the Democracy Ranking Initiative, the Economist Intelligence Unit etc. use its own techniques to measure the type of democracy and the quality of democracy of a country. In its assessment, the organizations treat *liberal democracy* as an advanced high quality democracy. In that logic, the Democracy Ranking reflects a "demanding type" of democracy. It can be in the form of a) Full democracies b) Flawed democracies c) Hybrid regimes and d) Authoritarian regimes

The Democracy Ranking Initiative applies the following conceptual formula for defining democracy and measuring the quality of the democracy ([www. Democracyranking.org](http://www.Democracyranking.org)), which can be utilized when it comes judging the strength of democracy in a country.

$$\text{Quality of Democracy} = (\text{Freedom \& other characteristics of the political system}) + (\text{Performance of the non-political dimensions})$$

The Economist Intelligence Unit uses sixty indicators of democracy for measuring the state of democracy of countries that are members of the United Nations. These sixty indicators can be grouped in five different categories. They are a) Electoral process & pluralism b) Civil liberties c) Functioning of government d) and Political participation and e) Political culture

III. Political institution or regime measurement in Bangladesh: Formation of our Models

a. Indicators for democracy measurement in Bangladesh perspective

Underpinning the aforementioned definitions & prerequisites of democratic institution, in this subsection, we plan to establish the theoretical aspects of variables or indicators that will be used to examine political regimes under the democracy lens in Bangladesh. In order to structure these variables for empirical evaluation, we first raise questions in two fold: a) what political institution is and b) what political system is.

In political science literature, there exist many different concepts of institutions. The following definition by North (1990) can be taken as the common denominator: “Institutions are the rules of the game in a society or, more formally, are the humanly devised constraints that shape human interactions.” While the notion of institutions as constraints takes them as exogenous, institutions have no life of their own. They are created in the history of human interactions. North and Thomas (1973) and North (1990, 1991) have described how basic market institutions might have evolved and how, in turn, they might have enabled the development of modern economies.

In any political system, the political process is composed of several layers. Political institutions constitute and define these layers of the political process as well as their interdependencies. For a clarification of the term political institutions, we disentangle the concept in a special dimension, stretching from constitutional provisions on the one side to the economic institutions that shape individual policy preferences on the other side.

In the political process, likewise, the expression of political interests has to follow certain constraints. Among the formally institutionalized vehicles for expressing political interests are political parties. They aggregate the political interests of individuals and compete to implement their preferred policies. Likewise, special interest groups promote the interest of their members in a specific political issue in a more or less formalized way: Interest groups may use

contributions to electoral campaigns or they may be formally included in the legislative process, for example, as external experts. Also the media can be considered to be part of this outer ring of political institutions as they play a crucial role for shaping public opinion. Also economic institutions play a very important role in the political process: The policy preferences of rational individuals arise from their optimization calculus.

Evolving economic institutions may restrict the opportunity sets of individuals or add new possibilities of action. Thus, individual preferences may change. For example, investment projects can only be undertaken when property rights are protected and there is a functioning credit market. If entrepreneurial activity is possible, new political interests for the protection of this activity are created. The political institutions then determine which interests are heard and how strongly the interests in society are taken into account in comparison to the self-interest of the political decision-makers. As with all questions for fundamental reasons and the answers to it, the political institution or regime can be considered coordinating institution that can bring mutual gains may not be for all but for majority individuals where political institution is like the rules of the legislative process or electoral systems.

Yet, politics involve more than coordination. In most policy areas, Pareto improvements are not feasible. However, even if they were feasible in general, the political decision-makers could decide to implement a different policy that inflicts gains or losses on others. Moe (1990) makes this point: “The unique thing of public authority is that whoever gets to exercise it has the right to tell anyone else what to do, whether they want to do it or not.” A result where some gain and others lose would not be feasible in pure voluntary economic exchange. This is a crucial difference of political and economic decisions. The political process has to achieve the aggregation of conflicting preferences over policy choices into a single implementable policy.

Specific indicators of democratic institution identified in Bangladesh perspective

With this theoretical and then computable framework of democratic institution, it is palatable to assume that the data statistics related to most of the traditional indicators of the political institution are unknown. Therefore, in this aspect, researchers in the subject area, in general, collect data statistics using questionnaire / survey from different target groups that represents the entire population in the nation. In this perspective, we further assume that the level of understanding of the issue of "political institution" is *parallel* to the level of education; therefore, giving a little attention to the parameter "education level" in selecting respondent groups can weaken the outcome of the survey. Furthermore, even respondents are well educated, some of the traditional indicators of political institution are complicated when it comes scoring them based on respondents' perceptions.

To over these limitations and for conducting effective surveys, with the above theoretical and then computable framework of political institution, its roles and its ability in Bangladesh perspective, we choose the following indicators (see appendix for definitions) of "political institution" for our study in such way so that the meaning and importance of each traditional indicator are portrayed thru our chosen indicators

- D = Democracy in Bangladesh
- x_1 = EC = executive constraints
- x_2 = GE = government effectiveness
- x_3 = JI = judicial independence
- x_4 = CI = corruption index
- x_5 = DG = democratic gesture
- x_6 = AAIP = ability to adopt & implement policy
- x_7 = PS = political stability
- x_8 = FS = freedom of speech

Where $x_1 \dots x_8$ are exogenous variables and t is time span, which runs on its own course.

b. Indicators of good governance measurement

Recently the terms "governance" and "good governance" are being increasingly used in political economy literature where bad governance is being increasingly regarded as one of the

root causes of all evil within the human societies. Today, major financial donors and international financial institutions are increasingly basing their aids and loans on the condition that reforms that ensures "good governance" are undertaken. With this brief introduction on concepts, we raise questions: what "governance" and "good governance" mean?

Governance

The concept of "governance" is not new in human civilization. It is a process of two segments – process of decision-making and process of its implementation. For clarity, "governance" means the process of decision-making and the process by which decisions are implemented or not implemented. Governance can be used in several contexts such as corporate governance, international governance, national governance and local governance.

Since governance is a dual process, an analysis of governance mainly focuses on direct and indirect actors involved in decision-making and then in implementation the decisions made. Analysis can further be expanded on focusing formal and informal structures that are set in place to arrive at and to implement the decision in general.

The actors of governance vary depending on areas and on kind of entity that is being governed. Government or regime of a nation is one of the actors in governance and in perspective to our research project our analysis will address only the governance of the regime.

Good governance

Good governance has eight major characteristics. They are 1) participatory attitude 2) consensus oriented 3) accountability 4) transparency 5) responsiveness 6) effective & efficient 7) equitable & inclusive and 8) rule of law oriented.

In summary, any governance must assure that corruption is minimized, the views of minorities are taken into account and that the voices of the most vulnerable in society are heard in decision-

making in order to be recognized as good governance in practice. Furthermore, in time period perspective, the governance must be responsive to the present and future needs of society. The outcome of these two tail-tests will tell whether the governance is good or bad. These eight major characteristics of the good governance can be presented in the following diagram.



Fig 5.1: Major characteristics of good governance

For clear understanding of these characteristics, we elaborate each characteristic as follows

Participatory attitude

Participation by both men and women is a key cornerstone of good governance. Participation could be either direct or through legitimate intermediate institutions or representatives. It is important to point out that representative democracy does not necessarily mean that the concerns of the most vulnerable in society would be taken into consideration in decision making. Participation needs to be informed and organized. This means freedom of association and expression on the one hand and an organized civil society on the other hand.

Rule of law oriented

Good governance requires fair legal frameworks that are enforced impartially. It also requires full protection of human rights, particularly those of minorities. Impartial enforcement of laws requires an independent judiciary and an impartial and incorruptible police force.

Transparency

Transparency means that decisions taken and their enforcement are done in a manner that follows rules and regulations. It also means that information is freely available and directly accessible to those who will be affected by such decisions and their enforcement. It also means that enough information is provided and it is provided in easily understandable forms and media.

Responsiveness

Good governance requires that institutions and processes try to serve all stakeholders within a reasonable timeframe.

Consensus oriented

There are several actors and as many viewpoints in a given society. Good governance requires mediation of the different interests in society to reach a broad consensus in society on what is in the best interest of the whole community and how this can be achieved. It also requires a broad and long-term perspective on what is needed for sustainable human development and how to achieve the goals of such development. This can only result from an understanding of the historical, cultural and social contexts of a given society or community.

Equity and inclusiveness

A society's wellbeing depends on ensuring that all its members feel that they have a stake in it and do not feel excluded from the mainstream of society. This requires all groups, but particularly the most vulnerable, have opportunities to improve or maintain their wellbeing.

Effectiveness and efficiency

Good governance means that processes and institutions produce results that meet the needs of society while making the best use of resources at their disposal. The concept of efficiency in the context of good governance also covers the sustainable use of natural resources and the protection of the environment.

Accountability

Accountability is a key requirement of good governance. Not only just governmental institutions but also the private sector as well as the civil society organizations must be accountable to the public and to their institutional stakeholders. Who is accountable to who varies depending on whether decisions or actions taken are internal or external to an organization or institution. In general an organization or an institution is accountable to those who will be affected by its decisions or actions. Accountability cannot be enforced without transparency and the rule of law.

Other actors involved in governance vary based on the level of government that is under discussion. However, for the purpose of our study, we are inclined to the meaning of governance that derived from the aforementioned eight characteristics of good governance.

Specific indicators of good governance identified in Bangladesh perspective

- G = Good governance
- x₁ = PA = Participatory attitude
- x₂ = RL = Rule of law oriented
- x₃ = TR = Transparency
- x₄ = RE = Responsiveness
- x₅ = CO = Consensus oriented
- x₆ = EI = Equity and inclusiveness
- x₇ = EE = Effectiveness and efficiency
- x₈ = AC = Accountability

c. Indicators of Economic Growth measurement used in this study

There are significant differences between economic growth and economic development. The term "economic growth" refers to the increase (or growth) of a specific measure such as real national income, gross domestic product, or per capita income. National income or product is commonly expressed in terms of a measure of the aggregate value-added output of the domestic economy called gross domestic product (GDP). When the GDP of a nation rises economists refer to it as economic growth. On the other hand, the term, "economic development", implies a broad meaning. It typically refers to improvements in a variety of indicators such as literacy rates, life expectancy, and poverty rates. GDP is a specific measure of economic welfare that does not take into account important aspects such as leisure time, environmental quality, freedom, or social justice.

Economic growth of any specific measure is not a sufficient definition of economic development of a country. Therefore, for our study, we breakdown the economic growth measurement as follows

- a. Societal development measurements
 - i. Health
 - ii. Education
 - iii. Sanitation

- b. Societal beneficiaries of the growth
 - i. Employment
 - ii. Purchasing power
 - iii. Rich-poor gap (Lorenz Curve evaluation)
 - iv. Poverty eradication

Among other things, the contemporary social scientific study of economic development encompasses broad theories of the causes of industrial-economic modernization plus organizational and related aspects of enterprise development in modern societies. It embraces

sociological-type research relating to business organization and enterprise development from a historical and comparative perspective; specific processes of the evolution (growth, modernization) of markets and management-employee relations; and culturally related cross-national similarities and differences in patterns of industrial organization in contemporary Western societies. On the subject of the nature and causes of the considerable variations that exist in levels of industrial-economic growth and performance internationally, it seeks answers to such questions as: "Why are levels of direct foreign investment and labor productivity significantly higher in some countries than in others?" (Abbott, 2003)

Indicators of economic growth

It is a common practice to measure the growth in economic welfare in a country over any considerable period by the rate of growth in per capita domestic product (GDP) or other measure of aggregate income, which is often measured as the rate of change in GDP. In broader sense, an economic indicator is simply any economic statistics, such as the unemployment rate, GDP, or the inflation rate, which indicate how well the economy is doing and how well the economy is going to do in the future. However, these measures can be seriously biased for a period during which the country experienced substantial economic catastrophes' caused by natural disasters and its consequences, which may last for a period of time, which should be incorporated into analysis.

Characteristics of economic indicators

To understand economic indicators, we must understand the ways in which economic indicators differ. On the viewpoint of leading or causing changes, there are two types of economic indicators based on its attributes:

1) Pro cyclic

A pro cyclic economic indicator is the one that moves in the same direction as the economy moves. So if the economy is doing well, this number is usually increasing, whereas if we're in a recession this indicator is decreasing. The Gross Domestic Product (GDP) is an example of a pro cyclic economic indicator etc. There are some other indicators in this category such as stock market return, consumer expectation, building permit etc. These indicators begin to change before economy as a whole begins to change. These are useful as the short-term predictors of the economy. Industrial production, personal income and retail sale are few indicators in this category where they change as the economy changes. There are few other indicators in this category such as consumer price index, labor cost per unit of output, averaged prime rate changed by banks, ratio of manufacturing & trade inventories to sale etc. These indicators begin to change after the economy as a whole does.

2) Counter cyclic

A counter cyclic economic indicator is one that moves in the opposite direction as the economy moves. The unemployment rate gets larger as the economy gets worse so it is a counter cyclic economic indicator.

Therefore, summing these two categories of indicators will represent the economic growth, which can be either positive or negative in direction of relationships. Negative growth can be referred to by saying that the economy is *shrinking*. This negative growth is associated with economic recession and economic depression.

3) The indicators of economic growth and measurement for our study

Like any other researchers in the subject area, we have limitations in data availability on the issue. To overcome this constraint, we plan to collect data information from both primary and secondary sources using questionnaire, which we plan to create based on our needs. In this perspective, we agree with the fact that respondent, in general, may not be able to provide accurate information when it come direct questions related to some economics numbers. To overcome these limitations, we plan to create questionnaire where we ask them to score various economic indicators during regime or we ask their perceptions about various economic indicators during the regime and its policies in various aspects. With this plan, for our empirical evaluation purposes, in Bangladesh perspective, we choose (appendix for definitions) the indicators of “economic growth” in Bangladesh perspective in such way so that the meaning and importance of each traditional indicator are portrayed thru our chosen indicators

E = Economic growth

GDP = gross domestic product per capita

y_1 = HC = human capital

y_2 = PSE = primary school enrollment

y_3 = PI = privatization index

y_4 = II = industrialization index

y_5 = DGA = diversification and growth in major sectors

y_6 = STP = sound trade policies for at least major sectors

y_7 = SPIR = sound policies on encouraging potential investors

y_8 = SP = sound policies for investment research

Where statistical information in this area for Bangladesh is as follows
(Data source: Worldaudit.org; year 2015)

	Range	ranking
World democracy audit overall ranking	1-150	100
Political rights	1 – 7	3
Civil liberties	1 – 7	4
Press freedom	0 – 150	78
Corruption	0 – 149	121

Chapter 6

Economic Growth in Bangladesh: Trends and Beneficiaries Sector Wise

The ignorance of one voter in a democracy
impairs the security of all
---- John F. Kennedy

I. Introduction

Bangladesh became an independent state in December 1971. In the past four and half decades, politics in Bangladesh has undergone significant transformation as it experienced a variety of systems of governance including prolonged military rule. This political transformation and as results the corresponding economic transformations can be captured in five phases namely

- a. Civilian regime (1972 – 1975), which began with closed economy
- b. Military and military dominated rule (1975 – 1990), which began with open economy
- c. Democratic civilian governance (1991 – 2006), which continued open economy and witnessed a pre takeoff stages of economic growth, which was the first time in Bangladesh political history. Caretaker government system became a part of the Constitution.
- d. A military backed caretaker government (2007 – 2008), which continued the open economy *motto* and, as claimed, approached tightening up corruptions but amount of investment began to decline in Bangladesh
- e. The second democratic era (2009 -), which continued the open economy and worked on expanding it further. But it amended Constitution in July 2011 and removed the caretaker government provision, which has produced a contentious political situation, which has led to a mixed economic growth

Since the goal of this chapter is to know the trends & beneficiaries of transformation of economic growth corresponding to political transformation, we begin our exploration of GDP as a whole first and then sector wise mainly agricultural, manufacturing and services. We advance our exploration in such way so that two hypotheses of the thesis: *Democracy is essential for economic growth in Bangladesh* and *Democracy & good governance both are necessary for economic growth in Bangladesh* can be crossed examined.

II. The snapshot of GDP trend in recent years

In 1971, Bangladesh was liberated with a promise to promote democracy in which the fundamental human rights, freedoms and economic & social justice would be guaranteed in which effective participation by the people through their elected representatives in administration would be ensured so that prosperities could be grown (The Constitution of Bangladesh). In aim to bringing this constitutional promise in life, the first formal administration, *the Mujib regime*, had begun its role facing with various problems such as war racked economy where the GDP growth rate dropped near 5 percent in 1971 compare to that in 1970. The economic problem was getting deeper by acute food shortage and famines where these problems had linkages with many issues such as political retaliations by developed counties such as USA who was a foe of the war (Ahmed: 2004). Furthermore, the Mujib regime was facing a newly minted internal conflict on various issues such as who were heroes in the liberation war and who were rewarded for their dedications to the nation etc. With all these issues in hand, the Mujib administration was somewhat confused on designing policies, *especially*, economic policies on how to handle these issues effectively from domestic and international perspectives so that the constitutional goals could be achieved.

With theses domestic and international barriers to economic growth and to prosperity, from the beginning of year 1972, the nation has witnessed early stage of democracy, socialism move, army dictatorships and then efforts on re-establishment of democracy. However, the recent macroeconomic trend (1991-2009) of GDP, Figure 6.1, depicts an impressive economic growth where year 1991 was the turning point of political regime type change from authoritarian

to democratic political regime through a civilian movement. In 1991-1992, the GDP per capita was \$30.957 billion US dollars and it reached to \$89.36 billion US dollars in year 2009-2010.

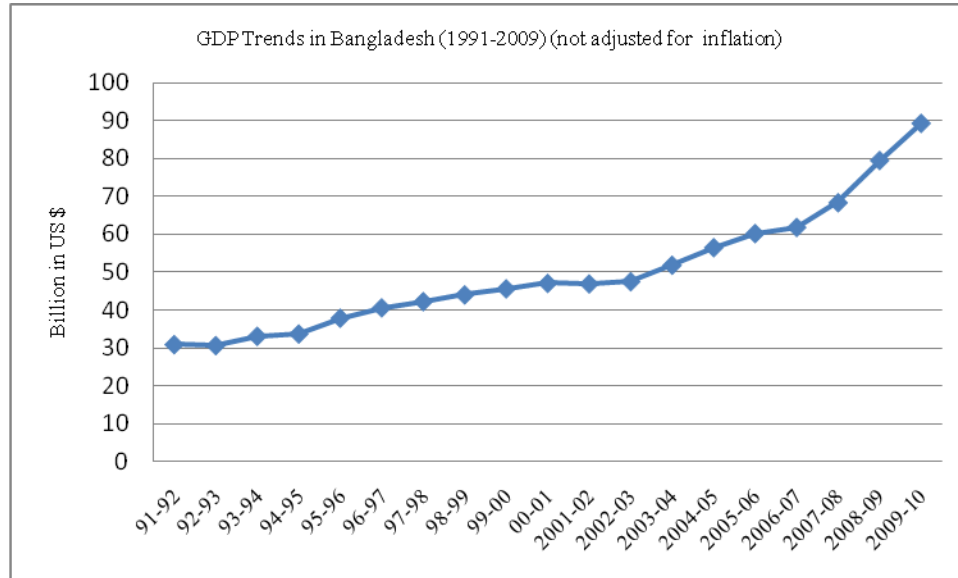


Figure 6.1: the GDP trends in Bangladesh (1991-2009) in Billion S (Current US \$, not adjusted for inflation)
Data source: World Bank and World Development Indicators (as of December 21, 2010)

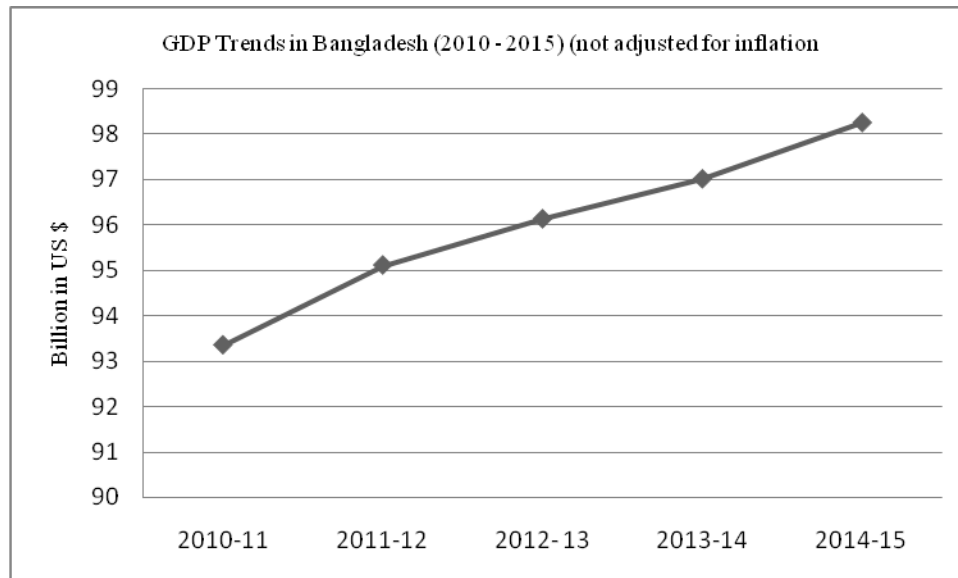


Figure 6.2: the GDP trends in Bangladesh (2010 - 2015) in Billion S (Current US \$, not adjusted for inflation)
Data source: World Bank and World Development Indicators (as of December, 2015)

In year 2014 – 2015, GDP per capita reached to 98.25 billion US dollars, Fig. 6.2. In 1991 – 1992, the GDP growth rate was 2.784 percent and in 2009-2010, it reached to 5.57 percent which suggests that the GDP Growth rate was little over double over this twenty year period.

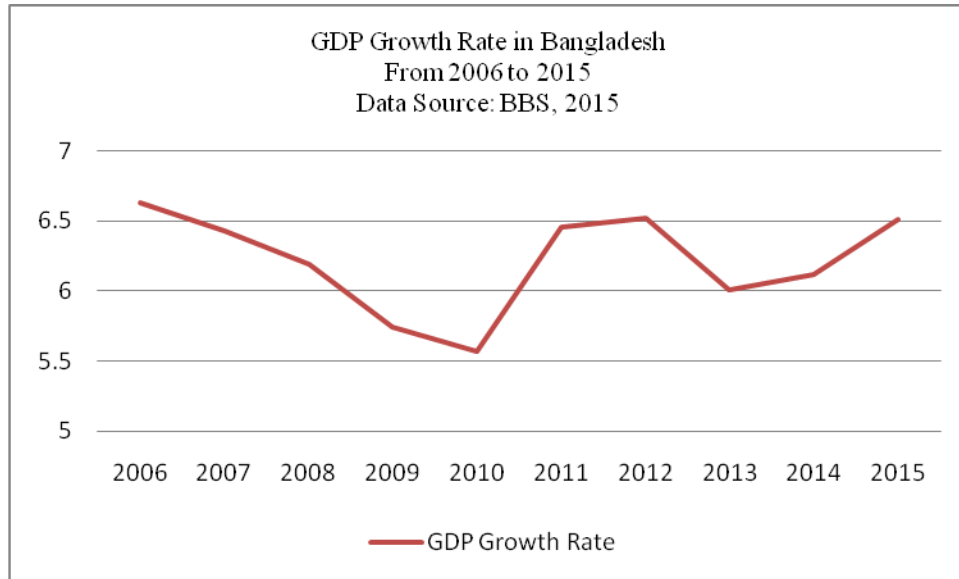


Fig 6.3 shows that in year 2006, the GDP growth rate was 6.63, however, because of interruption to the democratic move in year 2007 – 2008, the GDP slidely but contineously declined till year 2010. In year 2011, it started bouncing back and reached to 6.46, which climed up to 6.51 in 2015 (BBS,2015).

III. Beneficiaries of economic growth

Even though the government of 1972 began with promise helping the poor, the administration became victim of international politics. Secondly, the government was either forced to choose or consciously choose adopting authoritarian style of governance. Therefore, its promise was unfulfilled. In 1975, military took over the state power by numerous bloodshed coups where first open economy began with but significant beneficiaries were military. Since after forming own political platform, Zia was becoming leader for the poor of Bangladesh.

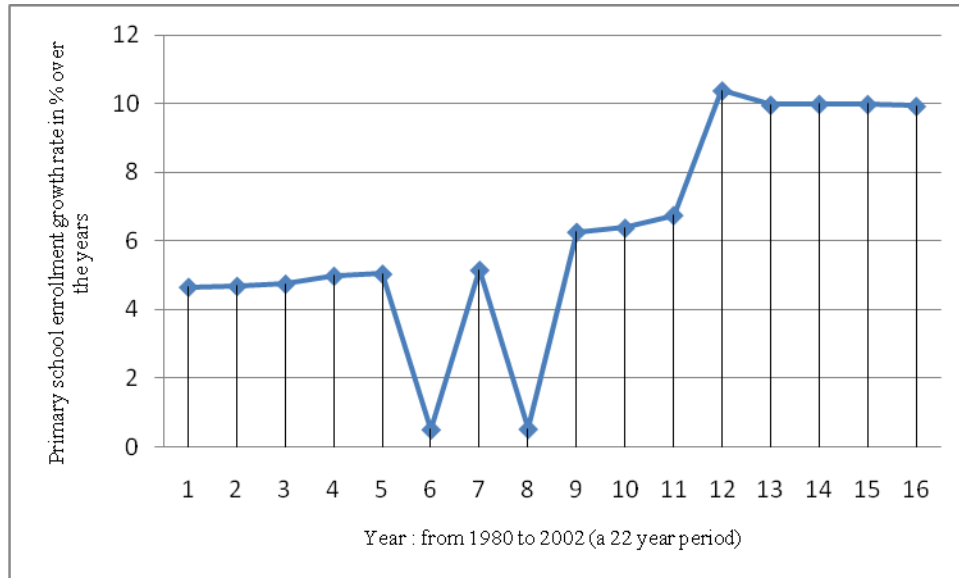


Figure 6.4: Growth rate in human & physical capital over period 1990 - 2002
 Data sources: CIA World Facts book (2010) and www.nationMaster.com

Furthermore, Fig 6.4 suggests that the human capital growth, *especially*, the primary school enrollment growth rate was 4.66 percent in 1980 and continued to grow until year 1984. However, in 1985, it sharply declined from 5.04 to 0.05, which suggests that the regime of year 1985 had put less emphasis to human & capital formation through education. In year 1986, it reached back to 5.01 percent and again sharply dropped to 0.502 in year 1987. It started to pick up from year 1988 and it has been growing since then.

Sector wise beneficiaries

In strategic transformation of Bangladesh economy, past experiences of Bangladesh indicate that while share of agriculture is on sharp decline from 44% in 1972 - 1980, to 20% in 2006 - 2010, share of manufacturing to GDP has increased from 10% in 1970s only to 17% in 2006 - 2010. It is widely acknowledged that with development of the economy, usually share of agriculture declines and share of industry increases and eventually increases the service sector. In Bangladesh, with the decline of agriculture, share of industry did not increase substantially.

Here, service sector provided low paid employment to the surplus labour pushed out of agriculture. Transforming Bangladesh’s agrarian economy into a modern manufacturing and organized service based economy is a long term challenge. This is needed to enhance productivity and faster growth. The focus on manufacturing is based on two important points.

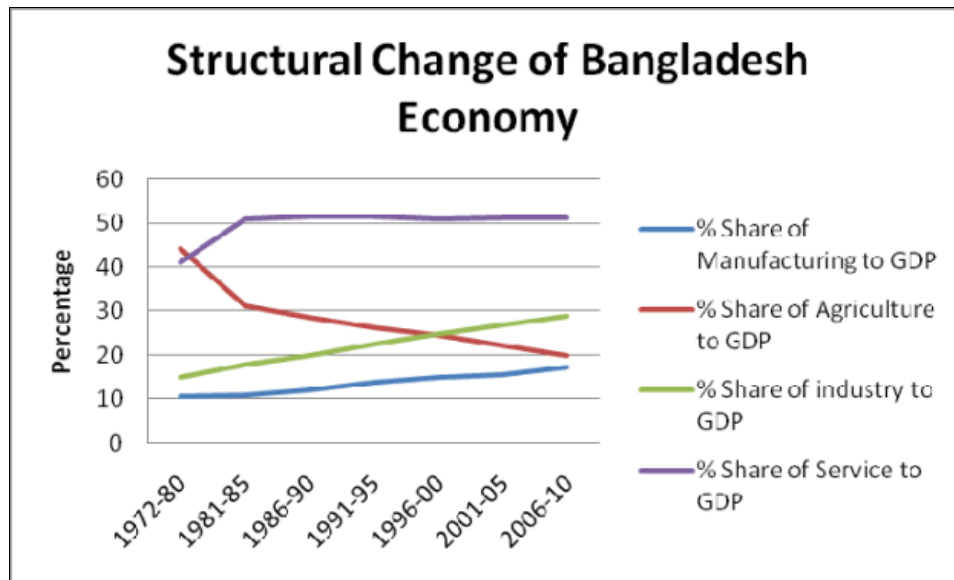


Fig 6.5: Economic structural transformation along with political transformation in Bangladesh. Data source: BBS, 2012)

Firstly, expansion of agriculture is limited by fixity of land, secondly, the increase in labour productivity will require switch over from low productive agriculture to high productive industry and modern service sector.

Following the initial debacle in the 70s and 80s growing below the average economic growth, the manufacturing sector growth performance improved during the 1990s. The faster pace of expansion of manufacturing relative to total GDP since fiscal year 1991 caused its share to increase gradually, rising from its low level 12 percent in fiscal year 1991 to 17.2 percent in fiscal year 2010. In the 1970s and 1980s, manufacturing sector performance was constrained by the dominance of poor performing nationalized enterprises and inadequate private investment

and reckless divestiture of public enterprises leading to their virtual closure and severe sickness in many cases. In Bangladesh, the pace of industrialization has been gradual and slow, and over the years, there has been a moderate structural shift from a predominantly agrarian economy to a more organized manufacturing sector. Though there has been higher share of manufacturing in GDP as agriculture continues to decline a share of GDP, while services remained fairly steady throughout, as compared with the performance of the some East Asian economies, it appears as a rather slow industrial deepening over the two decade. Compared to Bangladesh's share of manufacturing, Vietnam increased its share of manufacturing from 12.3% in 1990 to 21% in 2008 and Malaysia from 24% to 28% over the same period. On the other hand, China's share of manufacturing has been steady at 32-33% over that period. Even Thailand's manufacturing grew so rapidly since 1990 that its share rose from 27% to 35 percent (Appendix Table-1). The common thread in the policies of these economies is claimed to be emphasis on private sector driven growth and trade openness. Since 1990, Bangladesh has also changed economic policy stance in these general directions though in a more gradual way. Progress is most advanced in regards to emphasizing the role of the private sector, but attracting direct foreign private investment is less advanced. One notable development in the economy is the predominance of manufacturing goods in exports (90-95%) as the latter progressively becomes the driver of high growth.

(a) Agriculture sector

For example, the agriculture sector of Bangladesh is one of the world's largest producers of fisheries (5th), rice (4th), potato (11th), mango (9th), pineapple (16th), tropical Fruit (5th), onion

(16th), banana (17th), jute (2nd) and tea (11th). (Food and Agricultural Organization (FAO) Statistics, 2012)

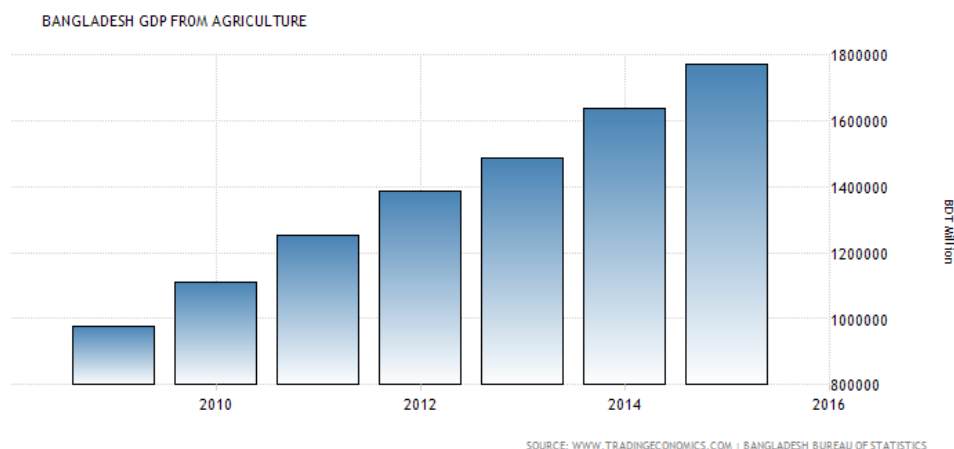


Fig 6.5: Bangladesh GDP from agriculture sector (from 2009 – 2015)
Data source: Bangladesh Bureau of Statistics, 2016

Trends in recent years – agriculture

GDP from Agriculture in Bangladesh increased to 1770046 BDT Million in fiscal year 2014 - 2015 from 1639682 BDT Million in fiscal year 2014 - 2013. GDP from Agriculture in Bangladesh averaged 1375370.14 BDT Million from 2009 until 2015, reaching an all time high of 1770046 BDT Million in 2015 and a record low of 976905 BDT Million in 2009. GDP from Agriculture in Bangladesh (Bangladesh Bureau of Statistics, 2016)

(b) Manufacturing sector

It is widely acknowledged that accelerated economic growth and poverty alleviation, which are the vital goals before the country, require ensuring radical structural shift in the economy favouring the manufacturing sector (Different Plan Documents of Bangladesh). In the context of the limited resource base of Bangladesh, low technology and productivity base, narrow product mix, the constraints of the domestic market, the pressure for gainful employment

of a growing labour force and increasing scope to use the emerging global opportunities, the task of designing a strategy of manufacturing development capable of addressing the emerging challenges, both domestic and global, has become important for future development of Bangladesh. Manufacturing sector is unique in enjoying benefits of increasing return to scale. The importance of manufacturing is also reinforced by the development of agriculture and service sectors for their reliance on backward and forward linkages with the manufacturing. Manufacturing produces most of the capital goods, all intermediate goods and most of the consumer goods. Manufacturing sector is the most vibrant force of development, and as Weiss (1988) reported, manufacturing “retains the characteristics of an engine of growth-rapid productivity growth, dynamic increasing returns to scale, rapid technological change, and various dynamic externalities”. The case for development of manufacturing as a key feature of development strategy of Bangladesh to accelerate growth and reduce poverty has got established firmly immediately after country’s liberation in the very First Five Year Plan. This has been consistent with the need of the country at that time for its dynamic development and in line with the stand of economists like Prebisch (1950) and 1984)iv and Singer (1950) who were the pioneers for manufacturing development to deal with the problems of backward nations in income generation and employment creation. For a country like Bangladesh from its very inception, the question has been thus not whether but how to develop manufacturing in order to satisfy basic needs of vast population in food and non-food goods, make savings for increased investment, earn foreign exchange and create employment of growing labour force not absorbed in agriculture or in service sector. As evidence showed, manufacturing of Bangladesh was very slow to compensate the decline of share of agriculture to increase GDP of the country over time and ranks low among the comparable nations in terms of contribution of manufacturing to GDP

and its growth. Perspective Plan of Bangladesh 2010 - 2021 has emphasized the need for gearing industrialization to achieve the macroeconomic performance target of 8% growth target by 2015 and 10% growth by 2021. The overarching goal for the country's industrialization, as the document of Perspective plan noted, is to enhance the industrial contribution to GDP to 40% over the next decade, with a share of 30% for the manufacturing sector. Bangladesh Industrial policy of 2010vii has recognized the importance of manufacturing for economy- wide productivity enhancement and diversification of economic base of the country. Likewise, manufacturing sector received serious attention under sixth five year plan and perspective plan in consonance with Vision 2021 for country's future development and achievement of high growth rate. Main concern here is that Bangladesh manufacturing is narrowly concentrated in low technology based sub-sectors, and has to face challenges in the way of diversification and productivity enhancement. Sixth Five year plan has recognized importance of manufacturing as a vehicle for accelerating growth of the economy. It is projected that during the period of Sixth Five Year Plan, the manufacturing sector will have to outpace both the agricultural and service sectors and follow a smooth upward trajectory. The manufacturing sector is planned to follow an upward trend from annual growth of 6.5% in fiscal year 2010 to 11.7% in fiscal year 2015 with average annual growth of 10% during the plan period. This five year development plan will upgrade the industrial employment to 25 per cent of the population from the current 17 per cent by June 2015, its final implementation time.

Trends in recent years - manufacturing

GDP from Manufacturing in Bangladesh increased to 2560027 BDT Million in fiscal year 2014 – 2015 from 2232207 BDT Million in fiscal year 2013 - 2014. GDP from



Fig 6.6: Bangladesh GDP from manufacturing sector (from 2009 – 2015)
Data Source: Bangladesh Bureau of Statistics, 2016

Manufacturing in Bangladesh averaged 1765072.71 BDT Million from 2009 till 2015, reaching an all time high of 2560027 BDT Million in 2015 and a record low of 1161971 BDT Million in 2009 (Bangladesh Bureau of Statistics, 2016).

(c) Service sector

GDP from Services in Bangladesh increased to 1765216 BDT Million in fiscal year 2014 - 2015 from 1565516 BDT Million in fiscal year 2013 - 2014. GDP from Services in Bangladesh averaged 1213743.57 BDT Million from year 2009 until year 2015, reaching an all time high of 1765216 BDT Million in year 2015 and a record low of 734214 BDT Million in year 2009 (Bangladesh Bureau of Statistics, 2016).



Fig 6.7: Bangladesh GDP from Service sector (from 2009 – 2015)
Data source: Bangladesh Bureau of Statistics, 2016

A comparison among three major sectors: analysis

Gross domestic products refer to the market value of all officially recognized final goods and services produced within the country in a given period. GDP per capita often considered an indicator of contry’s standard of living.

Comtribution of agriculture, industrial and service sectors to GDP of Bangladesh from late 1950 to 2010. (Data source: Bangladesh Bureau of Statistics, 2016)

Sector wise contribution to GDP of Bangladesh in percentage

<u>Year</u>	<u>Agriculture</u>	<u>Industrial</u>	<u>Service</u>	<u>Total</u>
1941-50	70	4	26	100
1951-60	62	5	33	100
1961-70	55	10	35	100
1971-80	44	11	45	100
1981-90	32	12	56	100
1991-00	25	15	60	100
2001-10	17	33	50	100
2011-15	17	31	52	100

The line representing from agriculture is showing a decreasing growth rate during 1941-2011 where agriculture contributed 70% of total GDP in 1950. Now agriculture has decreased to 18 percent in 2011 and almost 17 percent in year 2015. So claiming Bangladesh an agro based country will be contradictory to this data. However, contribution percentage from both industry and service sectors is increasing. In all these years, contribution from services sector is almost double. And contribution from industrial sector has increased a lot.

In real terms Bangladesh's economy has grown 5.8% per year since 1996 despite political instability, poor infrastructure, corruption, insufficient power supplies, and slow implementation of economic reforms. Bangladesh remains a poor, overpopulated, and inefficiently-governed nation. Although more than half of GDP is generated through the service sector, 45% of Bangladeshis are employed in the agriculture sector with rice as the single-most-important product. Bangladesh's growth was resilient during the 2008-09 global financial crisis and recession. Garment exports, totaling \$12.3 billion in FY09 and remittances from overseas Bangladeshis, totaling \$11 billion in fiscal year 2010, accounted for almost 12% of GDP.

IV. Other developments in line of economic growth

Today, there are sustained growth in food production and a good record of disasters managements, famines have become a phenomenon of the past (Chowdhury and Mahmud, 2008). Life expectancy has risen from 50 to 63 years; population growth rates of 3 percent a year have been halved, child mortality rates of 240 per 1,000 births have been cut by 70 percent, literacy has more than doubled, and the country has achieved gender parity in primary and secondary schools (World Bank, 2004). Most of these gains have taken place since the early 1990s, when an introduction of wide-ranging economic reforms coincided with transition to

constitutional government and then to democratic government type, i.e. from authoritarian to constitutional government and then to democratic regime (BSS: 2008; Chowdhury and Mahmud: 2008).

V. A cross examination of GDP trends vs. political transformation in Bangladesh

The above snapshots on GDP trend suggest that, in recent years, Bangladesh economy has witnessed an increasing economic growth with bumpy growth rate percent but not stable and steady, despite many impediments and political turmoil. This rapid growth inspires us to examine the trends of GDP of Bangladesh so that the findings can shed some lights on detecting the beneficiaries of this improvement over the forty year period (1975 – 2015) under various regimes. For clarity, this section of the Chapter shows whether the economic growth was dispersed for a greater interest of the nation as a whole than that of for the regime itself where we use the income distribution pattern and the corruption perception index of the period as determining factors.

In this mechanical setup, our Lorenz curve will say how the income was distributed and see how the using bell-shaped statistical curve, the ratio of the corruption perception index and the economic growth rate will suggest how the improvement was dispersed. In other words, the positive ratio value will suggest we will take the mean value of the

Therefore, the goal of this section of the chapter is to carry out an empirical analysis of GDP growth trends in Bangladesh in the line of regime types. It is expected that this examination facilitates identifying beneficiaries of the GDP of Bangladesh.

(A) GDP trends analysis in the line of regime type (s)

1. The analytical framework

For some decades economists, sociologists and political scientists have debated the question on whether democracy or non democracy improves economic growth. Our intention in this chapter is not to reiterate the theoretical arguments on the issue. Except to say that critics of democracy tend to expect substitution of investment by consumption and an open door to rent-seeking democracy, in contrast, critics of non democracy are afraid to predatory rulers. Instead of repeating this debate in this Chapter, we want to investigate the trends of GDP growth rate in line of regime type (s) in aim to see whether the actual GDP statistics say something on *democracy vs. economic growth* and on *good governance vs. economic growth* issues in Bangladesh perspective. It is also expected that the GDP trends will further answer the question: whether both democracy and good governance are necessary for economic growth in Bangladesh?

Mathematical perspectives in estimating GDP growth rate or change in percent

The value of GDP by itself is not very interesting. What is interesting is the annual growth rate, or year-to-year percentage change in the value of GDP. For calculating the percentage change in any statistics, such as GDP, we need to know the value of the statistics at *two* dates in time. Suppose that the value of GDP last year was Y_L and the value of GDP in the current year is Y_C . Then, the percentage change, or growth rate, of GDP is given by

$$\text{GDP growth rate percent} = \{(Y_C - Y_L) / Y_L\} * 100$$

In some cases, we may see extreme values in GDP growth rate percent under different regimes. To address this issue, since median is less sensitive to extreme scores than mean, we prefer to

use median instead of mean value of the GDP growth rate percent in this Chapter. This preference is better than using mean for highly skewed distribution.

For calculating sum of absolute deviation of each number from the median of the GDP growth rate, we use the following formula

$$K = \sum [|(Y_C - Y_L) / Y_L \cdot 100 - X_i|] \text{ where}$$

K = sum of absolute deviation of each number from the median GDP growth rate

X_i = median under each decade where $i = 1, 2, 3$ and 4 i.e. 1st decade, 2nd decade, 3rd decade and 4th decade

This formula is valid for calculating the percentage change in any statistics, not just the percentage change in GDP. A *positive* growth rate of GDP implies that the economy is expanding, while a *negative* growth rate of GDP implies that the economy is contracting. An expanding economy is said to be in a boom, while a contracting economy is said to be in a recession.

Now suppose a regime is in power, without questioning its type, it may prefer to change its policies for achieving a higher GDP growth rate by rearranging its resources and or by adopting modern technologies or for something else, in this scenario, it is preferred to use average or median growth rate instead of just growth rate so that its performances can be estimated over its time span. Our GDP growth rate percent data statistics (1972-2015) suggests that under each regime, there are few data statistics that are extreme numbers in the distributions.

For example, during Mujib regime, the lowest growth rate was -28.153 in year of 1972-73 and the highest was 55.687 in year 1975-76. During Zia regime, - 48.015 was the lowest

growth rate in year 1976-77 and 38.071 was the highest in year 1978-79. During Ershad, the lowest was -8.480 in year 1982-83 and 14.653 was the highest in year 1984-85. During the first decade of the democratic regime (1991-2001), the data statistics depicts a normal distribution, which means during this period, there were no extreme growth rate data; however, growth rate data statistics during Mujib, Zia and Ershad separately depicts skewed distributions. Since we know that median is less sensitive to extreme scores than the mean measure and the sum of the absolute deviations of each number from the median is lower than is the sum of absolute deviations from any other number, we use median measure over the mean measure when we compare growth rate percent among regimes.

Choosing median measure over the mean measure may not be important in case of democratic regime because it has constitutional time limit, however, it is important in case of tyranny or authoritarian regime (s) who decides its time limit to stay in power, if and only if, there are no successful movements against the regime. This preference will help us addressing the dilemma - *the impacts of public economic policy may not be seen over night*, in public economic policy literature.

In case of considering *average growth rate percent*, the formula should be as follows

GDP average growth rate percent = $[\{\sum (Y_C - Y_L) / Y_L\} * 100] / n$ where n = number of years in power.

Utilizing this technique might be more appropriate over others at least in Bangladesh perspective, because, Bangladesh political history suggests that some non democratic regimes have lasted for very few years and some have last for longer time. In case of democratic regime,

it may not make a robust difference in case of comparing democratic vs. democratic regime. However, any comparisons between democratic vs. non democratic regimes might make a huge differences. To avoid confusion on whether mean or median measure will be used, we examine the distribution of data values of the GDP growth rate percent. If data shows skewed distribution, either positive or negative, we prefer using median measure over the mean measure. This is because it is less sensitive to the extreme value in the distribution.

a) The approaches used in literature

In general, the literature in the subject area suggests that some studies favor authoritarian as promoter of growth as there are some studies that favor democracy (Prezewski *et al*: 1994b and Weede: 1996) where they have used *average growth rate percent* and concluded that neither authoritarian nor democracy makes differences to GDP growth rates. Using Bangladesh GDP growth rate data, in recent studies on the issue, Amin (Amin: 2010) used a comparison technique where GDP data were converted to *growth rate percent* not *average growth rate percent* over thirty-eight year (1973 – present) time span. In Amin's study, the time span was broken down into three segments namely, 1973 to 1990, 1991 to 2001 and 2002 to present time. In the first segment, there were three types of regimes namely socialist regime (Mujib), army ruled to immediately stop the socialism moves and then it had attempted to transform the regime into democratic path, *nascent democracy*, (Zia) and the authoritarian regime (Ershad) (Amin:2010). In comparison among these three regimes in the first segment, Amin (Amin, 2010) examined the trend of GDP growth rate percent over the eighteen year period and then compared these three regime types based on drawing mini trends from the corresponding GDP growth rate percent of each of these regimes. Applying similarly technique, it has examined the trends of GDP growth rate percent over recent ten year period (1991 – 2001). Finally, it has cross-

examined the three decade GDP growth rate percent where the first two decades Bangladesh was ruled by non democratic regimes, *Mujib, Zia & Ershad*, and the recent decade was ruled by democratically elected regimes, *Khaleda & Hasina*. It has concluded that during the third decade, the democratic regimes, the GDP growth rate percent was steady, however, it was not steady during the second and the first decade (Amin: 2010).

To our judgment, Amin's findings were not unexpected at least in Bangladesh perspective. Because democracy implies similar constraints on rulers and thereby it might lead to similar economic performances and among non democracy, however, constitutional and institutional constraints are likely to be weak and variable. Furthermore, personal inclinations of non democracy might matter much more than that of democratic regime. For example, Zia regime was favorite and more effective over his predecessor, Mujib or over his successor, Ershad, and since over thrown the Mujib regime, GDP growth rate was the highest (38.071%) in 1978-79 and it stayed highest until year 2003-2004 (Amin: 2010). This simply suggests that democracy is not only the regime type that can promote GDP growth rate percent in Bangladesh.

If Amin (Amin: 2010) had used *average growth rate*, instead of growth rate change, then either it would not have found any robust differences in GDP growth rates associated with democracies and non democracies or it would have found that non democracies had contributed significantly than that of democracies in Bangladesh. It would further have found that GDP growth rate was higher than that of Mujib or of Zia even though Zia was in the move of promoting democracy. This is because, in non democratic perspective, some regimes lasted longer than that of others in office. Similarly, some non democratic regime (s) lasted longer than that of democratic regime (s) in office.

Nonetheless, it is obvious that this recent addition in literature is a starting point in line of the examination and it is a resourceful to many, *especially*, to those who intend to participant in the debate on whether Bangladesh should start democracy in place first or whether it should start with investment in human and physical capital so that democracy can be followed.

However, Amin's comparison approach, similar to many in literature, faces a dilemma, which is well established in public economic policy literature for decades. The dilemma in analyzing any public economic policy is that the impacts of any economic policies may not be seen in the same year when the policy is implemented. In other words, the impact of public economic policies may not been seen over night. This is because, the success of any public economic policies depend on many factors including time, compliance rate, regime type etc. This scenario becomes further complicated and murky when a successor follows its predecessor's policies in practice where say predecessor was in democratic move, however, the successor was something else. For example, when Ershad had taken over power form then the civilian government that was promoting the policies of Zia regime where the Zia regime was in democratic move *prior* to his assassination, Ershad regime had followed Zia's policies either for establishing himself in political arena or for the sake of nation's economic growth. Later, Ershad had pursued further dictatorship either for distancing himself from the Zia regime or for something else.

History suggests that Ershad's authoritarian approaches were far away from Zia's transformation to democracy in designing public policies and he had made changes in its various economic policies. Similarly, when Ershad was over thrown by civilian movement, the successor, Khaleda regime, had followed Zia regime's policies, even though, Khaleda regime was elected through democratic process, which is contradictory to the process used by Zia. This

scenario in hand, it is palatable to assume that the higher growth rate in the early stages of Ershard regime cannot be used to credit the regime even though he was ruler at that time. On the same token, the higher GDP in the early stages of Khaleda regime cannot be used to credit the regime even though the regime was the ruler and elected through democratic process.

b) The approach we use

To overcome the limitation, the *dilemma* in public policy analysis, we advance our evaluation process in three folds. In the first segment, we discuss on how an economic growth occurs. In the second segment, we then single out point (s) of inflection, *a point at which a curve changes sign* that are significant on economic growth curve, we then identify the probable variables that explain the changes of the economic growth rate. In the third segment, we pin down the corresponding regime type that has influenced to it and then see whether it was democratic regime or something else. In this scanning process, we use thump rule, if a successor regime follows its predecessor regime's economic policies in practice and it does not strictly implement any policies contradictory to it, we simply count predecessor regime's efforts instead of the successor regime for the changes. In the fourth segment, for accounting purposes, we use median growth rate percent in case of a comparison between the second decade and the third decade as the time span was broken down by Amin (Amin: 2010).

The first segment:

How an economic growth occurs: the theoretical justification of our approach

Economic growth of a nation occurs whenever its regime implements policies that encourage people to take resources and rearrange them in ways that are more valuable. We take

liberty to use a useful metaphor for production in an economy comes from say kitchen. To create valuable final products, we mix inexpensive ingredients together according to a recipe. The cooking one can do is limited by the supply of ingredients, and most cooking in the economy produces undesirable side effects. If economic growth could be achieved only by doing more and more of the same kind of cooking, we would eventually run out of raw materials and suffer from unacceptable levels of pollution and nuisance. Human history teaches us; however, that economic growth springs from better recipes, not just from more cooking. New recipes generally produce fewer unpleasant side effects and generate more economic value per unit of raw material where economic growth is usually brought about by technological innovation and positive external forces i.e. creation of new products and/or services with a marginal cost. Furthermore, since economic efficiency issue is an important component in neo-classical economic theory, the addition of new recipes, i.e. new ideas in industrial sector will lead a higher GDP than that in the agricultural sector. Therefore, in this 21st century, we see that developed nations hold a higher GDP than that in developing nations who mainly rely on its agriculture sector for its economic growth.

Application in Bangladesh perspective

In Bangladesh perspective, we apply our metaphor through the neoclassical economic theory – *endogenous growth model*, where we can say that any long run GDP growth rate can be ensured if the foreign-aid inflows stay uninterrupted and benefits of technological progress can be utilized. This assertion suggests that Bangladesh needs economic policies that embrace openness, competition, innovation and environment of uninterrupted foreign-aid inflows, which can promote growth. Conversely, any policies or political regime type or political vacuum which

has effects of restricting or slowing these two likely over time will cause to slow the growth. Our political history and relevant statistics have taught us that these two conditions can be met effectively by any democratic regime type over any nondemocratic one.

Our macroeconomics suggests that a significant portion of our GDP comes from foreign aids where developed nations prefer to contribute significantly when the regime is democratic and it promotes democracy in practice. The nations of Middle East block prefer to contribute significantly when the regime has willingness to promote religious based improvement. The foreign aids contribution to GDP ranges from 2.5 to 5.0 percent. Furthermore, Appendix C – D show agricultural sector in Bangladesh contributes a greater proportion of GDP over that of the industrial sector, this is because Bangladesh is an agro based country, therefore, any administration without judging its regime type put policy emphasizes to agriculture sector and policy designs accordingly. The service sector stands first in contributing to the GDP where “other services” category incorporates into a significant portion of the service sector. Expatriate earnings play a significant role to accumulate GDP through “other service category”. The industrial sector stands third in contributing to the GDP where “manufacturing” category plays a significant role for a higher GDP.

Since historically foreign aids play a crucial role in GDP growth in Bangladesh, we must mention here that the political history of Bangladesh suggests the non democratic regimes had relied heavily to Middle East nations for foreign aids because their regime types were unwelcomed by Western nations and it had heavily relied to agriculture sector instead of industrial sector. In recent years, since year 1991, Bangladesh has been receiving huge foreign aids from Western nations and some from Middle East nation, which depends on who is in power, Khaleda or Hasina.

The points of inflection on the GDP growth rate percent curve in Bangladesh

Figure 6.8 shows the GDP growth rate percent of non democratic regimes (1972-1990) where there were three regimes, Mujib, Zia and Ershad where Ershad who was the longest serving regime, from 1982 to 1990.

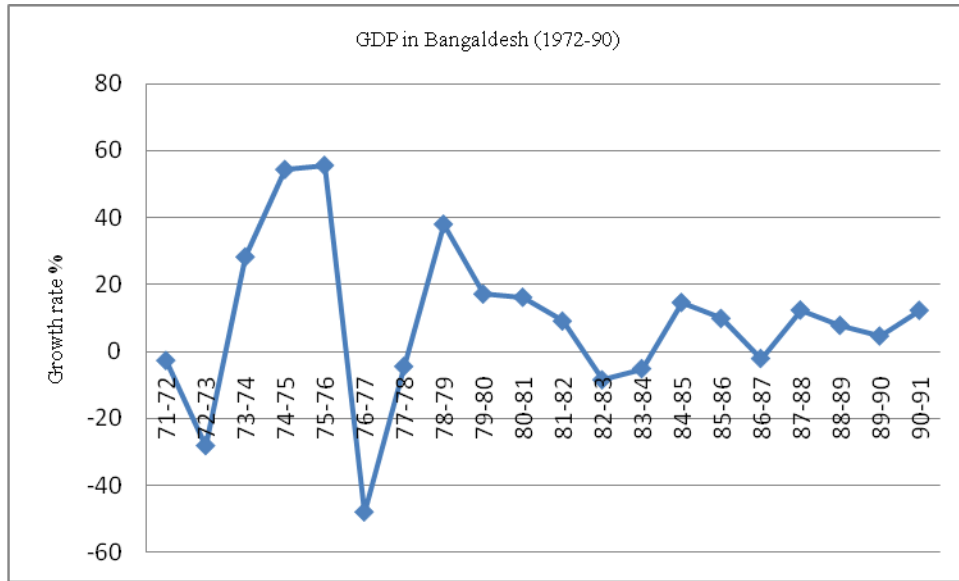


Figure 6.8: GDP growth rate percent over nineteen year period (1972-1990)
 Data sources: World Bank and World Development Indicators
 (US \$, not adjusted for inflation) (as of December 21, 2010)

Mujib (1972-75), Zia (1976-81 +) and Ershad (1982-90)

Scanning Figure 6.8 suggests that the points of inflection that are significant on the GDP growth rate percent curve are corresponding to year 1972-73 (-28.153), 1975-76 (55.678), 1976-77 (-48.015), 1978-79 (38.071) and 1982-83 (-8.480). Our political history in line of these data statistics suggest that in 1972-73, Mujib regime started with -2.679 % GDP growth rate, and in 1972-73 it dropped to (-28.153). In 1972-73, since Mujib regime had moved to socialism, in response to this move as well as domestic political unrest in response to socialism moves, the domestic as well as foreign investors had started to pull off from investment market, the GDP

growth rate dropped significantly. In 1974-75, the GDP growth rate was the highest during Mujib regime where the socialist nations and India had contributed significantly.

In year 1975-76, Mujib's socialism move was stopped by Zia through army coup, which was mostly welcomed by Bangladeshis as well as most democratic nations in the world, however, donor nations were very cautious in providing supports to Zia's upraised where the nations were expecting Zia to create a democratic political environment, similar to army moves in year 2007. Instead of fulfilling world's demands, since Zia's moves were welcomed by most Bangladeshis, he had resumed the power and slowly moved to the path of democracy. Because of this turmoil, there were less inflow of foreign aids, slow investment etc, therefore, in 1976-77 the GDP growth rate sharply declined and reached to (-48.015), which was the lowest during Zia regime. Later, since Zia was privatizing the industrial sector etc, the domestic investors were encouraged by Zia move but they were cautious to come back to invest in the production sectors. Furthermore, Zia regime had implemented a huge program for improvement in agriculture sector, which had contributed to the GDP growth rate. In spite of failing to secure foreign aids from Western nations, Zia had heavily relied for the first time to Middle East nations for foreign aids, therefore, the GDP growth rate had continued to increase and in 1978-79, the growth rate reached to (38.071), which was the highest when Zia regime was in move to democratic path, however, it was facing internal conflicts, especially, from ambitious officers, who were forcing regime to see a set up similar to Pakistan army rise instead of a democratic regime. In facing this challenge, Zia was assassinated and the civilian government of his party had taken over the power and was promoting his democratic-move policies where the democratic nations were throwing their supports.

In year 1982-83, Ershad over thrown the legitimate government and resumed the power as results, as before, democratic nations were backing off to supports, industrial investment were slowing down. Therefore, the GDP growth rate after Zia regime, for the first declined and reached to (-8.480), which was the lowest during Ershad, the authoritarian regime. Since authoritarian was not welcomed by the Western nations, underpinning Zia’s success, Ershard had relied to Middle East nations and followed Zia’s policies in agricultural sector. At the same time, the garments industry was becoming interesting and profitable where his policies facilitated uplift the GDP growth rate. Lastly, Figure 5.4 further suggests that there are many extreme points in the GDP growth rate percent during non democratic regimes from 1972-90, which further suggests that the distribution curve is skewed during all three non democratic regime types.

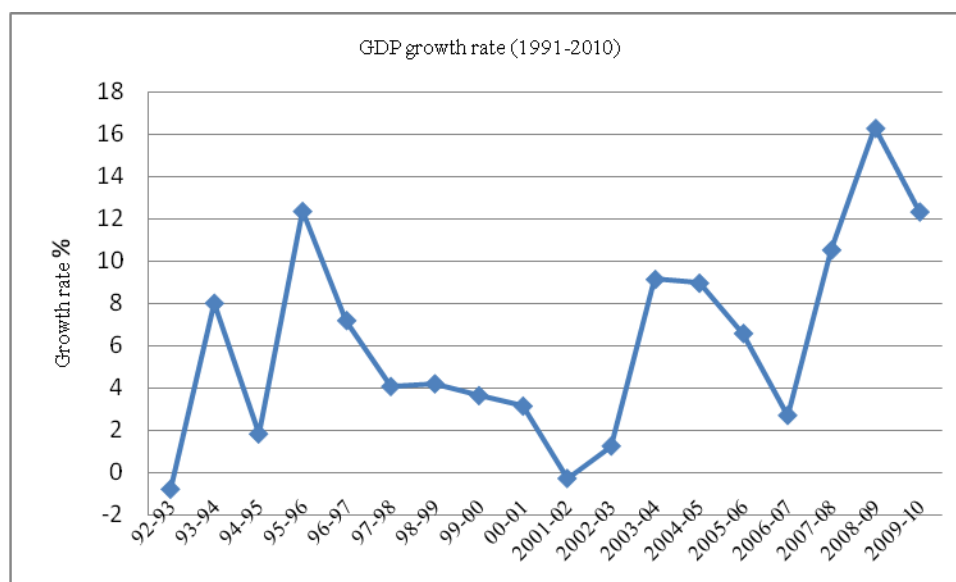


Fig 6.9: GDP growth rate percent (1991-2010)
 Data sources: World Bank and World Development Indicators
 (US \$, not adjusted for inflation) (as of December 21, 2010)
 Kaleda (1991-95), (2002-2007) Hasina (1996-2001), (2009-present)

Figure 6.9 suggests that the point of inflection that are significant are year 1992-93 (-0.801), year 1995-96 (12.351), year 2001-02 (-0.290) and year 2008-09 (16.281). After overthrowing authoritarian regime through civilian movement in year 1991-92, the constitutional government took over conducted general election, which was the first democratic election in Bangladesh. In 1991-92, Khaleda regime started its ruling with GDP growth rate negative, however, 1995-96 it reached to (12.351%). During her first term, Zia had managed significantly foreign aids inflow from both developed and Middle East nations. Furthermore, it had followed Zia's policies in agriculture sector as well as industrial sectors, which had significantly contributed to the growing GDP growth rate. In 1996-97, Hasina regime became in power, however it had spent more efforts to undo Khaleda efforts than that for the GDP growth, which had resulted a drop in growth rate in 2001-02). The Figure 5.5 further suggests that the distribution of GDP growth rate percent is symmetric, therefore, using mean measure might be better, however, since the distribution during the second decade appears to be skewed, therefore, we use median measure so that a comparison can be carried out between the second and the third decades.

Scanning Fig 6.10 suggests that the *point of inflection* that are significant are year 1982-83 (-8.480), 1984-85 (14.653), 1986-87 (-2.093), 1987-88 (12.386) and 192-93 (-0.8011). In year 1982-83 when Ershad took over power through coup, the investments in all sector sharply declined foreign aids declined, which ad resulted a nose down in GDP growth rate, it declined again in 1986-87 when there was a beginning of domestic movement against the authoritarian. In 1990-91, the authoritarian was removed from the power and the democratic government was under way because of uncertainty in political environment GDP growth rate was affected again.

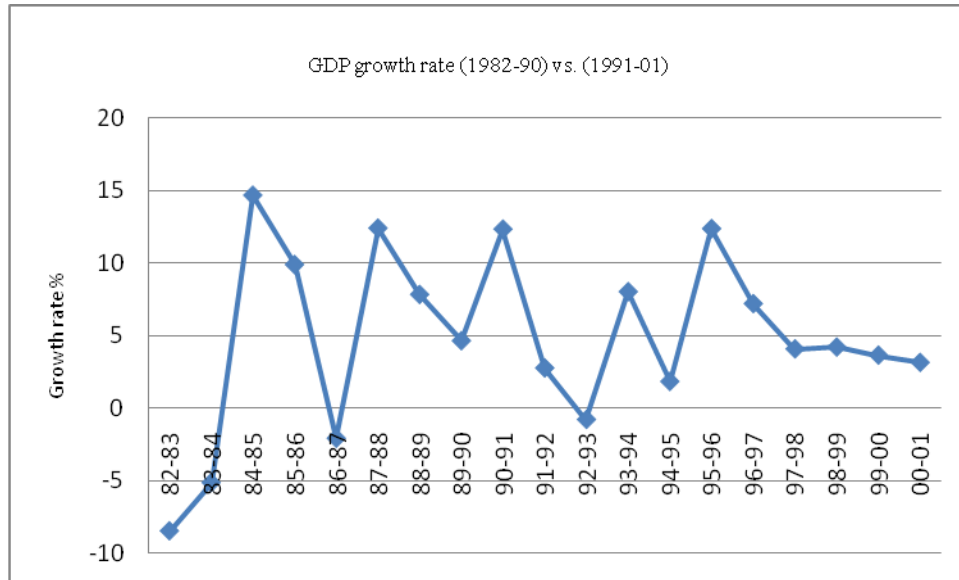


Figure 6.10: GDP growth rate trends (Non democracy vs. democracy Regimes)
 Data source: World Bank, World Development Indicators
 Data updated: December 21, 2010

The fourth segment:

In this segment, we first compare GDP growth rate among the second decade (1981-90) and the third decade (1991-2001) where the second decade was under the authoritarian and the third decade was under democratic regime. The GDP growth rate percent data further shows that the GDP growth rate percent distribution curve is skewed during non democratic, however, it was symmetric during democratic regimes.

Comparison of contributions to GDP growth rate in line of Regime types

In this sub segment, we first show in Figure 6.11 various regime types based on its executive powers. The figure shows that Mujib had no executive constraints since its socialism move. It further shows, when Zia took over, initially, he had zero executive constraints, soon after taking over, he had moved to democratic path there he had partially constraints. During Ershad regime, he had no executive constrains, therefore, he is known as authoritarian regime in

Bangladesh political history. The year 1991-92 was the beginning of reestablishment of democracy and since then regimes whose were in power are considered to be democratic regime.

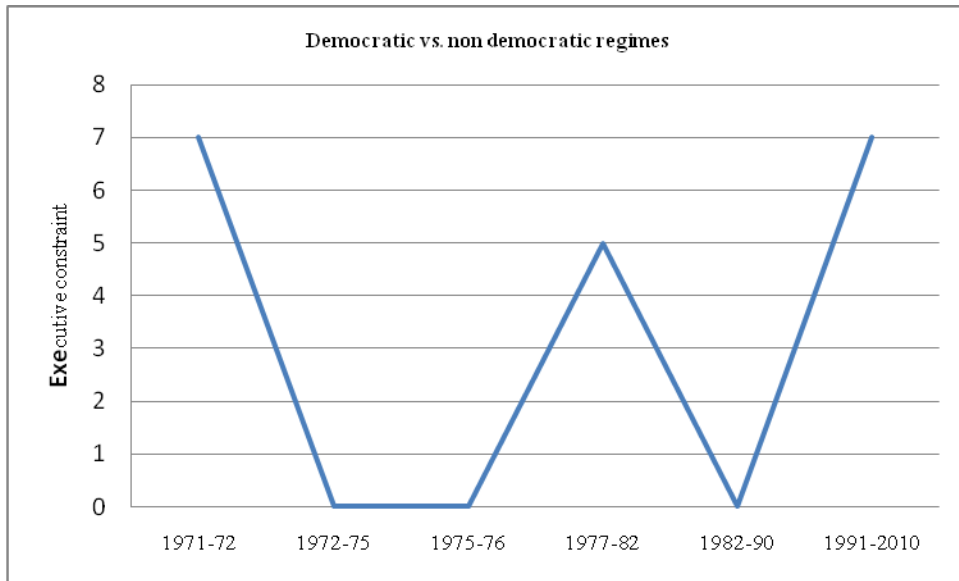


Figure 6.11: Executive constraints of the regime (s)
 The constraints scale = 0 to 7
 Higher constraint = Democratic regime, lesser constraints = non democratic regime



Fig 6.12: Comparison among Decades (1981-2010) in line of contributions to GDP growth rate
 (The data represents the sum of absolute deviations of each number from the median of the GDP growth rate)

Data source: World Bank, World Development Indicators
 Data updated: December 21, 2010

The data in the Figure 6.12 represents the sum of the absolute deviations of each number from the median of the GDP growth rate under each decade in Bangladesh perspective. The figure further suggests that the second decade (1981-90) had contributed very slow growth rate to GDP, however, the third decade (1991-2001) had contributed in a higher rate. In the fourth decade, it had contributed in a much more faster rate.



Fig 6.13: Comparison of contributions to GDP growth rate between Mujib and Zia during the first decade
 (The data represents the sum of absolute deviations of each number from the median of the GDP growth rate)

Data source: World Bank, World Development Indicators
 Data updated: December 21, 2010

Figure 6.13 suggests that Zia had contributed with a greater rate than that of Mujib to the GDP growth rate percent during the first decade. If we had used the mean value measure, we could find that Zia had surpassed Ershad in contributing to GDP growth rate percent in Bangladesh. Using the same approach, it may further show that Zia’s contributions to GDP had surpassed the efforts of the initial democratic regime (the third decade). This is because Zia was quickly moving to democratic path and, therefore, it can be said that economic growth of any country can

be achieved even under a non democratic ruler if and only if the ruler have the policies in practice for the greater benefit of its nation.

Conclusion

The findings of this Chapter supports our study hypotheses as follows

- (a) *Democracy is essential for economic growth in Bangladesh and*
- (b) *Democracy & good governance both are necessary for economic growth in Bangladesh*

However, it needs to be tested statistically, which is continued and elaborated in Chapter 9.

Chapter 7

Economic Policies and Performances: A Cross Examination of Political Regimes in Bangladesh

Democracy is worth dying for, because it's the most deeply honorable form of government ever devised by mankind

----- Ronald Reagan

I. Introduction

Bangladesh became an independent in December 1971. In the past four decades, Bangladeshi politics has undergone significant transformation as it experienced a variety of systems of governance including prolonged military rule. The Muzib *era* was started with policy of commend economy. Domestically Bangladesh relied on s strong public sector and promoted a policy of nationalism where foreign policy focused on close political and economic relations with India and the Soviet Union. After ending Muzib regime, the military government led by Zia (1975 – 1981) promoted Bangladesh's relations with the West, Peoples Republic of China and the oil-rich Gulf countries. It opened up foreign investment and implemented export-oriented policies. During the Zia era, the development of economies was connected with rural, urban and city arenas, however, because the un-stability in politics, the level of investment was not growing significantly. But the donations / Aids from rich counties were pouring in, which played vital roles tackling poverty challenges during Zia era. After ending Zia regime, another military government led by Ershad (1982 – 1990) continued the open economy policy and the role of military in public institutions was strengthened where corruption rates were skyrocketing. During Ershad, relations with Gulf countries had created brighter opportunities on exporting manpower, which had huge economic impacts domestically. After ending Ershad regime by a popular uprising in December 1990, which has brought an end to the era of military & military-ruled

governance, the election of February of 1991 brought BNP led by Kaleda Zia. Since the rebirth, the political power has been alternated between BNP and AL through elections held between 1991 and 2006. Both big parties are dominating its' political agendas based on democracy, open economy policy where GDP has been growing with very little variation. However, the regimes are very often blamed to be responsible for corruptions, poor governance, lack of civilian security etc.

With the aforementioned political transformation in hand, today, a sustained growth in food production and a good record of disasters managements, famines have become a phenomenon of the past. Bangladesh's per capita GDP has more than doubled since 1975. Life expectancy has risen from 50 to 63 years; population growth rates of 3 percent a year have been halved, child mortality rates of 240 per 1,000 births have been cut by 70 percent, literacy has more than doubled, and the country has achieved gender parity in primary and secondary schools (World Bank, 2004). Most of these gains have taken place since the early 1990s, when an introduction of wide-ranging economic reforms coincided with transition to democracy. The growth of per capita GDP had been slow in the 1980s, at an annual average of 1.6 percent a year, but it accelerated to 3 percent in the 1990s, and to about 4 percent more recently (BSS: 2008; Chowdhury and Mahmud: 2008; www.nationmaster.com). The acceleration resulted partly from a slowdown in population growth but also from a sustained increase in GDP per capita growth, which averaged 3.7 percent annually during the 1980s, 4.8 percent during the 1990s, and 5.7 percent since then.

This rapid & steady economic growth in Bangladesh despite many impediments warrant for a thorough evaluation of major sectors in the economy and its performances under the regimes (1972 – to date), which are the goals of this Chapter.

We advance this evaluation in two folds. In the first segment, we evaluate economic growth in different major economic sectors where we briefly make a comparison among performances of regimes. In the second segment, we evaluate regimes' political various moves or efforts or policies in the line of economic growth. It is palatable to assume that no public economic policies can produce outcomes over night, in general. Therefore, in the economic growth evaluation segment, we may not be able to single out whose policy efforts had contributed to the economic growth or had influenced to cause the economic catastrophes in Bangladesh. However, the year of the growth or catastrophe took place will reflect under what regime it took place. By applying backward and forward techniques in scanning the facts of these two segments, the reader should be able to detect whose public policies had contributed or influenced to the results of the corresponding year (s).

II. Economic growth segment in Bangladesh

The efforts to achieve the goals of macroeconomic have been problematic since the birth of this nation (GPRP, 1980). There are various factors such as country's large population, corruptions within the government and power shortages etc are still keeping the goals under achievement (World Bank Institute, 2007). Furthermore, the privatization of public sector industries has proceeded at a slow pace because of worker unrest in affected industries. To address this issue in June of 2002, the government took a bold step and closed down the Adamjee Jute Mill, which was most costly state-owned enterprise. State-owned banks, which control about three-fourths of deposits and loans, carry classified loan burdens of about 50% (Ahmed: 2006).

A. Sector wise economic outlook and comparison

Agriculture

Since after 1971, significantly booming of crop production was seen in 2005-2006 where Bangladesh produced 28.8 million metric tons of rice, which is the principal crop. By comparison the wheat output was 9 million metric tons. It reasonable to mention here that population pressure still continues to place a severe burden on productive capacity, creating a food deficit, especially of wheat (Chowdhury and Mahmud: 2008). Various kinds of foreign assistance and commercial imports in general fill the gap between supply and demand but the seasonal hunger still remains a problem. This food shortage was severe during Mujib regime where, in one hand, the regime had very little access to foreign aid programs because of the regime's foreign & domestic political policies such as socialism moves, on the other hand, the regimes had failed to craft an effective policies in agricultural sector in new born Bangladesh where the corruptions were mounting exponentially and the share of GDP of agriculture was 56 percent. In contrast to these limitations, after taking over power, Zia regime had engaged to revitalize the agriculture sector probably for two reasons, one, since Bangladesh is agro based country where food self-sufficiency could be achieved and; two, the regime was trying to establish itself over Mujib regime by improving peoples' lives through fulfilling its necessity. Zia regime had implemented the policy of R&D first in agriculture sector, which has been following by every regime since Zia regime. Zia had had many programs including *khla kata* program, which is still crucial for higher food production in agriculture where share of GPD of agriculture sector was over 68 percent (Chowdhury and Mahmud: 2008). After taking over power, Ershad regime had followed Zia's legacy in this sector, however, the regime had lost the *mojo* of engaging with people who live in rural areas in Bangladesh. Instead emphasizing in

agriculture sector, it had occupied to legalize it acts in taking over power. For immediate help, it had heavily relied on foreign aids where Middle East blocks had responded to the regime's appeals; however, the aid packages had come with conditions of establishing religious institutions such as *madrashas* etc. With these efforts, during Ershad regime, extremism had grown faster than economic growth where the share of GDP of agriculture sector declined to 62 percent. Unlike Ershad regime, the Khaleda regime had relied on both western and Middle East countries donations at the same time, it had followed Zia's path in revitalizing agriculture sector. The average annual growth of agricultural GDP had accelerated from 2.5 percent in 1980s to 3.5 in the 1990s (Chowdhury and Mahmud: 2008; www.nationmaster.com) and since then it has been either maintaining steady or a growing growth rate. The agriculture sector is the single largest contributor to income and employment generation and a vital element in the country's challenge to achieve self-sufficiency in food production reduce poverty and foster sustainable economic development. Since 1972, each political regime had realized the importance of this sector, however, some had failed to implement agro based policies because of monetary constraints, which had evolved from its stands in a world of favor seeking politics. Among regimes of the post-liberation era, Zia regime had succeeded bidding these odds however. Among regimes, of the re-establishment of democracy era, Khaleda regime had revitalized Zia's policy; however, its enormous corruptions had diverted its focus to something else.

Manufacturing & Industry

Many new jobs - mostly for women - have been created by the country's dynamic private ready-made garment industry, which grew at double-digit rates through most of the 1990s (Chowdhury and Mahmud: 2008; www.nationmaster.com). By the late 1990s, about 1.5 million people, mostly women, were employed in the garments sector as well as Leather products

specially Footwear (Shoe manufacturing unit). During 2001-2002, export earnings from ready-made garments reached \$3,125 million, representing 52% of Bangladesh's total exports. Bangladesh has overtaken India in apparel exports in 2009, its exports stood at 2.66 billion US dollar, ahead of India's 2.27 billion US dollar (Mahmud, 2008).

Textile sector

Bangladesh's textile industry, which includes knitwear and ready-made garments along with specialized textile products, is the nation's number one export earner, accounting for 80% of Bangladesh's exports in 2009 (World Bank: 2007; www.nationmaster.com)

Investment sector

The stock market capitalization of the Dhaka Stock Exchange in Bangladesh crossed \$ 10 billion in November of 2007 and the \$30 billion dollar mark in 2009, and USD 50 billion in August 2010. The major investment in real estate by domestic and foreign-resident Bangladeshis has led to a massive building boom in Dhaka and Chittagong (World Bank: 2007).

Other sector

The Bangladesh government continues to court foreign investments, something it has done fairly successfully in private power generation and gas exploration and production, as well as in other sectors such as cellular telephony, textiles, and pharmaceutical industries. In 1989, the same year it signed a bilateral investment treaty with the United States, it established a Board of Investment to simplify approval and start-up procedures for foreign investors, although in practice the board has done little to increase investment (World, Bank: 2003). In 1990s, the government created the Bangladesh Export Processing Zone Authority to manage the various export processing zones.

Indicators	80/81 84/85	85/86 89/90	90/91 94/95	95/96 99/00	00/01 04/05
<u>External sector</u>					
Exports goods & services	5.4	5.6	8.6	12.7	15.2
Import goods & services	14.3	12.8	12.6	17.3	20.9
Workers' remittances	2.7	2.9	2.9	3.6	5.8
Account deficits	6.7	4.7	2.1	1.9	.09
<u>Investment & savings</u>					
Public	4.8	6.1	6.7	6.8	6.4
Private	12.1	10.4	11.3	14.7	17.2
Gross domestic savings	8.0	9.4	12.5	15.3	16.9
Gross national savings	10.7	12.3	15.5	18.9	23.0
<u>Government budget</u>					
Total revenue	6.3	6.7	8.6	9.0	10.0
Tax revenue	5.2	5.4	6.9	7.2	8.4
Expenditure					
Current expenditure	4.6	6.0	6.5	7.2	8.2
Development exp	6.6	5.4	5.6	5.7	5.4
Total expenditure	12.9	12.2	13.4	13.4	14.0
Budget deficit	6.6	5.6	4.8	4.4	4.0
Domestic borrowing	1.0	0.5	0.8	1.9	2.2
Foreign borrowing	5.6	5.0	4.0	2.5	1.8

Table 7.1: Macroeconomic balances 1980/81 to 2004/2005 five year average (% of GDP)

Data Sources: Handbook on South Asian Economies by Anis Chowdhury and W. Mahmud (2008), various publications of World Bank, IMF, Bangladesh Bank and BBS

Notes: since macroeconomic balances of Mujib regime in compare to that of other regimes were not significant, we intentionally ignore its data information in this table.

The Table 7.1 shows a comparison of macroeconomic balances (a percentage of GDP) from 1980 to 2005. The data further shows that the workers' remittances grow significantly since 1991. It further shows that budget deficit has been declining; therefore, borrowing amounts are reducing significantly since the beginning of the re-establishment of democracy in Bangladesh. However, the expenditure in development sector is not growing faster, therefore, the country is still under poverty level and the infrastructure is still under old fashion. Nonetheless, in city areas it has invested for improvements.

III. Political regime segment

The aforementioned improvements in Bangladesh economy did not come based on public policy design efforts under a single regime. After ending Mujib regime, Zia had started to address, *at once*, many-fold issues of the nation and the successors of Zia including the current Hasina regime, had / has followed similar policies with making minor changes in approaches so that it can be claimed its own brand. It was not until 1978 - 79 that a stable per capita income had recovered to its steady pre-independence level even though there were very limited inflows western foreign aids, *especially*, from the USA (World Bank: 2003, 2007). This inflection point obviously suggests that under Zia regime, for the first time in the liberated nation, we had seen a positive curvature of GDP per capita income, which begs question whether it was the results of efforts taken or policies implemented by Zia regime.

To answer this question and other similar questions, we institute some *criteria*s that we use them in this segment to evaluate political regime in the line of economic growth in Bangladesh.

Generally, the political economy literature concerns itself with the content of public policies such as: will exports be subsidized or taxed, which sectors get more or less protection, who benefits from and who pays for income redistribution, and so on (Acharva: 2006). However, in this Chapter, our policy evaluation segment focuses on the following key features of public policies under different regimes:

- i) Stability - the extent to which policies are stable over time
- ii) Adaptability - the extent to which policies can be adjusted when they fails or when circumstances change

- iii) Coherence and coordination - the degree to which policies are consistent with related policies and result from well-coordinated actions among the actors who participate in their design and implementation
- iv) Quality of implementation and enforcement
- v) Public oriented policy - the degree to which policies pursue the public interest
- vi) Efficiency - the extent to which policies reflect an allocation of scarce resources that ensures high returns.

There are a number of reasons why our evaluation focuses on these key features. First, from the standpoint of development, these features are as important as the content of policies themselves as ingredients for economic development. Second, in many cases the link between the content of policies and the nature of the policy making process is rather tenuous. Third, from the analytic standpoint, these parameters can be used across varied policy domains, thus generating more numerical data statistics and allowing for a more precise mapping between policymaking processes and policy outcomes (Easterly: 2001).

Underpinning these key features, we evaluate policies of each regime in different sectors and then compare the regimes in the lens of democracy vs. economic growth in Bangladesh.

1. Post liberation regimes (1972 - 1990)
 - a. Mujib regime (1972 - 1975):

After proudly winning in the liberation war, its first administration, the Mujib regime had faced many setbacks where some were created as results of its own decisions on policy designs and some might had linkages with its shortcomings in leading a new born war wreckage-economy for a rapid progress (Faaland *et al*: 1976). In the early administration, the political leaders were somewhat confused on choosing political path such as democracy or socialism or dictatorship, which had caused slower recognitions received from many developed nations,

which had slow down the food and financial aids flew into Bangladesh. With the notion rewarding the friends of the war and probably with Mujib's own desires, the regime had mainly relied to so-call socialist nations for recovery assistances. Most Bangladeshi had seen this approach nothing but a stage of establishing *Mujibism*. Whatever the constraints, conspiracy or domestic polity rivalry in new Bangladesh had, there is still general consensus that Mujib's policy manifesto had created the dire situations in Bangladesh (Faaland *et al*: 1976).

First five years plans (1973 – 1978)

The first five-year plan (1973–78) was aimed to increase economic growth by 5.5 percent annually, but actual growth averaged was only 4.0 percent per year. The major objectives of the plan were increased national income, rural development, self-sufficiency in food, and increased industrial production (Islam: 1985). However, progress in achieving developmental goals had been slow probably because of its slow efforts in receiving recognitions from developed nations, which had caused smaller amount of foreign aids flew into. Political turmoil and untamed natural hazards of cyclone and flooding have combined with external economic shocks to persistently derail Mujib's economic plans and it had failed to perform essential functions such as n stability perspective and adaptability efficiency issues etc within the nation.

Nationalism

The Constitution (Fourth Amendment) Act of 1975 was passed on January 25, 1975, which was brought into the Constitution by Mujib administration where Mujib emerged from a Democracy preacher into a lover of Dictatorship. The presidential form of government was introduced in place of the parliamentary system where a multi-party system was replaced a one-

party system (Islam: 1985). This amendment had curtailed the powers of the Parliament; the Judiciary system lost much of its independence; the Supreme Court was deprived of its jurisdiction over the protection and enforcement of fundamental rights. This political move scared both domestic as well as foreign investors to invest in Bangladesh, which had caused severe down fall in GDP per capital over the period (Islam: 1985).

Investment policies

During the War, Pakistani businessmen pulled out of then East Pakistan for fear of possible massacre, which left only a few entrepreneurs in Bangladesh. In the field of trade only physical assets and bank liabilities were remained where the bulk of capital was tied up in the knowledge and experience of the entrepreneurs who had disappeared. The preamble of the Industrial Investment Policy for 1972 - 73 rightly described the situation as the administration was forced to take immediate tasks of restoring the existing industries, however, it faced dilemma (Islam, 1985). First, it assumed that it would require enormous efforts to replacing the entrepreneurs and managers for efficient and effective management (Haque: 2002). Secondly, it assumed that this massive government help and intervention would be required to stabilize these abandoned industrial enterprises, which would mirror the policies of the period of the Pakistani rule, which would generate widespread public concerns.

Thirdly, and after liberation, the idea of transfer or sale of abandoned enterprises to prospective Bengali buyers was vehemently opposed by trade union leaders, students and political parties participating in the liberation war (White: 1974, cited in Haque: 2002).

Fourthly, many with investable funds did not have entrepreneurial ability or interest. They were interested in quick turnover and the prospect of high profits, and remained mainly in trading and

speculative ventures. Finally, there were very few, nascent private industrialists where they were ill organized and mostly on the defensive, given their passive role in the Liberation War (Haque: 2002; Uddin: 2005). Dealing with these dilemmas, Mujib administration believed in internal social revolution for a rapid and steady outcome. With this hope, Mujib government had started socialism move. (Haque: 2002; Uddin: 2005).

Underpinning the aforementioned efforts of Mujib administration in state policies, we find that the administration had failed on

- i) Policy stability issues
- ii) Policy adaptability issue- the extent to which policies can be adjusted when they fail or when circumstances change
- iii) Uniting nation and on coordinating actions among the actors in domestic as well as in foreign political arenas
- iv) Quality of implementation and on enforcement of policies
- v) Establishing public oriented policies
- vi) Designing effective policies for the growth of economy.

b. Zia Regime (1977 – 1981)

With the change of government, Zia as the military ruler had adopted state policies relied towards privatization, the promotion of the private sector and democracy over socialism either for improving the economic conditions or for diverting attentions of general people for its own stability (the Daily Ittefaq, November 8, 1978). For evaluation, the efforts of Zia regime can be summarized as follows

In case of domestic policies

Military personnel's engagement in politics & employment in civilian jobs

Zia had taken charge of a nation suffering from severe poverty, chronic unemployment, shortages & economic stagnation and stopping the socialism move. The team with military-civil oligarchy led by Zia was formed to protect its interests in the state and civil society. It had taken the initiative to maintain its rule by relying on civil bureaucrats and lumped bourgeoisie a new leading class in Bangladesh, which was the product of Zia's policy of denationalization (The Ittefaq: 1978)

Policies were dominated by foreign aids

Furthermore, donations from the Middle East nations were significant because of Zia's appealing foreign policies and efforts on implementing domestic policies emphasizing Muslim faith in general (CIPE: 2007). Furthermore, the Zia administration had opened various restrictions in politics, businesses etc for stabilizing economy and political unrest. Also, with Zia's charismatic approaches in politics and with various new programs *creation of canals* for improving agricultural sector for nation's faster economic growth, the nation became forgetting the ways that brought Zia in power and, literally, the whole nation became supporting him for the greater benefit of the nation. With this sustained growth in food production and a good record of disasters management and thru poring Middle East nations' donations into the policy system, the Zia regime was able to curtail the magnitudes of poverty level (CIPE: 2007). It was for the first the time after liberation, the people of Bangladesh had started seeing growing economy and they started dreaming for the better (CIPE: 2007). Underpinning this development and successes in

many folds under Zia regime, it would not be overstated to say that Bangladesh could get out of poverty by now through policies of Zia regime even though he is still considered to be an army dictator in Bangladesh political history.

Programs to revive the economy

Zia-team had begun with announcing a "19-point program" which emphasized self-reliance rural development, decentralization and population control. Zia had worked energetically and spent much of his time traveling throughout the country probably for preaching the "politics of hope" where he had continually urged all Bangladeshis to work harder & produce more (wikipedia.org: 2010) However, the critics suggest that probably Zia had done so in such way because he was trying convey messages that he did not grab the state power to be dictator in stead it was necessary. Whatever, the motto Zia had in mind, he immediately focused on boosting agricultural and industrial production, especially in food and grains, and to integrate rural development through a variety of programs, of which population planning was the most important. Working with the proposals of international lending agencies, he launched an ambitious rural development program in 1977, which included a highly visible and popular food-for-work program (World Bank, 2008). He had promoted private sector development, exports growth and the reversing of the collectivization of farms. His government reduced quotas and restrictions on agriculture and industrial activities (World Bank: 2007). Zia had launched major projects to construct irrigation canals, power stations, dams, roads and other public works. Directing his campaign to mobilize rural support and development, Zia established *Gram Sarkar* (*Village Councils*) system of self-government and the "Village Defense Party" system of security and crime prevention. Programs to promote primary and adult education on a mass scale were

initiated and focused mainly across rural Bangladesh. During this period, Bangladesh's economy achieved fast economic and industrial growth (wikipedia.org: 2010).

Restoring law and order

After assuming power, Zia immediately moved to restore law and order in the country and for the purpose strengthened the police force, practically doubling its size from 40,000 to 70,000 and had arranged for their proper training. He had also restored order in the armed forces (wikipedia.org: 2010). For the purpose, he took certain steps for the development of professionalism in them through rigorous training and restoring discipline. He expanded their strength substantially from less than 50,000 in 1974- 75 to about 90,000 in period 1976 - 1977.

Politics for Development

Under any lens of examination, it would not be overstated that Zia's philosophy of statesmanship was reflected in the coinage of the term *politics for development not for dictatorship*. This was to bring an end to what is called "power politics", since he observed how ownership of the government offered an easy means for misappropriating public wealth through rent-seeking activities. He travelled thousands of miles across the country on foot to drive home his message. He addressed countless public gatherings, large and small, to encourage people to work hard for growth and development. His approach was quite idealistic in nature. His *khal kata* karmasuchi, for controlling the menace of annual flood, was unique and he had engendered participation of people from all walks of life (Ittefaq: January1980).

Islam and nationalism

Zia had moved to lead the nation in a new direction, significantly different from the ideology and agenda of Mujib (wikipedia.org: 2010). He issued a proclamation order amending the constitution, increasing the direct influence and role of Islam on the government, which was then redefined as "economic and social justice". Zia introduced the principle that "the state shall endeavor to consolidate, preserve and strengthen fraternal relations among Muslim countries based on Islamic solidarity (World Bank: 2003). Furthermore, Islamic religious education was introduced as a compulsory subject in Bangladeshi schools, with provisions for non-Muslim students to learn of their own religions (wikipedia.org: 2010).

In an effort to promote cultural assimilation and economic development, Zia appointed a Chittagong Hill Tracts Development Commission in 1976, but resisted holding a political dialogue with the representatives of the hill tribes on the issue of autonomy and cultural self-preservation (I wikipedia.org: 2010). In year 1977 Zia had organized a tribal convention to promote a dialogue between the government and tribal groups (wikipedia.org: 2010).

After the formation of Bangladesh Nationalist Party, Zia took initiative for formation of political institutes and sponsored workshops for the youth to get active political lessons on Bangladeshi nationalism. In such workshop in September 1980, Zia spoke to the learners (The Ittefaq: September 1980) on the idea that an effective political ideology could not be based on any certain religion; therefore, the entire political activism could not be oriented in accordance with religion. This development in his short political life suggests that Zia was moving towards democratic political institution where elimination of poverty from Bangladesh society was one of his pledges to the nation.

Move for democratic institution

A believer in democracy, Zia had moved dramatically to democratize the polity by re-instituting the institution of election either for enabling own political party to assume power or for transferring it to other political party peacefully (Asian Development Bank: 2004). What was his intention, Zia had allowed the disbanded political parties to be revived and political activities to be carried on once again. He had also disallowed the ban on the newspapers and inaugurated the free flow of news by making the news media free. He had further reinstated the independence of judiciary as the bulwark of rights of the people (wikipedia.org: 2010).

Dynamic economic policy

Zia's dynamic economic policy laid emphasis on private sector development. A new development strategy designed to encourage the private entrepreneurs, both local and foreign, and to promote agricultural development through massive subsidies to the farmers was initiated. The process of handing over nationalized industries to their former owners began. Promotion of export of conventional and non-conventional goods became a national priority. Food production reached a new height and Bangladesh began exporting rice.

In case of foreign policies

Zia began reorienting Bangladesh's foreign policy, addressing the concerns of nationalists who believed that Bangladesh was reliant on Indian economic and military aid. Zia withdrew from his predecessors' affinity with the Soviet bloc, developing closer relations with the United States and Western Europe. Zia also moved to harmonize ties with Saudi Arabia and the People's Republic of China, who had opposed Bangladesh's creation and had not recognized it till 1975

(wikipedia.org: 2010). Zia also dropped the demands of reparations and an official apology demanded by Mujib and moved to normalize relations with Pakistan (wikipedia.org: 2010). While distancing Bangladesh from India, Zia sought to improve ties with other Islamic nations. Zia's move towards Islamic state policies improved the nation's standing in the Middle East (Ahmed, 2007). Zia also proposed an organization of the nations of South Asia to bolster economic and political co-operation at a regional level, which is today called South Asia Association of Regional Cooperation (SAARC) (wikipedia.org: 2010).

Economic boom in short term

From the late 1970s to the beginning of the 1980s, there was a short-lived investment boom in both public and private sectors, with growth at nearly 15 percent annually in real terms (Mahmud: 2001). This was made possible by relying on an increasing flow of foreign aid, adopting a privatization strategy based on lavish dispensation of cheap credit, and provision of other incentives such as highly protected markets for domestic industries (Asian Development Bank: 2004). The credit of this short economic boom goes to Zia regime; however, later this program had become the large-scale default of bank loans, which was originated from the experiment with aid-dependent, state-sponsored private capitalism created by Zia.

Indemnity

In Zia short political life, he had enacted several controversial measures, some to discipline the army, some to unify the nation and some to win the support of Islamic political parties (Asian Development Bank: 2004). However, he took no actions against AL leaders who were infamous for corruption. When he reintroduced multiparty politics, he had allowed Hasina, the exile

daughter of Mujib to return to Bangladesh. However, he did not disapprove Jamaat-e-Islami, which was widely believed to be committed war crime, which had been earlier banned by Mujib. Golam Azam, the exiled chief of the Jammata-e-Islami, was allowed to come back to Bangladesh with a Pakistani passport on a visitor's visa, and he remained in Bangladesh following its expiry. No court case was lodged for his trial over his alleged role in committing wartime atrocities. Also, some Jamaat leaders were appointed in ministerial posts (wikipedia.org: 2010). Zia also rehabilitated a high-profile opponent of the creation of Bangladesh, and several men accused of murdering Mujib. The Indemnity Ordinance proclaimed by President Mustaque was ratified in the Parliament when Zia's party BNP had a landslide victory in the national election of 1979. The ordinance thereby became Indemnity Act (wikipedia.org: 2010).

Underpinning the aforementioned important components of Zia administration's efforts, we find that the administration had succeeded significantly on the following areas

- i) policy stability issues
- ii) policy adaptability issue- the extent to which policies can be adjusted when they fail or when circumstances change
- iii) uniting nation and on coordinating actions among the actors in domestics as well as in international area political arenas
- iv) quality of implementation and on enforcement of policies
- v) establishing public oriented policies
- vi) designing effective policies for the growth of economy

c. Ershad Regime (1981 – 1990)

Struggles in legalizing power grabbing activities

After Zia's assassination, the new president Abdus Satter had led the BNP to victory in a democratic election of 1982 where this victory was solely seen as the victorious of Zia's policies

on establishing a democratic political institution in Bangladesh. However the BNP government was not doing well and it was facing internal power conflicts. With this weakness within the governing party, like his predecessor (Zia), Ershad took over power with a similar slogan “growing corruptions and inefficiencies of the civilian government” (wikipedia.org/ershada, 2010). Ershad had started building on Zia’s earlier political platform of advancing an increased role of Islam in culture and politics in Bangladesh. In little longer timeframe, Ershad had sought national referendum on his leadership; however, comparing with the success of his predecessor, this time turnout was small, which suggests that grabbing power by Ershad was unwanted by the people of Bangladesh. To overcome this limitation and for implementing a grass-root *Ershadism* over *Ziaism* in politics, two month later of his initial referendum election, he held local council Chairman election where pro-government won majority, which had created a background for executive decentralization program (wikipedia.org: 2010). Meanwhile, Ershad had formed Jatiyo Party (JP) and in the following parliamentary election, the JP had secured a majority of 300 seats, which had helped him legalizing his acts of grabbing state power etc. Furthermore, the SAARC was materialized during Ershad regime where he had benefitted from it significantly in both domestic issues and in dealing with neighboring states.

Dictator mentality

From the beginning of grabbing state power, Ershad had been trying in many ways to institutionalize a dictatorship administration (wikipedia.org: 2010). As his predecessor’s, the Council of Advisors of Ershad was drawn from the members of the civil and the military bureaucracy. Similar to Pakistani army dictator Ayub Khan, Ershad had believed and sounded that military administration was the answer for an effective administration and economic growth in Bangladesh. With this belief and implementation of the said model, he had behaved as a

military dictator and visited mosque after mosque displaying his faith in both domestic and international forums. Unlike Zia; Ershad, for the first time in Bangladesh political history, had pushed through a controversial legislative bill in the parliament to include military representation on local administrative councils, which had inspired the opposition to walkout the parliament, which was the beginning of ending Ershad *era* movement.

Breeding Islamism phobia

Although Zia, for the first time, had started using Islam as a political discourse and favored Islam-based parties, unlike Ershad, Zia was able to switch gear of his policy in stabilizing domestic policy and religious based movement (wikipedia.org: 2010). However, Ershad's failure in this perspective, had allowed the Islamists to advance their agenda in the civil society in Bangladesh. Additional factors, such as grinding poverty, pervasive illiteracy, foreign aid dependency, and the inability of the civil-military bureaucracy to improve the socio-economic conditions might also have helped the Islamic parties to promote their political objectives during the Ershad regime (GOB: 2003).

Accomplishment in transportation sector

During Ershad's rule, the construction of the Jamuna Bridge connecting the country's north and south was started. The Jamuna Multipurpose Bridge Authority (JMBA) was set up by an ordinance to implement the project. For mobilization of domestic resources, another Ordinance was promulgated by which a Jamuna Bridge surcharge and levy were introduced. A total of TK 5.08 billion was mobilized in the process (BBS: 2002).

Stabilization military unrest and utilization of military as human capital

Ershad had stabilized the Bangladesh Armed Forces which was facing a series of Coups and counter Coups ever since its emergence as a nation in 1971 (The *South Asian Multidisciplinary Academic Journal*, 2009) documents the Bangladesh Army's history regarding this. Under Ershad's administration, the Bangladesh Army started its participation in the United Nations Peacekeeping Operations for the very first time, which turned out to be one of the highest sources of foreign currency earners today (wikipedia.org: 2010).

Efforts for stopping barbarism in society

He was the first leader in history to sign a death sentence for throwing acid on women. This led to a dramatic lowering of throwing acid on girls as time pass on. He also issued death sentence ruling for any one who would mutilate children for begging. In Bangladesh he was the one who passed a law that if a child is found crippled on the road he has to be taken to police custody and then from their to a hospital and appropriate institution. This also led to a dramatic decline in crippling children begging in Bangladesh. He also had a long term ruling on health care with issuing free Tuberculosis and leprosy drugs for the patients in all the health complexes. He stopped human transportation on the Bangladesh Borders. He launched a wide spread campaign against use of Illicit drugs and opening of drug rehabilitation centre in Bangladesh (BIDS: 2001).

Efforts on denationalization

The *Land Reforms Ordinance of 1984* (CPD: 2003) granted important rights to tenants for the first time in the history of Bangladesh, and a new plan for the divestment of government industries promised to move the country away from socialism.

Becoming corrupt regime

It is well published that Ershad had come in power with a promise to stop corruptions; however, his administration was directly engaged in benefiting from corruptions in all stages of administrations including wife of Ershad.

This figure shows the rapid expansion of corruption during Ershad regime. Ironically his slogan for seizing political power was "stamp out corruption from society". Zia had the same slogan.

Underpinning the aforementioned important components of efforts of Ershad regime, we find that the administration had failed on the following areas

- i) Policy stability issues and acted as dictator, which had suppressed the movement of democracy in political institution where he had polluted the political environment, which, in some instances, we see in today's rivalry politics between two major parties.
- i) Policy adaptability issue- the extent to which policies can be adjusted when they fail or when circumstances change
- ii) Uniting nation and on coordinating actions among the actors in domestics as well as in international area political arenas
- iii) Quality of implementation and on enforcement of policies
- iv) Establishing public oriented policies
- v) Designing effective policies for the growth of economy.

2. Re-establishment of democracy in Bangladesh (1991 -
 - a. Khaleda Regime (1991 – 1995; 2001 – 2006)

After Ershad regime's dramatic fall in the face of civil movements for establishing democracy, with a unanimous vote across all political lines, the BNP-led government along with opposition parties supports had restored the parliamentary system through the 12th amendment to the Constitution (wikipedia.org: 2010). A neutral caretaker government had overseen that election, which was broadly considered to be free, fair and truly democratic election in Bangladesh political history. Khaleda had become the first female Prime Minister in Bangladesh history.

Progress in education sector

While in power, Khaleda regime had followed Zia's philosophy and made considerable progress in the education sector, including introduction of free and compulsory primary education, tuition-free education for girls up to class ten, stipend for female students and the Food for Education program (BBS: 2002; CPD: 2003). On the environmental issues, the regime had inspired for tree plantations, which later became a nationwide social movement. Furthermore, in continuation of Jamuna Bridge construction, Khaleda had played a commendable role in revitalizing the SAAR, which was the vision of Zia (CPD: 2003). Furthermore, under the regime, the age limit for entry into the civil service from 27 years to 30 years was increased and the regime had made highest budgetary allocation in the education sector, which in combined had inspired the young generation and had restored their hopes.

Restoring Zia fames stands on Zia platform on the issue of Mujib killers

After taking over power, Khaleda had tried to restore Zia fames by naming universities, roads etc and had followed similar policies that was implemented under Zia regime on the issue Mujib killers, which was not a sensitive issue to the general people in Bangladesh as because the outcome of policies implemented under Zia regime.

Provision of caretaker government in Constitutional

Khaleda became Prime Minister for the second consecutive term after the BNP had a landslide victory in February of 1996 general parliamentary election. However, the election was boycotted by all other major parties who were demanding that the elections be held under a neutral caretaker government as it was held in 1991. The short-lived parliament had hastily introduced the Caretaker Government through 13th amendment to the Constitution, and then the regime was dissolved to pave the way for a parliamentary election. Four months later, in the election, the BNP lost to a united multiparty, which was led by Hasina, leader of Awami League (AL) (wikipedia.org/: 2010).

Alliance with liberation foes and

Aiming to return to power, the BNP had formed a four-party alliance in 1999 with its former political foe, the JP, and with the Islamic party of Jamaat-e-Islami and the Islami Oikya Jot who were foe to the liberation war. With its supports, the BNP had launched several agitation programs against the AL. Even today in political arena, Khaleda, like her husband president Zia, has been criticized much for making alliance with these parties (The Protham Alo, November, 1999).

In 2001 general election, the Khaleda alliance won in the general election with a two-third majority of seats in parliament with a slightly higher percentage of votes over the alliance of Hasina. For the third term, Khaleda was once again sworn in as the Prime Minister of Bangladesh.

Breeding religious militant

Khaleda's third term was plagued by rising religious militancy, continuing its spiraling of corruption (including successive damning reports by Transparency International), a rise in alleged attacks on minority groups (such as Hindus and Ahmadiyas as documented by the US State Department and Amnesty International) and an increasingly explosive political environment (wikipedia.org: 2010). A particularly controversial piece of legislation introduced by the government was the banning of Ahmadiya publications in January 2004, which attracted considerable concern from international observers (wikipedia.org: 2010).

Economic policies

All broad sectors of the economy—agriculture, industry, and services— contributed to the growth acceleration since the early 1990s. The average annual growth of agricultural GDP accelerated from 2.5 percent in the 1980s to 3.2 percent in the 1990s, industrial GDP from 5.8 to 7.0 percent and the service sector GDP from 3.7 to 4.5 percent (Hossain, 2003, World Bank, 2007). But Khaleda regime had faced escalating criticism on various issues including power & water shortages, rising prices of essential goods including foods and an unstable security environment. Back-to-back suicide bomb attacks in southern and central regions of the country and nationwide protests on the said issues became intensive. Under the BNP leadership,

Khaleda's conservative coalition had faced stiff competition from the coalition of centrist led by Hasina leader of secular AL.

Corruptions

Under both second term and the third term, the Khaleda regime had appeared to be softening to the practices of lobbying for winning government contracts, which were openly persuaded by her two sons and other relatives (Ittefaq, November: 2007). . The intensity of these practices were severe enough for noticing in peoples' daily lives, which had caused rising prices of even essential goods, which openly opposed by the media and general people. The members of her team had followed her two sons in practices.

Underpinning the aforementioned efforts of Khaled regimes in state policies, we find that the regimes had produced a mixed result in its efforts in the line of economic growth

- i) Policy stability issues – it had failed to stick with Zia's visions at least during the second and the third terms. However, the efforts for economic development during her first term were significant.
- ii) Policy adaptability issue- the extent to which policies can be adjusted when they fail or when circumstances change – the first had contributed in this perspective, however, the second and the third term were used to serve the regime itself.
- ii) Uniting nation and on coordinating actions among the actors in domestics as well as international political arenas – it had failed to connect with the general people in Bangladesh during the second & the third term where it had produced Islamic phobia in the society.
- iv) Quality of implementation and on enforcement of policies – mixed result on quality but failed on enforcement of law & order on corruption, good governance, which produced a segment of religious fanatic growing segment
- v) Establishing public oriented policies – a mixed result because the religion fanatic segment was not stopped but claimed to be inspired
- vi) Designing effective policies for the growth of economy – inspired significantly

b. Hasina Regime (1996 – 2000; 2009 – 2014; 2015 - present)

In 1996 parliamentary election, the AL won parliamentary elections and formed a coalition government led by Hasina where Justice Shahabuddin Ahmed, who led the first caretaker government, was chosen as President, which was praised by most Bangladeshi. Hasina had articulated the need for national consensus and took initiative to form an all-party government. Hasina had emphasized good governance and formed several commissions with government and nongovernment members (wikipedia.org / hasina, 2010). The commissions reviewed several sectors including education, local government, health, and civil administration to suggest reform measures. As a result, new industrial and health policies, among others, were approved.

Major political move and achievement

In a major move, the constitutional indemnity protecting the killers of Sheikh Mujib and other AL leaders in 1975 was revoked and judicial inquiry and trials were started against the killers under the common law of Bangladesh (Ittefaq, November, 1997). Furthermore, the regime had started to *undo* Khaleda's efforts on revitalizing Zia's fame, and had acted to rename university, roads etc so that Mujib's fames can be flourished where the people were discouraged by these efforts (wikipedia.org/Hasina: 2010). A major achievement of Hasina government was to strike a treaty between India and Bangladesh concerning the Farakka Barrage, a bone of contention between the two countries ever since it was built in the 1960s. Later, Hasina had created a 'Peace Treaty', which was a vision of Zia regime, with the tribal rebels in the mountainous southeast of the country, thus seemingly solving a problem as old as Bangladesh itself (.wikipedia.org /hasina, 2010; wikipedia.org/zia, 2010).Though rebel activities have reduced greatly after the treaty, the region still remains a hotbed of tension.

Surplus in food production

When she became prime minister in June 1996, Bangladesh was a food deficit country. The average cereal deficit was of the order of 4 million tons per annum. When she left office, Bangladesh had a surplus of 2.5 million tons of food grains, for the first time in its history. Appropriate policies, programs and inputs for the food and agriculture sector and their timely implementation had enabled this, i.e., the transformation of the country from a food deficit to a food surplus one (BIDS: 2004). In recognition of her success in the food, nutrition and agriculture sector, the UN Food and Agriculture Organization (FAO) awarded her the prestigious Ceres Award (1999).

Leadership roles in the line of democracy

For her leading role in promoting peace at home and abroad she was the only head of government to be invited to address the Hague Appeal for Peace Conference. When both India and Pakistan detonated nuclear devices and became nuclear powers, Hasina took a major initiative in defusing tension in the region by visiting both the countries and counseling to balance and restraint to their leaderships.

In domestic politics, Hasina had initiated necessary moves to consolidate democracy and give it a firm root (The Prathom Alo: January 1999). She had made parliament the focal point of all discussions on major policies, introduced and enacted scores of bills for reforms and made all actions of her government accountable and transparent. Similar to British Commons, Hasina had introduced the Prime Minister's question time for the first time and took questions every Tuesday whenever the parliament was in session. She had reformed the parliamentary committee system by making MPs rather than ministers, their chairpersons. The system worked with remarkable

success and for the first time in the history of Bangladesh, the committees became effective and lively forum of debates and recommendations on major national and international issues.

Down side of Hasina administration

The AL was criticized for harboring gangsters turned politicians (wikipedia.org/Hasina, 2010). Her government was also criticized for overusing Mujib's name in the media and naming many major public institutions and constructions after him. The BNP had also accused the AL for politicizing the administration and state-owned media. Her party was also accused of being lenient towards India, *especially*, after a shootout between border forces of India and Bangladesh left 16 Indian and 3 Bangladeshi border guards dead.

Corruption

During the last year of her regime, Transparency International declared Bangladesh to be the most corrupt country in the world. Though Bangladesh had almost always been in the bottom five, the last position created uproar and was seen by many as a major failure by Hasina administration (World Bank: 2007). Though Hasina was voted out of the office later, Bangladesh remained at the last position for some more years. The opposition demanded that Hasina resign and declare early elections, but Hasina refused to do so. She became the first democratically elected prime minister to complete her term (wikipedia.org/hasina: 2010). With all these policies, efforts on governing country, *undo* acts and failure to connect with general people of Bangladesh and the magnitudes of corruptions had landed her to defeat in the 2001 general parliamentary election.

In December of 2008, Hasina returned to power for the second term with an overwhelming majority where she had pledged to build a "Digital Bangladesh" by 2021

(wikipedia.org/hasina, 2010). Khaleda, however, had rejected the results of the election, sarcastically thanking the Chief Election Commissioner "for stage-managing the parliamentary election" in a statement. But, according to the views expressed by foreign and local election observers, the general elections were free, fair and credible (wikipedia.org/khaleda: 2010).

Recent policies and efforts to implement it

After taking over power, the Hasina regime has signed few treaties with India in aim resolving power crisis, stopping terrorism acts etc. However, the opposition major party has vowed against it. Furthermore, her recent approach on transit, which will be used by India becoming a controversial issue. The opposition has raised question on whether it is free; however, the Finance Minister of Bangladesh has responded to opposition concerns and has ensured that Bangladesh will be charging fees for using territory where fees will be based on capacity maintenance as the Bangladesh infrastructure will be used by the Indian cargoes (the daily star.net, November 8, 2010).

During the second term, it appears that Hasina regime is trying to adopt policies, make treaty etc by either justifying thru legal system or by making appealing to general people so that her successor (s) do not or can not over write her policies without having any legal decision or general peoples' approval. In this perspective, it would not be an overstated to say that her so far approaches in policy design, governing approaches etc have some basic to justify and that is all about the democracy. However, during the current term, major *undo* approaches have not been seen yet. In this perspective, let us take an example, underpinning Court verdict, the Hasina regime have been trying to evict Khaleda from her Cantonment house. Without questioning right or wrong, all we say here that this is a better approach than the ones Hasina had taken in her first

term to *undo* her predecessor's efforts. This adjustment in her political philosophy obviously suggests that the democracy is in place and it is working.

Underpinning the aforementioned efforts of Hasina administration in state policies, we find that the administration has mixed results

- i) Policy stability issues – stayed with Zia philosophy but with different approaches in implementation; tried to rewrite predecessor's efforts in the first term, however, in the current term, her democratic approaches have been improved, which suggests policy stability scale is higher.
- ii) Policy adaptability issue- the extent to which policies can be adjusted when they fail or when circumstances change: She had failed in her first term, however, in subsequent terms the administration efforts are progressive in this perspective.
- iii) Uniting nation and on coordinating actions among the actors in domestics as well as in international area political arenas: Failed in first term, however, in subsequent terms are impressive even though relationships deteriorated with West
- iv) Quality of implementation and on enforcement of policies: the subsequent terms are better than that of first term
- v) Establishing public oriented policies: Hasina has not yet put forward any burning issue before general people on how they feel, before making policy decision such as recent transit & fees issues with India; therefore, Hasina has failed in this perspective
- vi) Designing effective policies for the growth of economy: in this perspective the subsequent terms are impressive over the second term but failed on holding fair elections in all levels

IV. Economic transformation in recent years

a) Level of socioeconomic development

Despite the high growth rates seen in recent years, the majority of the country's population has not been conditions improve dramatically. Poverty remains the overreaching problem with 76.5 percent of the population in year 2010 living on less than \$2 a day, which suggests at least 65 million people live below poverty line. (www.bti-project.org, 2015). Women

account for 52.7 percent of the country's economic activity but females earn on average less than half the income of their male counterparts. There are more poor women than men and hardcore poor are largely women. However, the country has made significant progress in achieving gender parity in primary and secondary education. With significant efforts of NGOs, the number of rural educational institutions has grown faster than the number of comparable healthcare facilities.

Economic indicators / year		2009	2010	2011	2012	2013	2014
GDP	SM	89359.8	100357.0	111905	115609	116602	116745
GDP growth	%	5.7	6.1	6.7	6.3	6.4	6.45
CPI	%	5.4	8.1	10.7	8.7	8.8	10
Unemployment	%	5.0	5.8	5.3	5.0	5.5	5.6
Foreign dir invest	%GDP	0.8	0.9	1.0	1.0	1.2	1.3
Export growth	%	0	0.9	29.3	17.9	21.0	22.0
Import growth	%	-2.6	0.7	29.2	18.8	22.7	23.0
Current Act balance	SM	3556.1	2105.9	-164.9	2647.6	2620.2	2600.0
Public debt --- data are not available publicly, which contradicts with Transparency Act							
External debt	SM	24618.8	25751.7	27043.3	28000.0	28002	29200
Total debt	SM	955.3	1026.8	1492.7	1500.1	1700.1	1750.6
Cash surplus /deficit	% GDP	-1.7	-0.9	-0.9	-0.92	-0.94	-0.95
Tax revenue	% GDP	8.6	9.0	10.0	11.5	12.8	12.9
Govt. corruption	% GDP	5.3	5.4	5.8	5.9	5.8	5.7
Public exp on edu	% GDP	2.2	2.3	2.2	3.0	3.3	3.2
Public exp on health	% GDP	1.4	1.3	1.4	2.0	1.95	2.0
R&D exp – data are not available publicly, which contradicts with Transparency Act							
Military exp	% of GDP	1.2	1.4	1.4	1.4	1.4	1.4

Table 7.2: Recent years' socioeconomic status based on various economic indicators

Data source: The World Bank; World Development Indicators 2015; IMF, 2014; World Economic Outlook, 2015; Military Expenditure Database 2014

b) Organization of the market and competition

Market competition in Bangladesh operates under a weak institutional framework with inequitable rules for market participants. This is an ongoing problem related to the country's market transformation but has not improved even in recent years. The state's heavy reliance on tariffs as a source of revenue hampers entrepreneurial activities and increases the cost of trades. In June 2012, the parliament of Bangladesh passed the long-awaited Competition Act. This new law replaced the monopolies and restrictive trade policies (Control and Prevention Act).

c) Currency and price stability

Inflationary pressure has been increasing in recent years. Despite government's various efforts at control, the inflation rate for 2011 was 10.7 percent, which was 3.2 percentage points higher than the target. The poor people mainly suffer with this continuous upward trend of inflation where 65 of total population are poor.

d) Private property

The right to own property is safeguarded by law. However, implementation problems are especially acute in rural areas where patronage networks linking landowners, the police and state bureaucrats make it difficult for farm landowners and minority. It has been a continuous process where in recent years nothing has been changed.

e) Economic performance

Generally, Bangladesh's economy maintained a level of performance consistent with previous years though rising inflation, high unemployment and budget & trade deficits continued to be concerns. Despite increasing GDP, nothing has been changed in the line of noted problem but in

some case it is getting worse. GDP rose by 0.6 % from year 2011 to 2012 where current is 7.1% but was target to 7.5%.

f) Sustainability

Concerns about the possible effects of global climate change have led to robust public discourse., insightful research projects and policy interventions in recent years. The government and the civil society are engaged not only in raising awareness but also in devising policies to mitigate projected effects. Government has signed a contract to produce electricity adequately so that no load-shade can take place. In this aspect, in recent years the government is keeping up its promise and is generating huge volume of electricity in Bangladesh.

V. Conclusion

Even though promoting democracy was the basis of liberation war in 1971, the Muzib *era* was started with policy of command economy instead of installing open economy in Bangladesh. The economic growth was mainly relied on public sector and Muzib was pushing for policy of nationalism. However, during *Zia era*, the development of economies was connected with rural, urban and city areas, which was mostly welcomed by majority of the population. In aim to see faster GDP growth, *Zia era* was effective in convincing leaderships of other nations, especially, Middle East nations for securing huge amount of donations, aids and labor employment opportunities. However, in fulfilling donators' conditions in agreement, the country becomes more religious fanatic, which had created place for the Jamatees, which was one of the factors of un-stability in politics. Therefore, the level of investment was not growing significantly. After ending *Zia era*, *Ershad era* had continued the open economy policy, however, the prolong military presence in public administration caused skyrocketing corruption

rates during Ershad *era*, which was ended by a popular uprising in December 1990 and democracy was rebirth. Since year 1991, the economic growth was growing faster than any other previous years without questioning whether it was Khaleda *era* or Hasina *era*, which clearly suggests that beginning with democracy can lead economic growth and tranquility in Bangladeshi society. Today's progression in agricultural sector, manufacturing & industries sector, investment sector, *especially*, foreign investors role are significant. A cross examination of economic growth and political environment in recent years in Bangladesh suggests that economic growth and efforts for democracy are linked in parallel. In this aspect, major parties both AL and BNP leaderships have witnessed this impact and therefore, leadership, if it is not in power, has used it as a weapon to undermine regime's efforts on leading the nation by causing deterioration one of the two. In this aspect, the political environment – *killing people, burning buses* etc. that took place in year 2014, is a bright example. So, regime's efforts of democracy cultivation in Bangladesh can be measured not just based on democracy or on economic growth itself but based on the ratio of the two – *democracy vs. economic growth*. This mathematical tool can say how the regime has contributed to and the direction of the contributions.

Chapter 8

Economic Growth and Political Stability in Bangladesh

Democracy is a charming form of government, full of variety and disorder, and dispensing a sort of equality to equals and unequal alike.

----- Plato

I. Introduction

Over the last twenty years, following decades of political instability that started with socialism move then military interventions and then military dictatorship that had caused economic stagnation, Bangladesh has experienced high rates of economic growth. According to Bangladesh economic outlook for 2015, Bangladesh's economy have weathered the nationwide crisis and assuming economic normality returns, growth is expected to accelerate to almost 8 percent in 2015, with a possible return to level achieved before the crisis. For instance, Bangladesh has forged ahead in the area of universal educations, enhanced the expatriate earnings and garments industries.

Yet, a lot remains to be done to translate this economic growth into substantial reduction of poverty, as shown by insufficient progress on the goals relating to maternal mortality or access to safe drinking water, which will likely not be reached in 2015. Democratic governance is both a means to achieving human development and an end in itself. It consists in encouraging institutions and processes that are responsive to the needs of ordinary citizens, expanding choices for individuals, communities and nations. Democratic governance is associated with security, accelerated growth and investment, sound financial management, and effective and equitable social policies. It also embodies principles of justice, human rights and fairness, giving people a secure space so they can voice their opinions freely. Therefore, the democratic governance can ensure a society of tranquility where everyone can play roles based his / her skills.

No matter what nation we live in, all these attributes are prerequisite for good governance and for a prosperous society. In this line, “democracy is a charming form of government, full of variety and disorder, and dispensing a sort of equality to equals and unequal alike -- Plato” where good governance can revitalize the fruits of it in Bangladesh. However, Bangladesh is still struggling to overcome the impediments of good governance even though its political institution is more democratic today than before for over two decades, with exception year 2007 – 2008. The gap between expectation and the reality in this line raises question: what factors might have caused ups and downs of our GDP? The goal of this Chapter is answer the question posed. In other words, the goal of this Chapter is to detect the factors that might have influenced the fluctuations of our economy and tranquility in society.

II. The probable causes of political instability – *dysfunctional democracy*

At a general meeting of the International Business Forum held in Dhaka in May of 2010, the speakers urged the political parties to place economy at the top of their agenda (The Daily Star, May 12 of 2010). In effect, the opposition party was calling upon the politicians to refrain from activities that disrupt the economy. In other words, the opposition party was planning to impose *hartal* as the prime mode of getting its political demands met. This is common political culture of Bangladesh no matter whether AL or BNP is an opposition platform in the parliament.

Shutdowns have a way of not only bringing violence to the streets but also affecting industrial productivity, disrupting supply chain and tolling upon export trade — all very adversely. Let’s not forget that nourishment to the economy comes from earnings from external sources, principally through export trade. Our competitors in overseas markets would shy away when they see road blocks to their business caused by *hartal*. It is important to note that already

some orders for garments export have been cancelled or scaled down because of successive *hartals*. We risk losing buyers and investors to countries in the neighborhood such as Myanmar, Vietnam or Cambodia if we persist in the political standoff.

To detect the factors of instability in Bangladesh political arena, we cross examine the transformation of governance in recent years.

State-ness

Governments in Bangladesh still face problems in exercising the legitimate use of force. Widespread corruption and partition influence over civil administration are the principal causes for the continuing deterioration of law & order. The nation has lost thirty seven lives during the recent *Union Parishad* elections (The Daily Star, April 17, 2016). Here the impunity enjoyed by ruling-party activists. Levels of political violence were severe in year 2009 – 2012 where on average 200 people died each year as a result of political violence. In recent months, criminal activities including gang rape, robbery, abduction, drug trafficking, attacks on women and murder increased substantially.

Participatory attitudes

Until 2008, caretaker governments were responsible for ensuring free and fair elections. The Bangladesh Election Commission (BEC) ensures that the elections are run correctly. In 2012, with an unusual move by the administration, the names for commissioners of the BEC were recommended to the President by four search committee members. The commissioner was expanded from three to five members including chief election commissioner. However, the opposition had rejected the appointments with a claim “the appointees have not acted

independently in the past". The opposition major party (BNP) boycotted the election and participation was significantly lower than the last general election. With the passage of the 15th amendment, which abolished the system of caretaker government, the first general election in 2014 took place under the current administration where the BNP boycotted the election.

Effective power to govern

The conflict between AL under the leadership of Hasina and BNP under the leadership of Khaleda has inhabited the process of institutionalization of civilian control over the armed forces. As civilian leaders have sought to instrumental the military for their partisan interests, they have avoided institutionalizing civilian control in favor of an informal, personalized style of instructing and monitoring the armed forces. In recent years, Hasina administration has allocated the highest percentage of GDP for military expenditure where in 2009 it was 1.2 percent of the GDP, which reached to 1.5 percent in 2015. The administration raised government employee salaries to almost double in 2015 even though GDP and revenue generation have slightly declined.

This political polarization has led to politicization of other institutions such as the judiciary system and bureaucracy where all this sign of poor governance causes the instability.

Rule of law

Traditionally, the executive arm of the state enjoys prominence and exerts influence over other institutions. Because of huge majority of ruling party (AL) and because the legislature subservient to the executive as per Article 70 of the Constitution, the recruitment & appointment of judges have been dominated by the philosophy of party that is in power. Since no separate

judiciary secretariat has been established for the judiciary and thus the appointment, transfer and promotion of lower judges remain administered by the executive instead of the office of the Chief Justice. Therefore, independent judiciary system has been missing and as a result law and order is more politically polarized.

Prosecution of office abuse

Corruption remains an endemic problem in Bangladesh, permeating all levels of society. Political parties pay lip service to the elimination of corruption but appear disinclined to develop institutional mechanisms to address the problem. In general the government has continued its efforts by curtailing its power to prosecute high level officials & political leaders. But created an act of parliament, the Anti-corruption Commission (ACC) in its current form has no constitutional basis and it suffers from lack of resources.

Civil rights

Enforced disappearances, extrajudicial killings, killings in police custody and government failure of identifying and then capturing of killers are major sources of civil rights violations in recent years. The recent *dilemma* of Tonu killing and then manipulation of its medical reports raise another concern on administration's performance of governance.

Stability of democratic institutions

A key structural impediment to the institutionalization of democracy in Bangladesh is the concentration of power in a variety of places: in the hands of one or two party leaders in the case of parties and in one or two offices (the prime minister's office) within the governing structure.

The importance of the parliament as the focus of politics and governance has diminished in recent years. Since the BNP boycotted the election, the current opposition platform in parliament plays roles as a “dummy opposition platform” in the parliament, which results a dysfunctional democracy.

III. Conclusion

The recent years are marked by rule by a democratically elected regime with three quarters majority in the parliament. However, the parliament continued to be less than effective due to boycotts by the major opposition political party and ruling party’s unwillingness to make compromises. The law and order situation has deteriorated, particularly notable is the upturn in human rights violations including enforced disappearance, extrajudicial killings and lynching. The government has successes on improving international relationships and securing adequate loans, donation for domestic economic growth. In the past decade, the country has made remarkable progress in various social indicators such as reductions in population growth, child mortality and improvement in gender parity in primary education. This progress continued in the recent years too, however, economic disparity and social marginalization continued to be two key characteristics of Bangladeshi society.

Chapter 9

Democratic Roles of Regime and Economic Growth: Mathematical Modeling of Linkage and Hypothesis Testing

Democracy is when the indigents, and
not the men of property, are the rulers
---- Aristotle

I. Introduction

Like any subject areas, in political science, mathematical modeling is an art of translating problem from an application area into tractable mathematical formulations. So that it's theoretical and numerical analysis provides insights, answers, and guidance that are useful for the originating application. It gives precisions and directions for problem solutions. It enables a thorough understanding of the system modeled and prepares the way for better design or control of a system. Therefore, in Chapter 5, we have introduced framework of measuring democracy, good governance and economic growth in numbers, which we use in this chapter for designing the mathematical models capturing the forty-two year period of political economy of Bangladesh in aim to test our hypotheses, which are developed based on our observations.

The political *saga* of 2006 on forming caretaker government, handover power and then the completion of general election of 2009 were the bases to believe that Bangladesh polity had passed the litmus test of being a democratic institution (Yasmin, 2010). The national election in 2009 was generally regarded as among the freest and fairest in Bangladesh's political history (The Asian Foundation, occasional paper no. 13, June 2012). The voting process was transparent and credible, and it had been preceded by a comprehensive voter registration exercises of such excellence that it was held up as a model for other developing democracies. The responses from both party-leaders on the acceptance of the election outcome had signaled the existence of a vibrant democracy in Bangladesh. This signal was that it just passed its puberty stage where this

adulthood teenaged had required lots of guardianship and nursery so that it could blossom to its fullest for greater benefit of the nation as a whole (Yasmin, 2010). These elections were seemed to be ushering in a new *era* of effective democracy in Bangladesh where steady progress was expected in improving quality of elections that was not seen over the past decade and a half in Bangladesh political history (Yasmin, 2010).

However, once again, in 10th Parliamentary election, the people of Bangladesh waited for a peaceful change of power through general election that took place on January 05 of 2014, under conditions in which it was difficult to have any confidence. In this pre setup election the major opposition party did not take part, 153 candidates out of 300 parliamentary seats were selected without contest and as media reports, 10 percent of the voters participated. Because of low participation and over 50 percent of the parliamentary seats were selected without contest cannot represent a democratic fair and free election by definition as critics view it. The critics terms the just concluded election 'legal' on constitutional basis, however, holding talks for reaching a consensus on holding a fresh election as soon as possible to resolve the ongoing political crisis. Developed counties worldwide further insisted for a fresh poll that should be organized immediately to protect the democracy .So that the moral basis can justify fulfilling the purposes of holding a free, fair and transparent elections following the constitution (The Daily Star Newspaper, January 21, 2014).

The 10th parliamentary election was a 'rare' incident in the world's history of democratic ruling system where winning of 153 candidates out of total 300 seats were uncontested in the elections, which makes to believe that democracy cannot be strengthened this way. In recent *Union Parishad* election (held in 2016) thirty seven people got killed and the Election Commission acknowledged its failure to ensure a free and fair election. Most of the news papers

have cited it as a “tragedy in the name of election of 2016” (The Daily Star, April 22, 2016). Overall, the Bangladeshi people’s politicians have crippled the democratic electoral system, which has made the next general election very uncertain. Even with this very dysfunctional electoral system, people dream of a functioning, dignified democratic government. Yet whether and when this controversial election will actually take place are issues of great uncertainty. Who will take part if they do, who will win, and what will happen if this party wins or that party loses remain subjects of intense speculation. The electorate has voted for different parties at different times, but they have all failed to fulfill their electoral promises. Ordinary people outside political groupings see no hope with these sets of leaders and parties. They want real and radical change in the system and leadership. However, the question remains as to who will bring about change, as the current politicians will not.

With this back peddling of democracy, most people now see Bangladesh as a nation where democracy is not pollution free. There are growing recognitions that democratic elections alone cannot deliver democracy in other areas. Most of the observers in this group believe that cultivation of democracy from all levels including political parties can influence significantly for the restoring and then maturity of democracy (The Daily Star Newspaper). Several prominent stakeholders and analysts have noted that the gains possible from an immediate date for fresh parliamentary election where both major parties participate for the sake of restoring democracy. It has further remarked that if there is to be significant further progress in consolidating democracy in Bangladesh, these advances will have to be made in other areas. And that is what has led us developing our research hypotheses incorporating numerous crucial areas in this study.

II. Goals of the chapter

The goal of his chapter is to empirically examine the democratic roles of regime in Bangladesh that are associated with economic growth where the regime's roles derived from two avenues namely, "democratic political institution" and "good governance". Here we diagnose the efforts of each political regime from year 1972 – to 2015 of forty-three year period data statistics of Bangladesh political economy. For further clarity, we detect linkages, if there are any, through first "democracy lens" and then through "good governance lens" where its' various political choices and performances of public policies are scrutinized in the line of economic growth.

We begin this subsection by outlining our observations, data statistics that was collected by the author for this study using self-explanatory mailed out Questionnaire Form on which our study hypotheses build on. We plan to run statistical test on our hypotheses for detecting linkages and, if there are any, then the directions of the linkages will be examined statistically.

III. Democracy vs. economic growth and Good governance vs. economic growth: An observation of data statistics: The likely linkages

Commenting on any linkages, if it exists, between any two variables such as democracy & economic growth and / or good governance & economic growth, we begin our efforts by addressing three questions

In case of democracy vs. economic growth

1. What do the relevant scientific studies suggest on likely linkages of the two?

The existing evidence on the linkage between democracy and economic growth does not provide a clear cut support of the idea that increased democracy causes economic growth or *vice versa*. These findings have relied on data statistics evolved from many countries instead of a

single country where the country is unique in the sense that it has witnessed various stages in establishing democracy. However, the interest in the relationship between democratic institution and economic growth in any western country has been long-standing (Glaeser, *et al.*: 2004). In recent years, a renewed interest has been shown in trying to further comprehend the factors that determine a country's rate of economic growth. This is important since a higher growth rate means greater national output, potential of higher living standard etc. The earlier studies of the causes of economic growth focused on the importance of increasing exogenous quantities of physical resources to enhance the rate of growth, while more recent evidence suggests that growth is determined by much larger set of endogenously determined variables (Barro: 1991; Gorssman *et al.*: 1994; Solow: 1994; Hanke, *et al.*; 1997).

Institutional factors – the political and economic customs and practices that exist within counties have received particular attention in a number of recent studies. The importance of these factors lies in the fact that all economic decisions are made within a given institutional setting. And while it is difficult to know with certainty how these factors influence economic growth, it is generally assumed that grater economic and political freedom act as catalysts to enhance growth (Bardhan: 1993; Barro: 1996; Dasgupta: 1993 Hnake *et al.*: 1997). Evidence from studies of the interrelationships has generally supported the belief of a positive linkage between democracy and growth but here have always been dissenters who believe that democracy might be negatively related to growth particularly for nations at lower level of living standards – that is poor or developing nations. Furthermore, most previous interrelationship studies have failed to adequately address the possibility of reverse causation between growth and democracy. This weakness has been singled out in studies done by 1990s (Barro *et al.*: 1995; Huber *et al.*: 1993; Przeworski *et al.*: 1993 and Solow: 1994). Specially, the question remains concerning the

direction and significance level of the impact of democracy on economic growth and the contribution of economic growth to the enhancement of democracy.

In a similar vein, another group of studies have examined this interrelationships and have found that economic growth does make a positive significant contribution to growth (Barro *et al.*: 1996; Lawson *et al.*: 1996; Islam, 1996; Scully: 1988), there is also a possibility as noted by Barro and Sla-i-Martin (Barro *et al.*: 1995) of an inverse relationship running from growth to economic freedom.

2. What do our observations suggest on likely linkages of the two?

a. Rich countries' perspectives

Nowadays, developed nations, *especially* western society such as the United States and the United Kingdom face a single most development challenge around the globe in its foreign policies: how to establish democracy or democratic political institution? There are *at least* two basic principles behind these ongoing efforts: i) it may eliminate the corruptions and terrorism threats that can assure safety at home & abroad; ii) it may ignite growth & human capital accumulation, which can reduce the level of poverty and enhance prosperity, peace and tranquility in society in the long run.

Underpinning the doctrine, the westerns broad approaches can be identified in two folds: i) they start with democracy and others check on government as the mechanisms for securing property rights. With such political institutions in place, they believe that investment in human and physical capital will bring economic growth; therefore, they provide various forms of aids and financial supports so that democracy can be survived in the long run ii) they emphasize the need for human and physical capital accumulation to start the process for establishing democratic

political institutions. In this scenario, they start with providing or enhancing the amount of aids and financial supports to poor or developing countries contingent to a vibrant movement for a democratic political institution.

In aim to implement the above approaches, in some cases, they create threats to overthrow the regime or they act directly or indirectly to overthrow non-democratic political leader. Then they provide various forms of helps either by starting with democratic institution in place or by igniting economic growth so that a democratic political institution can be established in the long run. The *scenarios* of Iraq & Afghanistan are the recent examples of these efforts. Furthermore, the recent one-eleven incident in Bangladesh and the roles of the rich nations in bringing major political leaders in agreement on accepting the path of general election so that the crisis can be resolved are another examples in promoting democracy across the globe.

On the other hand, the Middle East nations *especially* predominately oil rich nations make monetary donations and enthusiastic to open doors for expatriate human powers etc. for developing nations as long as the recipient nations' beliefs are in the same faith and the recipient nations *at least* try to promote it domestically through policy design. In this perspective, the political history of Bangladesh suggests that any nondemocratic political move such as taking over power through dictatorship where it is, in general, denounced by the western nations, fully relied on Middle East nations for foreign aids and for opportunities of expatriate human earnings. In this *paradigm*, the dictator regime begins its political moves by implementing religious based policies. In this line, the efforts of Zia, Pro Zia and then Ershad regimes' are bright examples of these *scenarios*. Khaleda and Hasina are no different in efforts for relationships with Middle East nations where both more or less have afforded for preserving & strengthening it with mutual interest. Recent forceful resignation by a Minister (Latif Siddiqi) is an example of this effort.

Without further analyzing the motivations behind the rich nations' efforts, it is appropriate to raise question: whether political institutions cause economic growth, or whether, *alternatively*, economic growth lead to institutional improvement *i.e.* a democratic political institution in the long run.

b. Developing nations such as Bangladesh's perspective

The history of political setup and the economic growth of western nations suggest that democratic system is friendly with economic growth. However, the history of political setup and economic growth in developing or under developed countries suggest that democracy is not the only political system for economic development. For examples China, Vietnam, Singapore and South Korea have reached the highest level of economic growth without practicing western democracy. Furthermore, the debate over interrelationship between political institution and economic growth becomes more interesting and murky when we witness that some poor or developing countries get out of poverty through good policies often pursued by dictator who presumed power by military coup. In this line, Chavez effort in Venezuela is a good example. In this *scenario*, some other nondemocratic fashions such as military backed government such as Fakhuruddin *era* in Bangladesh are good example where the state of emergency was used for getting things done.

Bangladesh can be used as a bright example of these both *scenarios*. Our observations suggest that even pro-market dictators or military backed civilian governments (such as in Bangladesh, 2007) can secure property rights as a matter of policy choice, not of political constraints. From the vantage point of poor or even developing counties including Bangladesh, it can claim that democracy and other institutional improvements as the consequences of increased education and wealth, not as their causes. For example, the creation of the controversial Baksal

(socialism approach) had ended Mujib Regime. During both Zia and Ershad regimes where both had come to power through army interruptions, had comparatively leaned to Middle East blocks for foreign aids and later became civilian governments though implementing policies underpinning religious faith, we have seen faster economic growth and their policy devises were different from Baksal. Under both regimes, the GDP growth rates were higher (4.98 and 6.25 respectively) than that (3.46) of Mujib’s regime. In Bangladesh, the democratic process began to reestablish in 1991. Since the beginning of reestablishing democracy, the regimes have been changed through elections with exceptional political climate in year 2007. With exception in Caretaker Government plus Khaleda’s first term (1991-1996), the GDP growth rate has been progressive.

3. What are our beliefs on likely linkages between democracy and economic growth?

The following *scatter* plots are derived from the data statistics we have surveyed from different respondent groups namely graduate students, professionals in the subject area and from government officials.

Scatter Diagram(s)

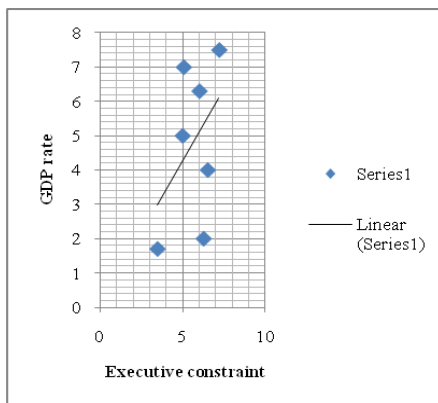


Fig 9.1: GDP vs. Executive constraints

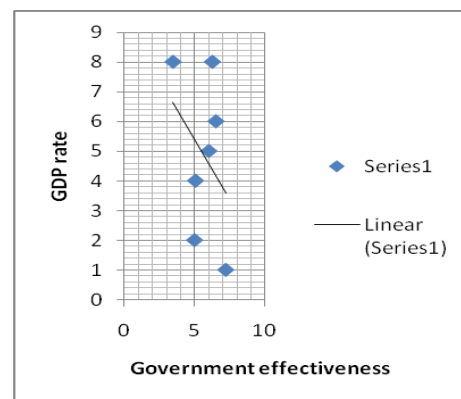


Fig 9.2: GDP vs. Government effectiveness

Scatter Diagram(s)

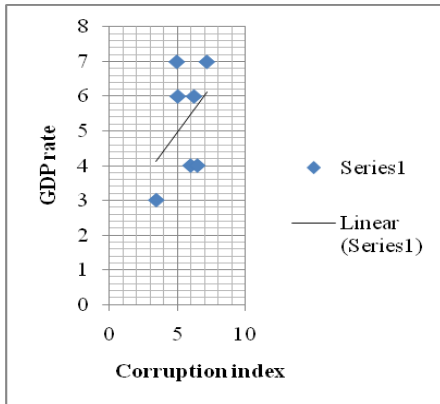


Fig 9.3: GDP vs. corruption index

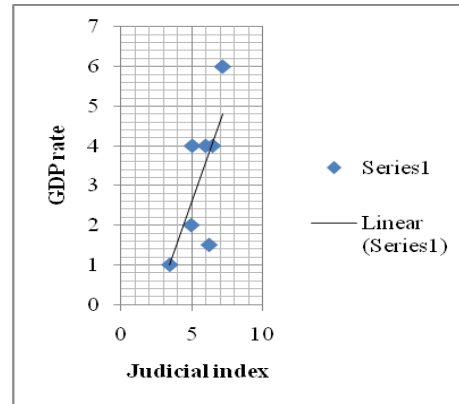


Fig 9.4: GDP vs. Judicial index

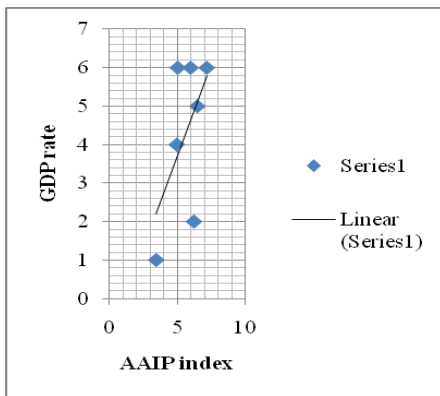


Fig 9.5: GDP vs. Ability to adopt & implement policy

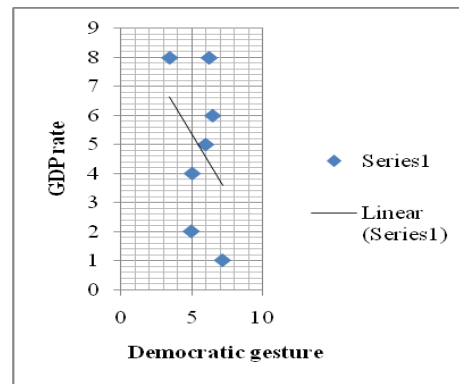


Fig 9.6: GDP vs. Democratic gesture

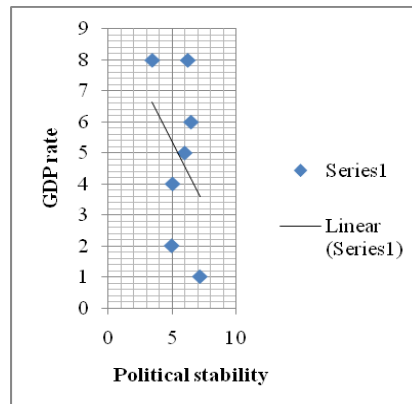


Fig 9.7: GDP vs. Political stability

All the *scatter* plots above show a possible linear relationship between GDP (economic growth) and the democracy where some are positive and others are negative. More specifically, the executive constraint, corruption index, judicial independence and ability to adapt and implement policy qualities of democracy are linear and positively related with the quality of economic growth (GDP). However, the government effectiveness, democratic gesture and political stability are linear and negatively related with the GDP. In summary, it would not be overstated to say that the qualities of democracy are linearly related to the qualities of economic growth in Bangladesh perspective, which deserves further study. Similar way scatter plots can be drawn using each quality of economic growth as dependent variable over each quality of democracy and *vice versa*.

In case of good governance vs. economic growth

1. What do the relevant scientific studies suggest on likely linkages of the two?

The best minds of mankind have always been interested in the questions of how human society develops and what governs its development. It further question: whether the changes taking place in society are accidental or subject to laws, and whether such changes depend on the will and consciousness of people. For man is a social being; he lives among people and is linked to them in numerous ways. It is only natural that that he should be concerned about the future of society, about the changes occurring in it, and about the direction in which it develops. Human being since the inception of earth has gone through the process of learning from nature. The curiosity of “how”, “What” and “Why” has led mankind to discover, develop, invent and create great ideas and systems to fulfill the needs as and when it has occurred. The will to explore solutions for his problems is an amazing skill that mankind possesses despite uncountable

failures and defeats. The ability to work hard, remain persistent in adapting to new and emerging concepts, believes, systems and behaviors has been the essence of the learning process. To exist, people must have food, clothing, housing and other necessities of life. Nature does not provide these necessities and to obtain those people must work towards establishing means to acquire and fulfill its needs. We believe that the concept of governance has emerged from a positive and “doing the right thing” connotation.

Governance means productive development and direction towards positivity and effective performance. It is the art of showing how to act and react in a manner that is beneficial and aligned with the goal and objective one has, be it at the individual, national or international level. Mankind has seen hundreds of wars since the emergence of humanity and has witnessed two world wars resulting in devastating and catastrophic outcomes in the shape of deaths, diseases, disability and destruction of infrastructure. However, these wars have taught us on how to become civilized and value each other’s interest for a peaceful world. The steps that have been taken towards peace and agreements at the International, national and local level is a result of governance. It is difficult to analyze the origins of governance as the concept is not new. It can be said that from the existence and understanding of “good” and “bad”, “right” or “wrong” the concept of governance had emerged. When people started to comprehend terms like “justice”, “fairness” “law”, “ethics” etc they had taken their step towards governance.

It is a process of two segments – process of decision-making and process of its implementation. For clarity, "governance" means the process of decision-making and the process by which decisions are implemented or not implemented. Analysis of governance mainly focuses on direct & indirect actors involved in decision-making. Then it focuses on implementation. Of decisions Analysis can further be expanded on focusing formal and informal structures of it

The actors of governance vary depending on areas and on kind of entity that is being governed. Government or regime of a nation is one of the actors in governance and in perspective to our research project our analysis will address only the governance of the regime. Reviewing the relevant literature, eight articles published in reputed internal journals, the following common parameters are identified for the purpose of this study.

Good governance has eight major characteristics. They are as follows

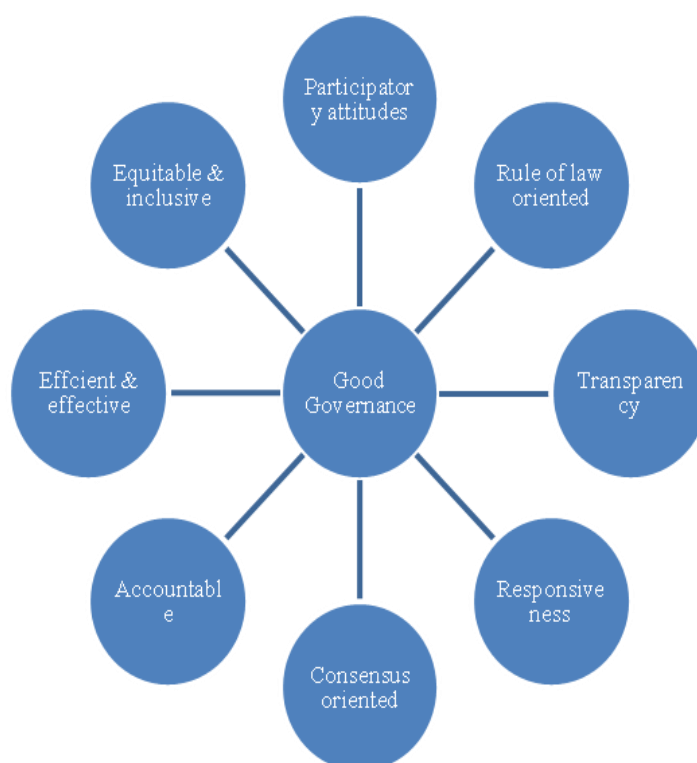


Diagram: Major parameters of good governance in Bangladesh perspective

In summary, any governance must assure that corruption is minimized, the views of minorities are taken into account and that the voices of the most vulnerable in society are heard in decision-making in order to be recognized as good governance in practice.

In Bangladesh perspective, parameters of good governance can further be categorized primarily into two types. They are as follows (Source: Miazi *et al.*, 2012)

Institutional parameters

1. Independent Election Commission
2. Effective Parliament
3. Efficient Bureaucracy
4. Independent Judiciary
5. Strong and autonomous local government
6. Freedom of press and media
7. Strong and vigorous civil society
8. Independent and effective anti-corruption agencies

Non-Institutional parameters

1. Mass participation in the polity
2. Dynamic and efficient leadership
3. Responsiveness of government
4. Accountability and transparency of government
5. Efficient administrative system
6. Respect for rule of law
7. Decentralization
8. Equal distribution of states wealth and resource
9. Respect for human rights
10. Women empowerment
11. Combating corruption.

2. What do our observations suggest on likely linkages of the two?

Policymakers, aid donors, and aid recipients recognize that good governance is a fundamental ingredient for sustained economic development. Few associations and organizations including United Nations and World Bank have stepped forward to devise an international standard for governance which is acceptable and adaptable to various countries around the globe.

The two organizations have taken various initiatives in order to promote good governance across the world. As a result the success has not only helped developed countries for the better but has also allowed other developing countries to adapt to systems and policies that help them progress. The UN believes that the greatest threats to good governance come from corruption, violence and poverty, all of which undermine transparency, security, participation and

fundamental freedoms. The UN system works closely in many facets with governments to achieve these ends. The UN system promotes good governance through its agencies and departments. Actively supports national processes of democratic transition. It focuses on providing policy advice and technical support and strengthening the capacity of institutions and individuals. The International Monetary Fund (IMF) promotes good governance through its programs of lending and technical assistance. Its approach to combating corruption emphasizes prevention, through measures that strengthen governance.

The Worldwide Governance Indicators report on six broad dimensions of governance for over 200 countries over the period 1996 – 2011 funded by the World Bank. It has devised the good governance requirements based on performances on: (1) voice and accountability (2) political stability and absence of violence (3) government effectiveness (4) regulatory quality (5) rule of law, and (6) control of corruption.

Status of governance in Bangladesh

It has been over 43 years of independency Bangladesh has not yet achieved significant results in governance. The core challenge lies in developing a governance model that fits the current economic and political condition of the country. The other major bottlenecks are its slow monolithic non transparent, bureaucratic structure, rampant corruption. All these put Bangladesh in the TIB top corrupt list of nations. It also raises the cost of living in this country. The legal framework of the country dwells on the rules set by the British colonial rulers- A master and servant mindset of governance, which is proving to be ineffective and highly inefficient considering today's global ICT based economic environment. Though legal reforms are slowly taking place in public administration but due to lack of enforcement and political commitment,

government offices have no other alternative but to follow inefficient outdated laws. In addition, politicization, favoritism, nepotism and corrupt practices in recruitment and placement of employees are also major obstacles to good governance in Bangladesh.

Strong political willingness to fight against corruption, ensure the accountability, transparency and rule of law has become imperative for establishing good governance. In addition, a pro people approach by strengthening the local government system is a must to achieve the goal of good governance. “Good governance for sound development” is a campaign echoed in Bangladesh as across the world. It is such types of government process where important decisions are taken by concerned organizations through a participatory method justifying the views of the civil society. And it has accountability and transparency as well as application of rule of law in every action of all level of the government.

Voice and accountability aspect

In Bangladesh both political and public officials are not accountable and decision-making process is not transparent. The parliamentary government has been far away from satisfactory (Ara and Khan, 2006). Corruption is a big obstacle in the pave of good governance in Bangladesh. The World Bank has cancelled and demanded refund of Taka 68 million from three projects on the ground of corruption (Ara and Khan, 2006). A most crucial prerequisite of good governance anywhere in the world is the minimization of corruption in the government machinery. The general lack of political wills to fight corruption in government is evident from the fact that after more than 30 year of independence only now the independent Anti- corruption commission is being set up (Ara and Khan, 2006).

Political stability and absence of violence

Corruption, bureaucratic inefficiency, political interference in administration, nepotism, misuse of power and resources, improper and nonobservance of the rule of law, non-accountable and non-transparent administration etc. are the common features of our government (BTI, 2014). This culture has evolved mainly due to lack of democratic practices, as well as good governance by the political parties in this country (Sobhan, 2000). It is obvious that good governance is a must for the development and growth of a nation (World Bank, 1997). And the most important distinction among countries relates not to their form of government but to their degree of government (Huntington, 1968). Terror and arms cadre driven politics and politicized state institutions have always had a bearing on governance and Bangladesh is no exception to that (Quddusi, 2008). As government has to function through various systems and processes of the government machinery and private initiatives, the precondition is that the machinery and processes be good, flexible, sound, efficient, cost effective and objective in approach. A nation's governance plays the vital role in shaping the destiny of its people (Ghosh, 2003:28).

'Good Governance is perhaps the single most important factor in eradicating poverty and promoting development' Ex-UN Secretary General, Kofi Annan. Good governance is important for countries at all stages of development. This approach is to concentrate on those aspects of good governance that are most closely related to the surveillance over macroeconomic policies - namely the transparency of government accounts, the effectiveness of public resource management and the quality of regulation & policies for the interest of the nation (UNO). However, Bangladesh has been struggling achieving success in the aforementioned areas.

The current state of governance in Bangladesh has been demonstrated in the following table which clearly indicates Bangladesh performance on good governance criteria between 1996 and 2010.

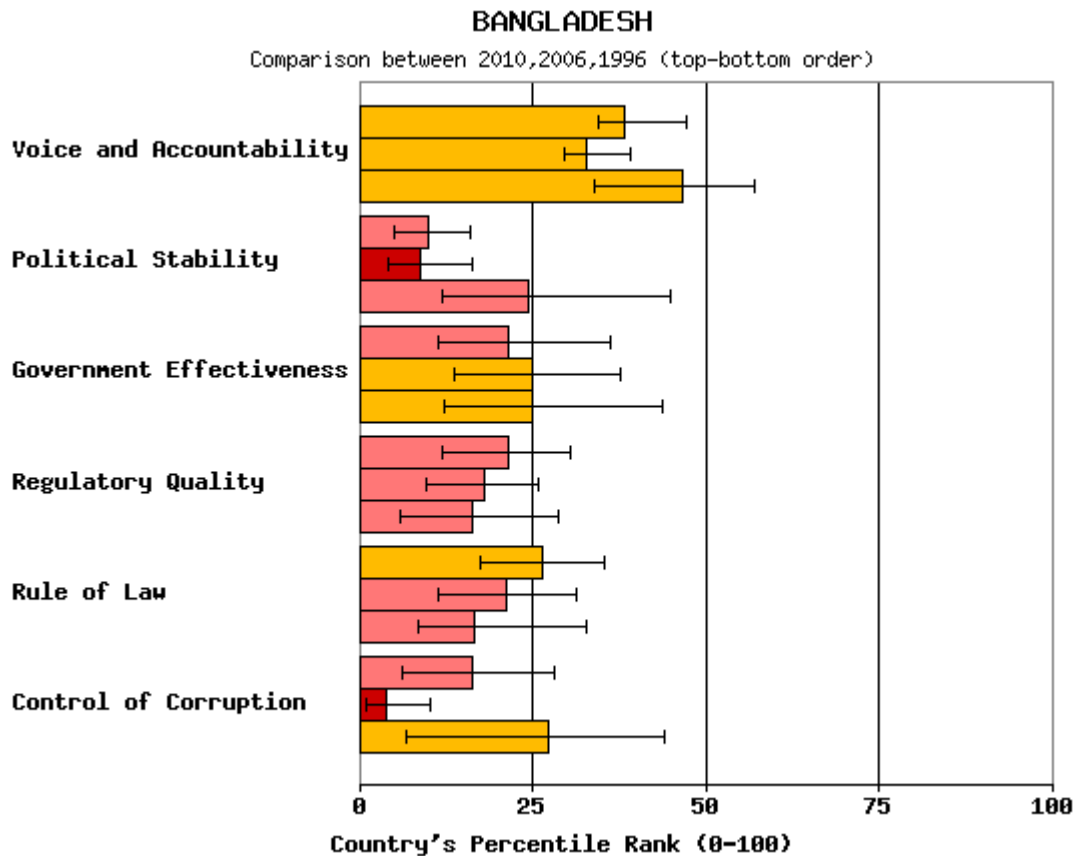


Fig 9.8: Ranking of Bangladesh among 213 countries by governance indicators

Source: Kaufmann D., A. Kraay, and M. Mastruzzi (2010), The Worldwide Governance Indicators: Methodology and Analytical Issues

Bangladesh Constitution provides most of the essential elements for good governance though the country is yet to fully develop right policies, environment, institutions, capacity and practice of good governance. Despite return to parliamentary democracy following a mass movement for democracy in 1990, and subsequent free and fair elections under neutral caretaker

governments, establishment of democratic norms and practices has not been smooth in the country.

Democratic governance which alone can safeguard the constitutional rights and interests of the common citizens and ensure better performance of the state functionaries is still missing. Governance constitutes a major challenge for Bangladesh now-a-days. Its under performance is evident in many areas of national life. In fact, it is crystal clear from evidence as well as pronouncement of our policy makers and international donors that Bangladesh improvement in the governance realm is not keeping pace with the progress achieved in some areas of economic and social policies. Such a gap in the country's governance efforts implies that political regime management has become a central constraint to further consolidation of democracy as well as improvement of the quality of governance in Bangladesh

Accountability of the parliament to the people and that of the executive to the parliament could not yet be institutionalized. Evident lack of institutional capacity and other maladies continue to impede social and economic development, and peaceful democratic process. Weak performance of state institutions resulting in failure to reform state structures makes progressive policy decisions, create enabling environment and provide leadership of different levels of government and society meant that people's desire for democratic governance is far from being fulfilled. Lack of adequate accountability and transparency resulting in widespread corrupt practices, and deteriorating law and other situations have become endemic features of political, social and administrative culture dampening the spirit of development. The maladies thwart justice and fairness, restrict outreach and quality of public service delivery and inhibit vibrancy of market forces. Scope of compromise and consensus on the major national issues is constrained, thereby obstructing democratic process and further escalating confrontational

politics manifested in parliamentary boycott, frequent *hartal* and widespread violence. According to the World Bank estimate, the revenue loss of the government due to corruption and inefficiency exceeds US\$500 million; US\$1 billion is lost due to poor management, and power sector loss amounts to over US\$100 million per year staggering amounts of losses for a nation gripped by poverty. In addition, lack of human security and social disorder persist due to improper law enforcement, as revealed in a recent UNDP report systematic violation of human rights goes unabated in a growing culture of impunity. Independent watchdog institutions such as an ombudsman could not be established yet. There are missing links in the chain of accountability between the public, the legislature, the judiciary and the executive. Despite many well documented reports of waste, fraud, and abuse of public funds, little action has been taken, encouraging further corrupt practices.

Therefore, despite remarkable progress in some areas, there is still a long way to go before the desired momentum in economic growth, poverty reduction, and improvement in quality of life and overall social development is created to realize national aspirations. Problem of leadership in governance loom large in every sector. A substantial gap exists in the nation's ability to generate sound understanding of the situation, to identify problems and constraints and to implement best policy-making managerial and leadership practices and to measure progress towards good governance. Bangladesh has the basic infrastructure for good governance, but they are not well utilized and monitored for further improvement.

3. What are our beliefs on likely linkages of the two?

Governance constitutes a major challenge for Bangladesh now-a-days. It's under performance is evident in many areas of national life. In fact, it is crystal clear from evidence as well as pronouncement of our policy makers and international donors that Bangladesh

improvement in the governance realm is not keeping pace with the progress achieved in some areas of economic and social policies. Such a gap in the country's governance efforts implies that political regime management has become a central constraint to further consolidation of democracy as well as improvement of the quality of governance in Bangladesh. That is why, despite having lapsed forty years of its independence, Bangladesh is still far from the path of good governance. Four major problems on the path of good governance in Bangladesh can be identified (Hossain Zillur Rahman). These are:

1. A tendency towards encyclopedic wish list in agenda formulation
2. An insufficient appreciation of the institutional and political realities through which reform initiatives have to be carried forward
3. Over focusing on what does not work while ignoring which does work and
4. A lack of clarity as to where the governance agenda best interface with poverty reduction goals.

Based on opinions of respondents of different selected groups – students, professionals and civil servants etc., the following areas face problems in the path of establishing democratic culture and good governance in Bangladesh.

1. Lack of free and fair election
2. Problem of consensus building
3. Ineffectiveness of parliament
4. Lack of accountability and transparency
5. Absence of rule of law
6. Lack of institutionalization of political parties
7. Confrontational political culture
8. Inefficient bureaucracy and public administration
9. Fragile local government system
10. Social inequalities and cleavages

11. Political violence
12. Rampant corruption

The following statistical information is derived from our opinion survey of respondent of different groups -- graduate students, professionals in the subject area and from government officials.

Table-1: Respondents' opinion on the basic theme of good governance in Bangladesh		
Opinion	Frequency	Percentage
Fulfillment of peoples' needs and expectations	12	20
Efficient management of national resources for development	7	11.67
Equal distribution of natural resources and wealth	11	18.33
Enforcement of rule of law, transparency and accountability	16	26.67
Establishment of participatory political culture	14	23.33
Total	60	100

Table 9.1: shows that, 26.67% of the respondents believe that good governance implies the enforcement of rule of law, accountability and transparency at all levels of public life in which 20% sees good governance as the fulfillment of people's needs and expectation. More than 18% regards good governance as equal distribution of the state's resource in which 11.67% assumes that good governance means the efficient management of national resource towards development. More than 23% of the respondents answered that good governance subsumes the establishment of participatory political culture.

Table 9.2: indicates the respondents' opinion on the role of political parties in the establishment of good governance. In this regard, a majority of the respondents 28.33% viewed

that political parties can help establish good governance through institutionalizing the political parties in which 25% emphasized practicing democracy within parties. More than 16% of the respondents focused on ensuring accountability and transparency at all levels of the state life and 6.67% stressed on increasing peoples' participation.

Table – 2: Respondents' opinions on the role of political parties in good governance		
Opinion	Frequency	Percentage
Institutionalizing the party	15	28.33
Practicing democracy within party	17	25
Ensuring accountability & transparency	10	16.67
Avoiding confrontational politics	14	23.33
Increasing peoples participation	4	6.67
Total	60	100

Observation based on Scatter plots

The above *scatter* plots Fig 9.2, Fig 9.3, Fig 9.4 and Fig 9.7 show a possible linear relationship between GDP and good governance where some are positive and others are negative. More specifically, corruption index and judicial independence are linear and positively related with the quality of economic growth (GDP) in Fig 9.3 and Fig 9.4 respectively. However, the government effectiveness and political stability are linear and negatively related with the GDP in Fig 9.2 and in Fig 9.7 respectively. In summary, it would not be overstated to say that the qualities of good governance are linearly related to the qualities of economic growth in Bangladesh perspective, which deserves further study. Similar way scatter plots can be drawn

using each quality of economic growth as dependent variable over each quality of good governance and *vice versa*.

IV. Research hypotheses

The research hypotheses of this study are

- (a) Democracy is essential for economic growth in Bangladesh
- (b) Democracy and good governance both are simultaneously necessary for economic growth in Bangladesh

Based on Constitutional scope of efforts of regime on fostering democracy in Bangladesh, the research hypotheses can be broken down into the following set of hypotheses, which can be statistically tested in the future study in this line. Since these hypotheses address numerous critical areas of current political environment of Bangladesh, it would be a valuable study, which is recommended in this study for a future study.

Hypotheses that we can be statistically tested in future studies are as follows

1. Government effectiveness can foster economic growth (GE)
2. Higher executive constraints can foster economic growth (EC)
3. Political environment of risky international investment can hinder economic growth (PE)
4. Political freedom can foster economic growth (PF)
5. Interferences of political regime with private sectors can hinder economic growth (IP)
6. Judicial independence can foster economic growth (JI)
7. Democratic gestures from political parties can foster economic growth (DG)
8. Political parties' efforts on fostering democracy can foster economic growth (PPE)
9. The policy of *freedom of speech* can foster economic growth (FS)

10. Destructive measures for any political scoring can hinder economic growth (DM)
11. Working together in achieving common goals can foster economic growth (WT)
12. Constitutional provision of term-limit on executive(s) can foster economic growth (CP)
13. Parliamentary Member's voting right in the interest of its constituents despite party association can foster economic growth (VR)

These hypotheses are evolved from tenacious issues in various areas that are currently crucial in consolidating democracy in Bangladesh, which are used as a model for cross examining the efforts of political regimes in this chapter. Since the political history of Bangladesh is very colorful over a forty-five year period, we examine the efforts of these political regimes in fostering democracy in Bangladesh.

V. Significant regimes in political history of Bangladesh

The political history of Bangladesh suggests that the first political regime, the Mujib regime, initially started its administration with a manifesto of democracy but it was ended with a socialism move. Since then, Bangladesh has witnessed army intervention, dictatorship, re-establishment of democracy and the interruption to democracy (the 1/11 dilemma) which is the latest *episode*. In this political atmosphere, two political parties where one is led by Khaleda Zia and the other is led by Sheikh Hasina are exchanging the administrative authority thru popular votes of the people of Bangladesh.

Fig 9.9 clearly shows that Bangladesh has witnessed total seven political regimes over forty two year period; however, five out of the seven have dominated the political history of Bangladesh. Other two regimes were pro-Zia regimes where it had followed most of the manifesto of the Zia-ism during its tenures.

Therefore, we examine our hypotheses capturing the significant five regimes namely the a) Mujib Regime b) Zia Regime c) Ershad Regime d) Khaleda Regime and e) Hasina Regime in this chapter.

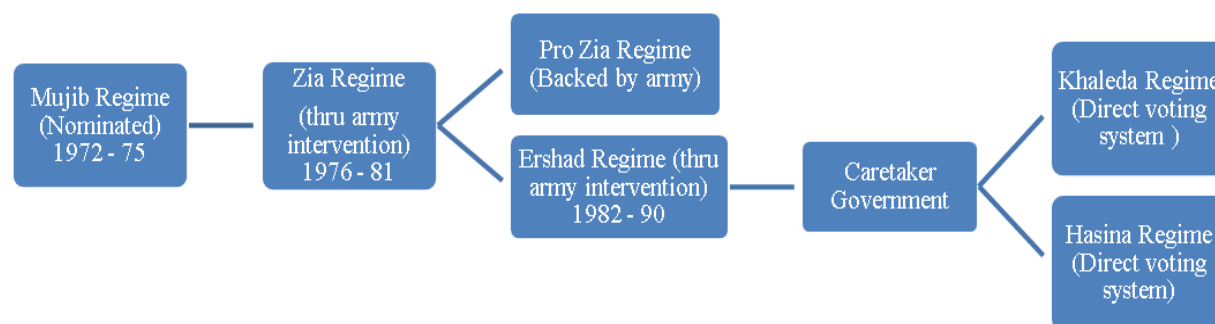


Fig 9.9: Political regimes over forty five year period of political history of Bangladesh

VI. Variable identifications

In this chapter, first, we use the variables identified in Chapter 5 on democracy, good governance and economic growth measurement in numbers in Bangladesh perspective. Second, we discuss the methods that are employed to test our hypotheses that are laid out in Chapter 2 and then we construct a *prima facie* for each political regime from year 1972 to date in Bangladesh and its efforts on establishing democracy. This translates into a straightforward empirical modeling strategy: regress country's economic growth rate on a democracy variable and a number of control variables and then see whether the partial correlation between democracy and economic growth is statistically significant. Similarly, we approach: regress

country's economic growth on a good governance variable and a number of control variables and then see whether a partial correlation between good governance and economic growth is statistically significant.

These efforts can explain the variations in a) GDP - per capita growth rates, b) human capital, which can be derived from primary school enrollment rate, etc. that exists during each political regime, which can be used judging the regime on its contributions to fostering democracy. Here each regress can be treated separately; however, for this study we only use GDP per capita growth rate and human capital as our dependent variables. Third, we discuss the results of these regression tests. Fourth, we discuss the directions for future research on this issue and further.

VII. Information gathering and knowledge building

Since the findings of the M. Phil. degree research project serve as a foundation of the current doctoral research project, in literature review, we briefly here revisit the findings of the M. Phil degree research project, which serves as a background study of our model specification.

In addressing the debate “whether democratic institutions cause economic growth or whether economic growth leads to institutional improvement”, the M. Phil. degree thesis of the current author of the study had examined the following two hypotheses.

1. Bangladesh should start with democracy first in place, then economic growth is expected to follow
2. Bangladesh needs for human & physical capital accumulation first, then a democratic political institution is expected to follow

The findings of the M. Phil degree research project were

“Starting with democratic institution in place first can open doors for Bangladesh in many folds accessing to monetary aids and helps globally in revitalizing its human and

physical capital to meeting the 21st century demands in global markets where, in return, its economic growth can be expected to follow”.

“It further suggests that Bangladesh economic growth can be comparative to the strength of its democratic political institution where higher strength of democracy in practice can lead to a greater economic growth where checks & balances on government as the mechanisms for securing property rights must be in place”.

The political history suggests that Bangladesh restarted with democratic institution in 1990 and since then, the progresses, *especially*, general election of 2009 and then 2014 suggest that its polity has passed the litmus test of being democratic institution. Since the M. Phil. degree research findings suggests that the economic growth depends on the strength of democracy and since the strength of democracy rests on to the magnitudes of the efforts of fostering democracy that can be measured by examining public policies, we examine causal relationships between GDP and public policies.

The issue of causality is at the foundation of any study that examines economic relationships. General understanding of how a change in one variable affects another is paramount in comprehending economic behavior and in formulating policies. Fortunately economic theory is often available to help guide building models that are used to empirically examine the causal relationship among variables. However, this is not always the case. As for example currently there is no theory that provides a sufficient explanation of the possible connections if any, among measures of economic growth and democracy (Farr, et al., 1998). The research methodology that has been widely used extensively in recent years to gain further insight into such situation is Granger Causality (Farr, 1998). However, this methodology does not provide “proof” of causation (Farr et al., 1998).

With this limitation in literature and since our goal is to examine the relationships between economic growth and efforts of fostering democracy, we use a probabilistic statistical model

where the deterministic component is referred to as the “line of means” where the mean $E(y)$ is equal to the straight-line component of the model. Since we use more than one independent variable, our preferred model is Multiple Regression Analysis (MRA) where we develop multiple regression models so that our independent variables can be incorporated into the models. Since Bangladesh was born with democracy as a foundation of promise under the Constitution of 1972, it is palatable to assume that the level of democracy should grow with a linear line pattern over time period if and only if there was no interruption to it. In other words, if any public policies of the executives were beyond the boundary of democracy, the level of democracy would have been halted, which might have resulted a regression line other than straight-line. The shape of this line curve or regression line can be detected by examining the variables that are connected with efforts of political regime on fostering democracy where time span runs on its own course, however, the variables of regime’s efforts on fostering democracy are exogenous.

Therefore, in this study, our preferred mathematical models are

In case of democracy vs. economic growth

Economic growth (EG) = f (indicators of EG) and efforts on fostering democracy (EFD) = f (indicators of EFD) i.e. $EG = f(GDP, HC)$; $EFD = f(GE, EC, PE, PF, IP, JI, DG, PPE, FS, DM, WT, CP, VR)$ and $EG = f(EFD)$ in context of Bangladesh where the notations mean

GDP = gross domestic product	EFD = effort for fostering democracy
GE = government effectiveness	EC = executive constraints
PE = political environment	PF = political freedom
IP = interferences of regime	JI = judicial independence
DG = democratic gesture	PPE = political party’s efforts

FS = freedom of speech

WT = working together

VR = voting rights

DM = destructive measure

CP = Constitutional provision

f = function

Thus, the indicators of EG are dependent variables and the indicators of the EFD are independent variables in our model. Hence, in our mathematical setup, the indicators of EG depend on the indicators of the EFD. In other words, any changes in *efforts on fostering democracy* (EFD) can cause changes in *economic growth* (EG) in Bangladesh and our statistical tests of hypotheses in case of each regime in political history of Bangladesh will verify whether it does and it will further display the direction of the changes.

VIII. The simplifications of our mathematical models are

a. In case of hypothesis: “Democracy is essential for economic growth in Bangladesh”

$GDP = f(EC, GE, JI, CI, DG, AAIP, PS, FS)$ where $EFD = f(\text{effort for } EC, GE, JI, DG \dots FS)$

$HC = f(EC, GE, JI, CI, DG, AAIP, PS, FS)$

Underpinning the goal of the study as identified in Chapter 2, we use $EG = f(GDP)$ and $EG = f(HC)$ separately if needed. In case of independent variables we use effort for establishing democracy ($EFD = f(EC, GE, JI, CI, DG, AAIP, PS, FS)$) for examining the roles of significant regimes in establishing democracy in the context of Bangladesh political history.

b. Case of hypothesis: “Good governance is essential for economic growth in Bangladesh”

$GDP = f(PA, RL, TR, RE, CO, EI, EE, AC)$ where $EFGG = f(\text{effort for } PA, RL, TR \dots AC)$

$HC = f(PA, RL, TR, RE, CO, EI, EE, AC)$ where $EFGG = \text{effort for Good Governance.}$

Underpinning the goal of the study as identified in Chapter 2, we use $EG = f(\text{GDP})$ and $EG = f(\text{HC})$ separately if needed. In case of independent variables we use effort for good governance $(\text{EFG}) = f(\text{PA, RL, TR, RE, CO, EI, EE, AC})$ for examining the roles of significant regimes for establishing good governance in context of Bangladesh political history.

- c. In case of hypothesis: “Democracy and good governance both are simultaneously necessary for economic growth in Bangladesh”

$\text{GDP} = f(\text{Democracy, Good governance})$ i.e.

$\text{GDP} = f(\text{EC, GE, JI, CI, DG, AAIP, PS, FS, PA, RL, TR, RE, CO, EI, EE, AC})$ and

$\text{HC} = f(\text{Democracy, Good governance})$ i.e.

$\text{HC} = f(\text{EC, GE, JI, CI, DG, AAIP, PS, FS, PA, RL, TR, RE, CO, EI, EE, AC})$

Underpinning the goal of the study as identified in Chapter 2, we use $EG = f(\text{GDP})$ and $EG = f(\text{HC})$ separately if needed. In case of independent variables we use effort for establishing democracy & good governance simultaneously $(\text{EFD\&G}) = f(\text{EC, GE, JI, CI, DG, AAIP, PS, FS, PA, RL, TR, RE, CO, EI, EE, AC})$ for examining the roles of significant regimes in establishing both democracy & good governance simultaneously in the context of Bangladesh political history.

Therefore, our regression model relates to each hypothesis is

$$y = \beta_0 + \beta_1 x_1 + \dots + \beta_i x_i + \varepsilon \text{ where}$$

the dependent variable (y) can be written as a function of i independent variables, i.e. $x_1, x_2 \dots x_i$.

Although, time has influence to any economic growth in general, however, we control the time

variable in our study. The coefficients here represent population parameters and they are unknown, therefore, it is adequate enough showing any relationships including the straight-line in the examination. Here the random *error* term is added to make the model probabilistic rather than deterministic where the value of the coefficient β_1 will determine the contribution of the independent variable x_1 and so forth and β_0 is the y-intercept. Since Bangladesh political history suggests that some political regimes in Bangladesh were booted out from power *prior* its terms up, we have incorporated into PS (political stability) variable into model so that regimes failure or success can be examined. In this perspective, in a thumb rule, we assume that regimes will be booted out if it had failed keeping promises on efforts fostering democratic political institution.

Assumptions

With this preference of regress modeling, we assume that i) the random *error* (ϵ) has a normal probability distribution with mean equal to *zero* and ii) the variance of the probability distribution is equal to δ^2 . iii) random *errors* are independent.

Since in this study, we plan to evaluate the efforts of each regime on fostering democracy in Bangladesh (1972 – to date), we use longitudinal data to evaluate its performance on economic growth and on efforts fostering democracy in Bangladesh.

Variable measurements

The relationship between effort on fostering democracy and the economic growth may be tested in many ways. The literature suggests that most of these studies were carried out using some kind of regression format where the hypotheses were tested using both primary and secondary data evolved from many countries (Acemoglu, *et al.*: 2001). It also suggests that most

of these authors have used secondary data on economic growth issues, which is very appropriate and accurate for analysis purposes. Similarly, we use secondary data evolved from a single country on the determinants of economic growth where most of the existing research in literature has used GDP growth rate and human capital (HC) as indicators of economic growth.

Fortunately there is general agreement about how to measure the dependent variable, economic growth, which is usually understood as the percentage change in GDP per capita where most of the studies in this area have used World Development Indicators growth variable, measured in constant dollars (Nuxoll: 1994; World Bank: 2003... World Development Indicators (data file, Washington DC: 2003). Our choice in this need is to use data available from different relevant governmental offices / departments in Bangladesh.

Our further literature search suggests that most indicators of institution quality (i.e. regime's policy) used to establish the proposition that institution (regime's efforts) produces democracy that causes economic growth constructed to be conceptually unsuitable for that purpose but they are frequently used in political science literature (Pritchett: 2000; Yasmin, 2010). These variables are measured based on data collected through survey where these variables are assigned to values such as dictatorship political regime = 0 (zero) and fully democratic political regime = 1(one). However, our observation suggests that some poor counties get out of poverty through good policies often they are pursued by dictators (Burma, Pakistan etc) and subsequently improve their political institutions, which can be contradictory to Trebbi (Trebbi: 2002) findings. To overcome this limitation, we use "executive constraints" as one of the determinants with similar scales for measuring but we use control variable say C so that we can detect whether executive powers were used for the greater benefit of the nation or for something else.

Data collection and justification of the techniques used

In this study, we use longitudinal data where we use both primary and secondary sources to collect the data. Since the time series data on independent variables are available as it was collected thru direct survey, which was designed for over forty-two year time period, our preference using longitudinal data is reasonable.

a) Primary sources

Target group of the survey: educated respondents

Underpinning the principle, it is palatable to assume that the most of the empirical studies in political-economics literature have used survey method for *at least* data statistics on various indicators of democracy, which might have introduced a bias. It is little known whether these survey techniques have incorporated into the education levels of the respondents. Since, in most cases, the level of understanding of the issue: linkage between economic growth and efforts on fostering democracy, is parallel to the level of education, therefore, giving a little attention to the education level of respondents can weaken the outcome of the survey. For example, in Bangladesh, over 70 percent of the population lives in the rural area in which less than 1 percent people are familiar with governing system in Bangladesh (Rahman *et al.*: 2008). This less than 1 percent of the 70 percent population is comparatively higher educated than the rest of the 70 percent and therefore, they are either employed or are in job market who are required to train them for job seeking. This statistics in hand, the outcomes of any survey collected from the respondents as a whole may be different than the one collected from respondents who fully understand the issue.

Furthermore, it is a fundamental belief that higher education can result better judgments, in general, therefore, choosing respondent group is vital, which cannot be undermined in

choosing population in any survey study. To overcome this shortcoming in literature, for this research project, we explore the issue in Bangladesh perspective where, in the questionnaire, respondents are facilitated to score against each statement anonymously instead of face to face interview. Moreover, we distribute the questionnaire among students, *especially*, political science graduate students of any university level and professionals. Since the target group is academically trained in the subject area, it is palatable to assume that their opinions on the issue might be further accurate than the one collected under various surveys used in research purposes.

Questionnaire preparation and sample groups

For the purposes of this research project, a questionnaire (see appendix) was prepared in such a way so that respondents could give anonymously their opinions on regime's efforts on fostering democracy over the forty-two year period. The respondents were asked to score based on overall regime's efforts on fostering democracy (i.e. public policies that promote democracy) not its yearly performance. The survey questionnaire was mailed to different groups of respondents for their opinions on various issues of regimes i) graduate students & academics in the subject area; ii) government officials; iii) media group; iv) private sector employees. In choosing the number of respondents, equal male and female ratio 1:1 was maintained and total 100 respondents were surveyed.

In the sample groups, the graduate students are regular graduate students in the Department of Political Science at the Dhaka University; the academics are faculty members in the subject area of political science in different academic institutions; the government officials and the official in private sectors who have worked under different regimes in Bangladesh for a period of time. Since our sample group, graduate students have adequate classroom training on

the issue, democracy vs. economic growth, we choose graduate students over the undergraduate students to conduct our survey. Similarly, since the professional group, faculty members in the subject area, has adequate update knowledge on the issue in hand, we choose faculty members in the subject area over any faculty members. Likely, since government officials who worked under different regimes for a period of time longer experience on policy approaches, implementations and policy outcomes of each of these regimes, we choose senior government officials over all government officials. On the same token, since the private sector officials who understand the impacts of policies in investment worked under different regimes, we choose the seniors officials of various companies and banks. Since the media group plays significant roles in monitoring & promoting democracy establishment effectively in the 21st Century, we choose media group as a part of respondent. Finally, since our goal was to capture male & female opinions equally, we choose male & female 1:1 ratio for all groups of respondents in this survey.

Approach for ensuring bias free

In this data collection process, the respondents were facilitated for a take-home-response instead of face to face interview and the perceptions of the respondents were completely anonymously. Therefore, in this perspective our approach is bias free and here the respondents had facilitated to utilize its judgment to its fullest for providing their opinions. Furthermore, along with scale of measuring the variables, the respondents were provided with definitions of each variable for its clarity so that the respondents could use their judgment in scoring the efforts of regimes on fostering democracy.

The sample group and the mail survey

Total 100 questionnaires were mailed to randomly selected educated respondents among these five groups where 20 to each group; however, we had received mail-back from 18 graduate students, 20 academics, 20 government officials, 20 media professionals and 16 private sector including bankers. Therefore, in this study our total populations are 94 ($n = 94$) where we have five samples: graduate students, academics, government officials, officials from private sector, media group professionals.

IX. Limitation and further future study

a) Primary data source

Since this study has chosen the educated group as a survey target group, the data statistics collected does not reflect the opinions of the general people of Bangladesh. For representing the opinions of people of Bangladesh, a future research can be conducted where constraints should be relaxed so that data statistics can be collected from different levels of the people of Bangladesh so that the sample represents the entire population of the nation.

b) Secondary data source

Economic policy relevant data statistics were collected from various websites such as World Bank, United Nations; further data statistics will be collected directly from various relevant Departments in Bangladesh.

X. Uses of control variable (s) in the model

Further exploring the causal link between institutions and economic growth in literature, we find that it is extremely complicated to prove which one first should be in a country like Bangladesh where there exists a unique system of Caretaker Government Provision, which was

the creation for avoiding the situation such as distrust of the regimes when election comes. Despite the creative and insightful efforts, the current research strategy will not establish linkages between the two at least in Bangladesh perspective unless various factors such as distrust, corruptions, lack of willingness to gesture of democracy etc are not incorporated into the analysis. In this perspective, in our study, we plan to use various control variables so that we examine whether these variables have any linkages.

Our observation suggests that while democratic functionalities continue in Bangladesh, there are a growing number of uncertainties that currently dominate the domestic political environment: problems of governance; religion-alization, dangers of extremism & weakening social cohesion (Journal) and lack of willingness to make a gesture of democracy when one party losses in election. Even though the government that came to power since 1991 headed by Khaleda (1991-96) and Sheikh Hasina (1996-2001), Khaleda (2001-2006) have completed their five-year terms in office plus the current administration, Hasina (2009 – to date), the 1990s, and the political turmoil in period of year 2007 to 2009 and the recent movement for restoring caretaker government led by the BNP have witnessed a serious political internal problem.

Lack of public trust in the elected government has made the caretaker administration provision an appealing component of Bangladeshi politics even though by a constitutional amendment brought by the current administration has abolished it, which is the focal point of recent movement for restoration of the provision. At the same time, the onset of regular elections has not removed mass politics, boycotting parliament sessions and unnecessary *hartals* etc. Political parties employ extra-parliamentary protest actions as an effective means of unseating the elected government and, thereby, plunge Bangladesh into political instability.

The earlier history (1972 - 1990) and the recent crisis (2007 – 2009) strongly suggest that weakening of the democratic process was compounded by Bangladesh's failures to evolve institutions, which has facilitates to reign in the authoritarian tendencies of the rulers. History also suggests that since the protests or political actions outside the Jatiya Sangsad by leaders have weaken the parliament in many occasions, the absence of a clear division of responsibilities among various branches of State has led to concentration of power in the hands of the Executive.

It is palatable to believe that the lack of willingness to make gesture of the existence of democracy and problems of governance are conducive to the growth of religious extremism in Bangladesh. Driven by political compulsions and calculations, the major political parties have encouraged the growth of religious feelings, especially the BNP that has propagated the ideology of the Muslim League and has formed alliance with other parties that were completely anti to the war for independence. The growth of extremism is an unintended consequence of this process. In a parallel development, Bangladesh is witnessing signs of social fragmentation due to the alienation of the minority population. The failure of the civilian authorities to provide basic security to citizens has recently led to a nationwide crackdown by the army. Furthermore, the existing research strategy has not yet put any efforts to examine the linkage between democracy and economic growth where efforts for the both can be started at the same time.

Overall, there are very few studies on the issue in Bangladesh perspective where much of these studies were carried out for developing a set of hypotheses which were then tested with data statistics. Datta, (Datta: 2006) recently conducted a study on the issue in Bangladesh perspective where the author has used regress technique, however, has failed to incorporate into many aforementioned factors that make Bangladesh political environment unique.

Our study addresses various factors as control variables that make Bangladesh political institution unique where we use similar statistical techniques that were used in earlier studies. Mail survey data collection instead of face to face interview for institutional data statistics and inclusion of various probable factors (control variables) makes our study different from the earlier studies on the issue whether democracy has effect on economic performance in Bangladesh perspective.

3. Research hypothesis formulation for statistical test

The Scatter Plots in this Chapter visually display the associations between GDP (effect) and each explanatory variable (cause). In other words, cross-checking of plots visually display that there are probable linear relationships, with few exceptions, between cause & effect. Furthermore, the findings GDP growth analysis in Chapter 5 also suggests that there are relationships between efforts on fostering democracy and economic growth in a country such as Bangladesh. However, these plots and findings are not sufficient enough to conclude on these causal associations. Therefore, instead of rushing to conclusions about the relationships, using these scatter plots as guidance for educated guesses, we have developed the following hypotheses on relationships between cause & effect and subsequently examined them.

In statistically testing perspective, the research hypotheses can be stated as

- (a) *There is no relationship between efforts of political regime on fostering democracy and economic growth in Bangladesh perspective.*
- (b) *There is no relationship between efforts of political regime on fostering good governance and economic growth in Bangladesh perspective.*
- (c) *Democracy and good governance both are not simultaneously necessary for economic growth*

For examining above statements, we craft our research hypotheses and test statistics separately as follows. In other words, we use similar technique for each hypothesis

Null hypothesis (H_0):

There is no relationship between democracy and economic growth in Bangladesh perspective

$$H_0: (\mu_1 - \mu_i) \leq 0 \text{ i.e. } \mu_1 \leq \mu_i$$

Alternative hypothesis (H_a):

There is a relationship between democracy and economic growth in Bangladesh perspective

$$H_a: (\mu_1 - \mu_i) > 0 \text{ i.e. } \mu_1 > \mu_i$$

- a. The Model, which is used for each hypothesis separately

In this investigation, the standard mathematical model is

$$Y = \beta_0 + \beta X's + \varepsilon$$

Where Y measure is a dependent variable and X measures are independent variables. β_0 is the regression constant and β 's are the regression weights and ε is a random error component. Since β_0 and β 's are nonrandom, therefore, it represents the deterministic portion of the model. Therefore, Y is composed of two components, one fixed and one random and consequently, Y is a random variable. In this investigation, we assume that the error term can be positive or negative. For any setting of these independent variables the error term has a normal probability distribution with mean equal to zero and variance equal to σ^2 . Further, we assume that the random *error* associated with Y value is probabilistically independent.

Assumptions of the model:

To make our model operative, we make four assumptions about the probable relationship between the x_{ij} of the independent variables in the j^{th} run and the observed value y_j of the dependent variables.

- i) There is a linear relationship between the true value of the response, η and the value of the independent variables where

$$\eta = \beta_0 + \beta_1 x_1 + \dots + \beta_{ij} \text{ where } \beta_0 \text{ is intercept and } \beta_{ij} \text{ are slopes}$$

- ii) $Y_j = \eta + \varepsilon_j = \beta_0 + \beta_1 x_{1j} + \varepsilon_j$ where ε_j is random error

- iii) The ε_j has the following properties

- 1) The expected value of ε_j is zero; our observed y_j is an unbiased estimate of η_j
- 2) The variance of the ε_j is $\alpha^2(y)$, which remains constant for all values of x_1
- 3) The ε_j are statistically uncorrelated, i.e. the expected (population) value of $\varepsilon_j \varepsilon_{j'}$ for any pair of point j and j' is zero.
- 4) The observed values of the independent variable are measured without error. All the error is in the y_j , and none is in the x_{1j} 's.

b. Computer programs used

All analyses we report in this thesis can be completed with procedures available using SAS system release version 9.10 and the SPSS version 14.0 for windows. The SPSS was used for creating Scatter Plots for visually examining the association between cause & effect and the relationships among variables. The appropriate SAS procedures used in this study are as follows

Analysis

Descriptive

Scatter diagram (dependent vs. independent)

Multivariate normality

SAS Procedures

UNIVARIATE

PLOT

REG, POLT

Residual plot to assess homogeneity	REG
Influence statistics	REG
MCA/MRA	REG
Correlations	CORR
Co-linearity	TOL, VIF

c. Test statistics, which is used for each hypothesis separately

The test statistic:

Since in this study the effect of time variable is intentionally restricted in our model, ie. We are not concerned about the effects of time variation, F-test is preferable over student t-test.

Therefore, the critical region of F-test statistics is developed as follows

- i) If $F\text{-value} > F_{.05}$ then the (H_0) is rejected and the (H_a) is accepted with 95 percent of confidence interval and $N- 1$ degree of freedom
- ii) If $F\text{-value} < F_{.05}$ then the (H_0) is accepted and the (H_a) is rejected with 95 percent of confidence interval and $N - 1$ degree of freedom

Where H_0 can be defined as $(\mu_1 = \mu_2)$ and the H_a can be defined as $(\mu_1 < \mu_2)$ for a lower one tailed test. The test statistic is $F = s_1^2 / s_2^2$ where s_1^2 and s_2^2 are the sample variances.

In order to calculate the F-value, we use SAS software and run regression models. In addition to this, we take the $F_{.05}$ value from any statistics book with $(N - 1)$ degree of freedom and corresponding confidence interval.

Subsequently, in Chapter 10, this study discusses on results, which was generated using multiple regression models derived from data set related to our dependent and independent variables. The SS, SSE, estimated parameters, R^2 , Adjusted R^2 , F- statistic and $F_{0.05}$ are reported

in corresponding table. In this study, the test statistic is an F statistic, which we use testing our hypotheses where we have used computer (SAS software) to calculate the F statistics. The $F_{0.05}$ -value is taken from corresponding table (where $\alpha = 0.05$, with corresponding degree of freedom (df)) from an introductory statistics book. Furthermore, in Chapter 10, we discuss the results in statistics perspective i.e. cause and effect perspective, which helps us to examine whether there is any relationship between efforts of political regimes and economic growth in context of Bangladesh.

Chapter 10

Analysis of Data and Research Findings

The spirit of democracy is not a mechanical thing to be adjusted by abolition of forms. It requires changes of hearts

---- Mahatma Gandhi

I. Dissemination of research findings

1. Research findings

Both statistics and public economics perspectives, first, this section measures the influences of effort for democracy in assessing the economic growth, which relates to our first hypothesis. Similarly, it measures the influences of effort for good governance in assessing the economic growth, which relates to our second hypothesis. It then measures the joint influences of effort for democracy & good governance simultaneously in assessing the economic growth, which relates to our third hypothesis. Secondly, for each hypothesis, it informs on the statistical relationship between cause and economic growth and then justifies the findings using the results of hypothesis-tests. Finally, it indicates the strength of these tests of these hypotheses using 95% confidence interval and then examines the co-linearity between causal determinants in case of each hypothesis separately.

(a) Statistical Hypothesis in case of Economic Growth vs. effort for Democracy

H_0 : There is no relationship between effort for democracy and economic growth in Bangladesh perspective

H_a : There is a relationship between effort for democracy and economic growth in Bangladesh perspective

From Table 10.1, the computed regression equation is

$\hat{Y}_{\text{GDP vs. effort for Democracy}} = 6.128 + 0.270 \text{ EC} + 0.409 \text{ GE} - 0.424 \text{ CI} + 0.706 \text{ JI} - 0.685 \text{ AAIP} + 0.671 \text{ DG} + 214 \text{ PS} - 0.23 \text{ FS}$ where 6.128 (intercept) is an estimated mean GDP. The above equation also tells us that the CI, FS and AAIP have influenced (negatively) to the GDP, however, EC, GE, JI, DG and PS have contributed to the amount of estimated mean GDP.

The table 10.1 shows that the $SS_{yy} > SSE$, which indicates that the causes contribute to the amount of economic growth

Source	DF	SS	Mean Sq	F-value	Pr > F
Model	8	12.6578	1.808	6.53	<.0025
Error	12	3.3228	0.27687		
Corrected Total	94	15.9802			

Table 10.1: effort for Democracy vs. GDP: Analysis of variance

Looking at the standardized estimates, it appears that one unit of standard deviation change in JI will cause a 0.706 unit change in $\hat{Y}_{\text{GDP vs. effort for Democracy}}$ and it placed the 1st. Similarly, one unit of standard deviation change in DG, GE, EC and PS will cause 0.671, 0.409, 0.207, 0.214 unit standard deviation changes respectively in the $\hat{Y}_{\text{GDP vs. effort for democracy}}$ where PS placed the 5th. On the other hand, one unit of std change in AAIP, CI and FS will influence - 0.685, -0.424 and - 0.23 unit std changes respectively in the $\hat{Y}_{\text{GDP vs. effort for democracy}}$ where AAIP placed the 1st.

Moreover, the SAS output shows that the F-value is 6.53 and $F_{0.05}$ (F-distribution with $\alpha = .05$ and $df(8, 100)$ is 2.34 (interpolated value), which indicates that $F\text{-value} > F_{0.05}$, therefore, the H_0 (null hypothesis) is significantly rejected and the H_a (alternative hypothesis) is accepted with 95 % confidence interval. In other words, a relationship exists between democracy and economic growth in this case GDP. The corresponding R^2 value is 0.792, which implies that this model fits well passing through more than 70 percent data. Here the adjusted R^2 is equal to 0.670, which is near to R^2 value; therefore, the correction term is very small. So the magnitudes of penalize is very small, which is also an evidence for goodness of fits of the model.

This statistical result is based on the average data statistics of Mujib, Zia, Ershad, Khaleda (two terms) and Hasina (three terms) where data collected from the target groups have been averaged and the GDP percentage rate was used. By so doing we have avoided the issue of inflation effects to the GDP.

The SAS output of GDP vs. effort for democracy: A printout for details

```

The SAS System      13:33 Friday, May 20, 2016
      The REG Procedure
      Model: MODEL1
      Dependent Variable: EG=GDP
      Number of Observations Read      94
      Number of Observations Used      94
      Analysis of Variance

```

Source	DF	Sum of Squares	Mean Square	F Value	Pr > F
Model	8	12.65781	1.80826	6.53	0.0025
Error	12	3.32248	0.27687		
Corrected Total	19	15.98029			

```

      Root MSE      0.52619  R-Square      0.7921
      Dependent Mean      5.78875  Adj R-Sq      0.6708
      Coeff Var      9.08983
      Parameter Estimates

```

Variable	DF	Parameter Estimate	Standard Error	t Value	Pr > t
Intercept	1	6.12869	0.48139	12.73	<.0001
EC	1	0.27094	0.16536	-1.64	0.1273
GE	1	0.40948	0.13494	-3.03	0.0104
CI	1	-0.42419	0.15514	2.73	0.0181
JI	1	0.7066	0.19631	0.36	0.7251
AAIP	1	-0.68506	0.30420	-2.25	0.0438
DG	1	0.67134	0.25743	2.61	0.0229
PS	1	0.21433	0.10132	2.12	0.0560
FS	1	-0.20011	0.11131	2.15	0.0611

Note: in this analysis, the average data statistics across the regimes were used. However, this outcome is sensitive to regime analysis separately. Data source: surveying graduate student, professional and Gov officials where N = 100

These statistical results are sensitive to any results when any researcher pursues as a separate regime. In other words, this analysis can be performed for each regime to see the effects of each parameter of effort for democracy to the GDP.

Since the primary goal of our study was to examine the relationship between effort for democracy and economic growth, we have ignored that analysis of individual regime and its effects to the economic growth.

Table 10.2: Effort for democracy vs. GDP (* indicates standardized) (1972-2015) average data Correlations measures of political institutions (regimes).

Coefficient	Variable	Parameter Estimate
β_0	Constant (line intersect with y-axis)	6.128 line thru (00)*
β_1	EC (executive constraint)	0.270 0.165 * (4 th)
β_2	GE (Gov effectiveness)	0.409 0.134 * (3 rd)
β_3	CI (corruption index)	-0.424 0.155 * (7 th)
β_4	JI (judicial independence)	0.706 0.196 * (1 st)
β_5	AAIP (ability to adapt policy)	-0.685 0.304 * (8 th)
β_6	DG (democratic gesture)	0.671 0.257 * (2 nd)
β_7	PS (political stability)	0.214 0.101 * (5 th)
β_8	FS (freedom of speech)	-0.230 0.098 * (6 th)
Adjust- R ²	0.670	
F-statistic	6.53	
Df	8	
F _{0.05} value	2.34 with df (8, 94)	

Three results stand out: the institutional qualities are strongly correlated with each other as well with GDP per capita income at 5 percent significant level. This result is consistent with institutions having a causal positive effect on GDP but also with reverse causality. Specifically, the table shows that JI, DG, EC, PS and GE have strong relationship with Bangladesh GDP.

Therefore, any changes or adjustments among these qualities of effort for democracy can bring significant changes in the GDP.

Table 10.3: presents the correlations between GDP and the parameters of effort for democracy. Similarly, here we have used the average computed data statistics for both GDP and the parameters of effort for democracy.

Table 10.3: Correlations of measures of institutions

	GDP	EC	GE	CI	JI	DG	AAIP	PS	FS
GDP	1.00								
EC	0.511	1.00							
GE	0.491	0.536	1.00						
CI	-0.371	0.59	0.51	1.00					
JI	0.441	0.49	0.49	0.41	1.00				
DG	0.621	0.379	0.47	0.39	0.49	1.00			
AAIP	-0.721	0.431	0.51	0.412	0.397	0.64	1.00		
PS	0.491	-0.312	0.251	0.31	0.52	0.214	0.25	1.00	
FS	-0.213	0.177	0.212	0.233	0.43	0.213	0.134	0.213	1.00

Significant at 5 percent level; data source: surveying graduate students, professionals and Gov officials

(b) Statistical Hypothesis in case of effort for Good Governance vs. Economic Growth

H₀: There is no relationship between efforts of political regime on fostering good governance and economic growth in Bangladesh perspective

H_a: There is a relationship between efforts of political regime on fostering good governance and economic growth in Bangladesh perspective

From Table 10.4, the computed regression equation is

$\hat{Y}_{\text{GDP vs. Effort for Good Governance}} = 5.108 + 0.270 \text{ PA} + 0.409\text{RL} + 0.424\text{TR} + 0.706 \text{ RE} - 0.385\text{CO} - 0.471\text{EI} + 0.214\text{EE} + 0.63\text{AC}$ where 5.108 (intercept) is an estimated mean GDP. The above equation also tells us that the CO and EI have influenced (negatively) to the GDP, however, PA, RL, TR, RE, EE and AC have contributed to the amount of estimated mean GDP.

The table 10.4 shows that the $SS_{yy} > SSE$, which indicates that the causes contribute to the amount of economic growth

Source	DF	SS	Mean Sq	F-value	Pr > F
Model	8	11.6078	0.980	4.53	<.0025
Error	12	3.2008	0.17687		
Corrected Total	94	12.9802			

Table 10.4: Effort for Democracy vs. EG: Analysis of variance

Looking at the standardized estimates, it appears that one unit of standard deviation change in RE will cause a 0.706 unit change in $\hat{Y}_{\text{GDP vs. effort for Good Governance}}$ and it placed the 1st. Similarly, one unit of standard deviation change in AC, TR, RL, PA, EE, CO and EI will cause 0.630, 0.424, 0.409, 0.270, 0.214, -0.385 and -0.471 unit standard deviation changes respectively in the $\hat{Y}_{\text{GDP vs. effort for Good Governance}}$ where EI placed the 8th.

Moreover, the SAS output shows that the F-value is 4.53 and $F_{0.05}$ (F-distribution with $\alpha = .05$ and df (8, 94) is 2.34 (interpolated value), which indicates that $F\text{-value} > F_{0.05}$, therefore, the H_0 is significantly rejected and the H_a is accepted with 95 % confidence interval. In other words, a relationship exists between effort for good governance and economic growth in this case GDP. The corresponding R^2 value is 0.892, which implies that this model fits well passing through more than 80 percent data. Here the adjusted R^2 is equal to 0.770, which is near to R^2 value; therefore, the correction term is very small. So the magnitudes of penalize is very small, which is also an evidence for goodness of fits of the model.

This statistical result is based on the average data statistics of Mujib, Zia, Ershad, Khaleda (two terms) and Hasina (three terms) where data collected from the target groups have been averaged and the GDP percentage rate was used and by so doing we have avoided the issue of inflation effects to the GDP. These statistical results are sensitive to any results when any researcher pursues as a separate regime. In other words, this analysis can be performed for each

regime to see the effects of each parameter of effort for good governance to the GDP of Bangladesh.

The SAS output of GDP vs. effort for good governance: A printout for details

The SAS System 11:30 Sunday, May 22, 2016

The REG Procedure

Model: MODEL 2

Dependent Variable: EG=GDP

Number of Observations Read 94

Number of Observations Used 94

Analysis of Variance

Source	DF	Sum of Squares	Mean Square	F Value	Pr > F
Model	8	11.607	0.980	4.53	0.0025
Error	12	3.2008	0.1768		
Corrected Total	19	12.9802			
Root MSE		0.52619	R-Square	0.892	
Dependent Mean		5.700	Adj R-Sq	0.770	
Coeff Var			9.08983		

Parameter Estimates

Variable	DF	Parameter Estimate	Standard Error	t Value	Pr > t
Intercept	1	5.108	0.489	11.73	<.0001
PA	1	0.270	0.166	-2.64	0.1273
RL	1	0.409	0.334	-3.03	0.0104
TR	1	0.424	0.304	3.73	0.0181
RE	1	0.706	0.106	1.36	0.7251
CO	1	-0.385	0.300	-2.25	0.0438
EI	1	-0.471	0.257	2.61	0.0229
EE	1	0.214	0.201	2.12	0.0560
AC	1	0.630	0.101	2.15	0.0611

Note: in this analysis, the average data statistics across the regimes were used. However, this outcome is sensitive to regime analysis separately. Data source: surveying graduate student, professional and Gov officials where N = 100

Since the primary goal of our study was to examine the relationship between effort for good governance and economic growth, we have ignored that analysis of individual regime and its effects to the economic growth.

Table 10.5: Effort for good governance vs. GDP (* indicates standardized) (1972-2015) average data Correlations measures of political institutions (regimes).

Coefficient	Variable	Parameter Estimate
β_0	Constant (line intersect with y-axis)	5.108 line thru (00)*
β_1	PA (participatory attitudes)	0.270 0.165* (5 th)
β_2	RL (Rule of law oriented)	0.409 0.134* (4 th)
β_3	TR (Transparency)	0.424 0.155* (3 rd)
β_4	RE (Responsiveness)	0.706 0.196* (1 st)
β_5	CO (Consensus oriented)	-0.385 0.304* (7 th)
β_6	EI (Equity & inclusion)	-0.471 0.257* (8 th)
β_7	EE (Effectiveness & efficiency)	0.214 0.101* (6 th)
β_8	AC (Accountability)	0.630 0.098* (2 nd)
Adjust- R ²	0.898	
F-statistic	4.53	
Df	8	
F _{0.05} value	2.34 with df (8, 94)	

Three results stand out: the institutional qualities are strongly correlated with each other as well with GDP per capita income at 5 percent significant level. This result is consistent with institutions having a causal positive effect on GDP but also with reverse causality. Specifically, the table shows that RE, AC, TR, RL, PA and EE have strong relationship with Bangladesh GDP. Therefore, any changes or adjustments among these qualities of effort for good governance can bring significant changes in the GDP.

Table 10.6: presents the correlations between GDP and the parameters of effort for good governance. Similarly, here we have used the average computed data statistics for both GDP and the parameters of effort for good governance.

Table 10.6: Correlations of measures of institutions

	GDP	PA	RL	TR	RE	CO	EI	EE	AC
GDP	1.00								
PA	0.411	1.00							
RL	0.401	0.516	1.00						
TR	0.371	0.59	0.51	1.00					
RE	0.444	0.49	0.249	0.481	1.00				
CO	-0.621	0.379	0.347	0.399	0.409	1.00			
EI	-0.721	0.431	0.451	0.412	0.397	0.654	1.00		
EE	0.491	-0.312	0.251	0.391	0.512	0.214	0.225	1.00	
AC	0.213	0.177	0.212	0.233	0.493	0.213	0.134	0.213	1.00

Significant at 5 percent level; data source: surveying graduate students, professionals and Gov officials

(c) Statistical Hypothesis in case of effort for democracy & good governance simultaneously vs. GDP in Bangladesh perspective

H₀: There is no relationship between efforts of political regime on fostering both democracy & good governance simultaneously and economic growth in Bangladesh perspective

H_a: There is a relationship between efforts of political regime on fostering both democracy & good governance simultaneously and economic growth in Bangladesh perspective

From Table 10.7, the computed regression equation is

$$\hat{Y}_{\text{GDP vs. Effort for Democracy \& Good Governance}} = 5.892 + 0.370 \text{ EFD} + 0.678 \text{ EFGG}$$

where 5.892 (intercept) is an estimated mean GDP. The above equation also tells us that EFD and EFGG have contributed to the amount of estimated GDP where EFGG placed 1st.

The table 10.7 shows that the $SS_{yy} > SSE$, which indicates that the causes contribute to the amount of economic growth

Source	DF	SS	Mean Sq	F-value	Pr > F
Model	2	8.6578	1.808	7.53	<.0025
Error	3	2.3228	0.27687		
Corrected Total	94	11.9802			

Table 10.7: GDP vs. effort for Democracy and Good Governance simultaneously: Analysis of variance

Looking at the standardized estimates, it appears that one unit of standard deviation change in EFGG will cause a 0.678 unit change in $\hat{Y}_{\text{GDP vs. effort for democracy \& good governance}}$ and it placed the 1st. Similarly, one unit of standard deviation change in EFD will cause 0.370, unit standard deviation changes respectively in the $\hat{Y}_{\text{GDP vs. effort for democracy \& good governance}}$ where EFD placed the last.

Moreover, the SAS output shows that the F-value is 7.53 and $F_{0.05}$ (F-distribution with $\alpha = .05$ and $df(8, 94)$ is 2.34 (interpolated value), which indicates that $F\text{-value} > F_{0.05}$, therefore, the H_0 is significantly rejected and the H_a is accepted with 95 % confidence interval. In other words, a relationship exists between effort for democracy & good governance simultaneously and economic growth in this case GDP. The corresponding R^2 value is 0.892, which implies that this model fits well passing through almost 90 percent data. Here the adjusted R^2 is equal to 0.770, which is near to R^2 value; therefore, the correction term is very small. So the magnitudes of penalize is very small, which is also an evidence for goodness of fits of the model.

This statistical result is based on the average data statistics of Mujib, Zia, Ershad, Khaleda (two terms) and Hasina (three terms) where data collected from the target groups have been averaged and the GDP percentage rate was used and by so doing we have avoided the issue of inflation effects to the GDP. These statistical results are sensitive to any results when any researcher pursues as a separate regime. In other words, this analysis can be performed for each regime to see the effects of each parameter of effort for democracy & good governance simultaneously to the GDP of Bangladesh.

SAS output of GDP vs. effort for democracy & good governance simultaneously: A printout for details

The SAS System 10:22 Tuesday, May 24, 2016

The REG Procedure

Model: MODEL 3

Dependent Variable: EG=GDP

Number of Observations Read 94

Number of Observations Used 94

Analysis of Variance

Source	DF	Sum of Squares	Mean Square	F Value	Pr > F
Model	2	11.607	0.980	7.53	0.0025
Error	3	3.2008	0.1768		
Corrected Total	9	12.9802			
Root MSE		0.52619	R-Square	0.892	
Dependent Mean		5.700	Adj R-Sq	0.770	
Coeff Var			9.08983		

Parameter Estimates

Variable	DF	Estimate	Standard Error	t Value	Pr > t
Intercept	1	5.108	0.489	10.73	<.0001
EFD	1	0.370	0.166	-2.64	0.1273
EFGG	1	0.6780	0.101	2.15	0.0611

Note: in this analysis, the average data statistics across the regimes were used. However, this outcome is sensitive to regime analysis separately. Data source: surveying graduate student, professional and Gov officials where N = 100

Table 10.8: Effort for democracy & good governance simultaneously vs. GDP (* indicates standardized) (1972-2015) average data Correlations measures of political institutions (regimes).

Coefficient	Variable	Parameter Estimate
β_0	Constant (intersect with y-axis)	5.108 line thru (00)*
β_1	EFD (effort for democracy)	0.370 0.165* (last)
β_2	EFGG (effort for good governance)	0.678 0.098* (1 st)
Adjust- R ²	0.892	
F-statistic	7.53	
Df	2	
F _{0.05} value	2.34 with df (2, 94)	

Three results stand out: the efforts for good governance are strongly correlated with effort for establishing democracy, which jointly contributes to the GDP per capita income at 5 percent significant level. This result is consistent with institutional democracy having a causal positive effect on GDP but also with reverse causality. Specifically, the table shows that EFD and EFGG have strong relationship with the growth of GDP in Bangladesh. Therefore, any changes or adjustments among these qualities of effort for democracy & good governance simultaneously can bring significant changes in the GDP.

Table 10.9: presents the correlations between GDP and the parameters of effort for good governance & democracy. Similarly, here we have used the average computed data statistics for both GDP and the parameters of effort for democracy & good governance simultaneously.

Table 10.9: Correlations of measures of efforts for democracy & good governance simultaneously

	GDP	EFD	EFGG
GDP	1.00		
EFD	0.411	1.00	
EFGG	0.401	0.416	1.00

Significant at 5 percent level; data source: surveying graduate students, professionals and Gov officials

II. Direction for future study

Broken down major hypothesis

Since Bangladesh had witnessed liberation war, socialism moves, Marshall Laws & army dictatorships, re-establishment of democracy, recent insult to growing democracy (2007), where its economic growth started to pick since Zia's period (first Marshall Law imposer), it would be appealing to breakdown the main hypothesis into several few hypotheses so that the full features can be captured. The effect of regimes (1972 – to date) of Bangladesh on growth is provoked by secular – historical experience of democracy and authoritarianism.

- a) Referendum election (1977) of Zia was the beginning of democracy in Bangladesh even though Zia emerged through dictatorship
- b) Zia regime was more acceptable by the general people than that of Ershad even though both had emerged from dictatorships
- c) The argument for “democratic growth effect” in Bangladesh is plausible if regime type is considered through a historical lens: democracy + time = economic development (trends of 1991 -2009)
- d) The democratic moves have resulted a higher economic growth in Bangladesh (trends of 1991 – 2009)
- e) Khaleda regime (1991-1996) was more democratic than that of Hasina Regime (1996 – 2001)
- f) In democracy perspective, the first term (1991 – 1996) of Khaleda regime was better than that of her second term (2001 – 2006)
- g) A simultaneous joint effort on economic growth and institution is pre-requisite for a sustainable development and democracy in Bangladesh.

Furthermore, to examine various other issues that might have linkages with today’s political situation in Bangladesh, a study can be conducted so that correlations of measures of political institution for each regime can be computed. Also, since our study has ignored the effects of different control variables in the model, in this perspective, further study can be conducted so that its impact to the economic growth can be measured.

III. Conclusion of the Analysis

Exploring the causal links - first between effort for democracy and economic growth; secondly, between effort for good governance and GDP and lastly between effort for democracy & good governance and GDP has proved to be extremely difficult. The relevant literature and our observations suggest that democratic system is always friendly with economic growth. But democracy is not the only the political system of institution for economic development or for higher GDP. There are some countries like China, Vietnam, Singapore, South Korea have

reached the highest level of development without practicing of western democracy. This observation begs many questions. Does effort for democracy in the political realm foster or hinder economic growth? Do rule of law, transparency, accountability, executive constraint, govt. effectiveness etc. lead to: i) higher education level of a nation ii) secured property rights to support investment in physical capital compared to more authoritarian regimes, iii) lower or eliminate the level of corruptions, iv) check & balance of executive powers etc.? The debate on these issues has ranged for centuries and it is often linked to the effort for establishing democracy & good governance simultaneously of political regime.

The relevant literature reveals a mixed answer to the questions posed in Chapter 1 of this thesis. This is because the studies were not guided by historical data statistics. To overcome this constraint, this study has used 45 years historical data statistics evolving from a single country such as Bangladesh *instead of* many countries.

The findings suggest that the third plausible option, a combination of both, “democracy first” and “economic growth first”, is most needed political policy for sustainable growth of GDP in Bangladesh. For clarity, *democracy first* and *economic growth first* means regime’s efforts for democracy & economic growth should go simultaneously for effective outcome for the nation as a whole. In other words, regime must cultivate efforts for democracy & good governance simultaneously so that a sustainable economic growth can be achieved, in returns, the fruits of democracy can be seen.

The findings also suggest that the human capital in Bangladesh can be improved further in the line of economic growth through democratic institution where its economics heavily relies on foreign investments in many sectors and on the magnitudes of access of its labor-power to foreign labor-market. In this perspective, it is palatable to assume that the magnitude of the

access to foreign labor-market is a *function* of nation's human capital and the stability of its political institution (democracy) and good governance in a world of favor seeking politics. The findings from this single unique country where the nation has witnessed war wreckage economy, early stage of democracy, socialism move, army dictatorships and then efforts on re-establishment of democracy also suggest that Bangladesh can get out of poverty through policies. In this case factors such as government responsiveness, govt. accountability, transparency etc. of good governance and then judicial independent, democratic gesture, govt. effectiveness etc. of democracy can contribute further if these factors are nurtured by putting efforts for democracy & good governance simultaneously. Even these factors are pursued by a dictator such as Zia who had come through army coup, however, in a short period of time, he had emerged as a successful leader. His policy *manifesto* was appealing to the general people and furthermore, he had inspired many democratic nations as well as the Middle East countries where his policies were consistent with foreign-aid-missions.

In policy recommendations, it would not be overstated to say that the ongoing efforts & the nation's firm willingness as a whole in establishing a full-swing democracy can curtail the magnitudes of today's various growing national problems such as climate induced health threats. Furthermore, a united voices of politico, *a gesture of democratic institution*, in curving such national problems can be appealing to donor-nations including Western, European and Middle East blocks for humanity grounds. In recent visit, the Chinese President Mr. Xi Jinping signed several loan agreements worth over 24 billion US dollars in Dhaka under the One Belt One Road (Silk Road) initiative. In addition, private Chinese companies pledged 13.6 billion US dollars in investment in Bangladesh (The Daily Star, October 16, 2016). During his visit, Mr. Xi also met with political opposition party (not in Parliament) BNP leader, which signals that Bangladesh is

becoming a democratic country with two dominated political parties just like any other democratic countries. It also suggests that no government or foreign investor would put this kind of huge amount of money either as a loan or foreign company investment unless they find the political environment of the recipient nation to be peaceful or moving to peaceful environment. In his recent visit Dhaka, the leader of the World Bank similarly praised the economic progression of Bangladesh in many areas and pledged to loan over two billion dollars for further investment for development. These all signal that the political environment of Bangladesh is moving toward the environment of full swing democracy where the fruits of the democracy are now measurable.

We must also acknowledge in all levels, *especially*, in political arena that the higher strength of democracy in practice can lead to a greater economic growth where checks on government as the mechanisms for securing property rights must be in place so that the fruits of the democracy can enjoyed by all instead of few in the nation.

However, our findings and the policy recommendations can be sensitive to data statistics collected from a single country that is not a unique in essence to its various phases of political history in a very short period of time.

Chapter 11

Problems and Obstacles Establishing Democracy & Good Governance in Bangladesh: *Dilemmas for a Sustainable Economic Growth*

Democracy works when people
claim it as it is their own

----- Bill Moyers, the Nation
January 22, 2007

I. Introduction

Bangladesh – a typical upper middle developing country in South Asia where a large population, low per capita income, persistent trade deficit and an economy dominated by agriculture - has increasingly moved towards a market-based economy (The World Bank, 2015). The industrial sector, *especially* garment industry and the foreign remittance are the latest progression in the economy of Bangladesh. It is observed that both internal and external factors such as politics, public pressure and donor, garments & labor force importing country's conditions on reform are slowly generating paradigm shift towards democracy & good governance establishment for a sustainable development. However, the paradigm shift towards democracy & good governance need to pick up more speed to establish as a Bangladesh globally competitive nation.

It has been almost 45 years Bangladesh got its independence but it hasn't yet achieved any significant result in governance, however, democracy has become a catchy word in politics. It is now well recognized that starting with democratic institution in place first can open doors for Bangladesh in many folds accessing helps globally in revitalizing its human and physical capital to meeting the 21st century demands (Yasmin, 2010). No political parties find it to be otherwise and in return, the GDP trends suggest a significant growth as it can be expected to follow establishing democracy in a nation. Just recently the administration announced a 2.5 trillion take budget for the fiscal year 2016-2017. Some experts including World Bank finds it to

high ambitious and it cautious the administration on establishing good governance for meeting the target of the budget. The development further suggests that Bangladesh can be comparative to the strength of its democratic political institution where higher strength of democracy in practice can lead to a greater economic growth. But the observers in this line warn that the expectations might be fruitless unless good governance is in practice where the length of timeframe for achievement depends on the strength of good governance.

The goal of this paper is to discuss and suggest ways to overcome the barriers hindering the economic development of Bangladesh, including the steps the government has taken and is taking for a better future. This chapter begins with descriptions of some of the critical challenges to democratization that Bangladesh currently faces. While electoral challenges are included, this study seeks to look beyond elections and describe other factors that can have a profound impact on the quality and quantity of democracy experienced by the average people. The second section examines potential approaches to addressing these challenges.

II. Dilemma in establishing a sustainable development

Good governance

The core challenge lies in developing a governance model that fits the current economic and political condition of the country. The other major bottlenecks are its slow monolithic non transparent, bureaucratic structure, rampant corruption in public offices not only puts Bangladesh in TIB (Transparency International Bangladesh) top corrupt list of nations but also raise the cost of living in this country. The legal framework of the country dwells on the rules set by the British colonial rulers- A master and servant mindset of governance, which is proving to be ineffective and highly inefficient considering today's global information age economic

environment. Though legal reforms are slowly taking place in public administration but due to lack of enforcement as well as political commitment, government offices have no other alternative but to follow inefficient outdated laws. In addition, politicization, favoritism, nepotism and corrupt practices in recruitment and placement of government employees are also major obstacles to good governance in Bangladesh. Strong political willingness to fight against corruption, ensure the accountability, transparency and rule of law has become imperative for establishing good governance. In addition, a pro people approach by strengthening the local government system is a must to achieve the goal of good governance. “Good governance for sound development” is a campaign echoed in Bangladesh as across the world. It is believed that good governance is such types of government process where important decisions are taken by concerned organizations through a participatory method justifying the views of the civil society, have accountability and transparency as well as application of rule of law in every government action. This paper discusses various aspects, elements, expectations, and impact of good governance.

Democracy

After the reestablishment of democracy in 1991, the democratic changes of regimes *via* forming caretaker government for holding fair election under caretaker government was a provision until 2013. After 2006, the process was interrupted by so called 1/ 11 conspiracy and the military backed caretaker handed over power to current administration in year 2009. During the first term, the Hasina administration made changes to Constitution and abolished the Caretaker Government System. Nowadays it is expected that the regimes are changed through ballots, neither by bullets nor by any other conspiracies or army coups. However, the political power oscillates between two principal parties where the founder of one party was landed with

socialism moves in 1974 and the founder of the other had emerged from an army dictatorship. Protecting the images of these founders and for political scoring, the current party-leaders, daughter of one party-founder, and the wife of another party-founder, occasionally engage in rivalry acts. However, they face uphill challenges by the general people when their actions or policies are something beyond the democratic moves or are contradictory to the meaning of democracy. The national elections in 2009 were generally regarded as among the freest and fairest in Bangladesh's political history (Yasmin, 2010; Freedom House, 2012). The voting process was transparent and credible, and it had been preceded by a comprehensive voter registration exercise of such excellence that it was held up as a model for other developing democracies. The responses received from both party-leaders on the acceptance of the election-outcomes signal the existence of a vibrant democracy in Bangladesh, which just passed its puberty stage where this adulthood-teenaged requires lots of guardianship and nursery so that it can blossom to its fullest for greater benefit of the nation.

These elections seemed to be ushering in a new era of effective democracy in Bangladesh where steady progress has been made in improving quality of elections that was not seen over the past decade and a half in Bangladesh. However, few still see Bangladesh as a nation where democracy is not pollution free, and consequently there are growing recognitions that democratic elections alone cannot deliver democracy. Most of the observers in this group believe that the ongoing achievement of fair and free election is obviously a big step where cultivation of democracy from all levels including political parties can influence significantly for the maturity of democracy (Yasmin, 2010). Several prominent stakeholders and analysts have noted that the gains possible from improving elections have already largely realized, and if there is to be significant further progress in consolidating democracy in Bangladesh, these advances will have

to be made in other areas. For a number of reasons, the current system of government might more aptly be described as electoral autocracy, rather than liberal democracy. Political competition is largely inter-elite contestation for access to patronage resources, with voters deployed as pawns during elections and ignored between elections. Competition is fierce and can be violent, as it is a zero-sum game and the winner takes all. Once a government is elected, there are few checks on its power, as the opposition is neutered by institutional design, and ordinary voters lack effective accountability mechanisms. According to Freedom House “Endemic corruption and criminality, weak rule of law, limited bureaucratic transparency, and political polarization have long undermined government accountability in Bangladesh.”

Although the current government won election with a large majority in year 2009, it seems unwilling to again risk its position to the vagaries of the electoral process, and it is accused of politicizing ministries and changing the Constitution to rig the system in its favor. The opposition has already raised the specter of election boycott, and some observers think it likely (or inevitable) that political gridlock will lead to military intervention. Meanwhile, growing dissatisfaction with the dysfunctional *status quo* has increased the appeal of more radical political movements (like Jamaate-e-Islam party), and a large and largely unemployed youth population, coupled with rising food prices, make a Middle-East type social and political revolution possible, if not likely.

Despite this continuous improvement in establishing a phase of a full swing for democracy, Bangladesh is in the midst of a host of internal crises. These crises can undermine social harmony and discourage domestic as well as foreign investors for investment etc., which may slowdown the economic growth in the long run. Some of the calamities are as follows

Problems

- a. The Bangladesh polity is dominated by personalized politics, which causes a formation of shaky political institution, absence of political accountability, lack of responsible opposition and enormous corruptions
- b. There is a growing Islamic fanatic in society where some politicians often engage behind the scene and inspire this fanaticism for political scoring
- c. The leaders of major parties very often hold monarchy styled mentality and they become desperate to setting up party manifesto so that its progeny can easily takeover the leaderships in their absence. This mentality in leaderships dents the proficiency in crafting sound public policies and undermines the potentiality of others in society to be a rising-star in polity, which is paradoxical to the true meaning of democracy.
- d. None of the major political parties in Bangladesh is free from the characteristics as noted in (c). Over this forty-five years independency, we have seen it repetitiously, which started since the Muzib *era*. Just recently, AL leadership has done it the same way as it was done by BNP while BNP was power during Khaleda BNP. It is fair to note here that the founding father of BNP probably would not do that.

Obstacles

- a. All these growing problems can lead to interrupting the economic growth in Bangladesh where it receives a significant amount of foreign aids and monetary donations in contingent to a sustained vibrant democratic political institution. Nonetheless, individually these factors are neither unique to Bangladesh nor a serious challenge to its stability. But they might be the factors of undermining the potentiality of capital – physical, human, social and political, *especially*, the foreign investments in various sectors.
- b. The polity is still pre-occupied with personal animosities and rivalries on many folds such as a debate on who should be rewarded by the state for the contributions made by the founders of these two parties. Very often this rivalry can turn into destructive and unpatriotic acts including treasons, attempts of killing leaderships etc. where some associates of these parties try to take own advantages. For example, when one party is in power, in one hand, it tries to establish recognition of its founder's efforts in political history. On the other hand, it tries to denounce other founder's efforts and tries to undo the policies in this aspect were adopted by the other party when it was in power. In first *scenario*, some associates of the party try to establish its positions in administration by supporting the recognition efforts. In second *scenario*, some associates of the party-in-power try to link its own issues, which were affected by policies when other party was in power, with administration's efforts for undo the policies so that these associates can gain advantages by supporting the undo efforts.

- c. Referring the current political situation, in one hand, the current administration is still unable to address the basic issues such as protection of lives and properties of ordinary citizens, establishment of “rule of law” policy in practice
- d. The administration has not yet shown effective efforts in addressing corruption issues, uprising market prices of foods, essential goods & services and the growing unemployment rate geometrically
- e. It has failed to work with opposition parties in many fronts where political dialogue should be a technique over the destructive acts such as tantalization politicians, creation of unnecessary legal actions against opposition on old or new issue etc. for political scoring. On the other hand, the opposition major party has been boycotting the parliament session for the party-leadership’s own issues. For example, the corruption charges against its leaderships, question on legality of BNP leadership’s residence, located in Army Cantonment area, which was allocated to the family of the late founder of BNP by the state where the party’s current political moves, calling for *hartal*, so that these issues can be resolved by creating political pressure instead of practicing “land of law” policy.
- f. Parties lack internal democracy, and consequently younger leaders with fresh ideas have little opportunity to move up within the party hierarchy. The lack of internal democracy also means that the concerns and aspirations of supporters and constituents have little influence on party leaders, and the quality of representation provided by parties is therefore poor. Although these cadre parties do have loyal supporters, they have few members in the formal sense (as one would see in mass or membership parties), and those members they do have are given few opportunities for substantive participation
- g. The constitutional and legal architecture of government in Bangladesh prevents or hinders effective democratic representation in several ways. Perhaps the most pernicious constraint is contained in Article 70 of the Constitution, which prevents Members of Parliament from voting against their party in Parliament. This article prevents MPs from voting in the interest of their constituents whenever those interests conflict with the interests of their party leadership, and shifts power from the Parliament to the Prime Minister’s Office
- h. To increase the number of women in Parliament, Bangladesh reserves 45 of the 345 seats for women. These seats are allocated to parties based on their proportion of the national vote. While this would seem a laudable provision, Article 70 negates its potential positive impact by preventing the women MPs from forming cross-party alliances to represent women’s interests
- i. Unable to effectively represent the interests of their constituents in national government, the MPs might at least be an effective means for channeling priority government resources to their community, but unfortunately the MPs are not in the community — they are in Dhaka — and so they may be unaware of critical needs and priorities. For example, in a recent survey, 50% of voters said their MP never visits their constituency,

while another 21% say he or she visits just once a year. And while 80% of voters think they should remain engaged between elections, and 86% believe the best way to improve public participation is to improve public knowledge and awareness of the democratic process, few say they have any means of learning MPs' plans or holding them accountable for election pledges.

- j. Mixing religion with politics -- the root cause of Islamization problems are mainly economic and increasing cultural gaps between a rising middle class and the not-so-middle class who are failing to keep up with the rapid change in Bangladesh, for whatever reasons. Religion has always been a *heroin* to the poor, and by heroin we not mean anything negative. Rather, those who cannot find their place in social strata, find their place at the step of the mosque. Because of globalization and growing connectivity with the world, a vast number of youth are bombarded by information that conflict with their socio-cultural foundation and that can be a strong force. The resulting confusion, mixed with economic uncertainty, peer-pressure to conform and lack of upward mobility encourage many people to find solace in religious dogma or archaic interpretation of doctrines of the past. We see this Pakistan, pockets of India, Horns of Africa, Sub Sharan regions and anywhere poverty is rampant.

III. How to deal with these problems & obstacles?

These problems and obstacles won't resolve itself by traditional modus operandi of policy implementation or force. It will require creative solutions that involve multi-dimensional approach--an approach that uses power of persuasion through mass outreach, humor and social connectedness among people of various social strata. Conflict in a social set-up happens mostly due to a sense of separation. The more we can do to minimize the sense of alienation of one group, the less likely we will see friction. Islam does not need to be a political problem for Bangladesh it can easily be a source of sustenance for the souls of the millions, instead of a base of violence, if other social issues are addressed properly.

The hard truth is that an old man would say, "the politicians are not religious but they use religion for their nonreligious gains". Practically religion and politics, we mean the politics in Bangladesh, cannot escape each other's shadows, theoretically they endeavor to do so and the clashes erupt in that melee. The general mass is normally religiously conscious but politically they are not that much as they should be to draw a clear margin between religion and politics.

Taking the advantages of this gap the nonreligious clever politicians try to exploit the people both ways, religious and secular for their hidden gains only. Once the gain is achieved or lost religion and politics go to their own places and the people only can express their disgust to jornosan as the old man did and nothing else. Changes in power with Mujib coat and suit boot tie effects on only corruption and looting not on religion and public and that is the game played again and again in Bangladesh and in many developing countries.

If asked about what he feels about the political use of religion in the country, the old man will say: “What I have learnt in all these years is that these politicians have little to do with Islam and everything to do with political power. Just before each and every election they use Islam; they abuse Islam and all of a sudden every politician has become a pious man only to get the throne. The old man would further say: he has seen a group of Jamaate-e-Islam men with Hefazat leaders campaigning on the road for a political party supported aspirant one of its candidates. They clasped a copy of holy Quran to their chest and pledged to defend their religion. They asked people not to vote for the atheists and to opt for believers, which is completely a violation of Quranic doctrine. Quran never permits people to use the holy book in dirty politics.” It is needed to be changed and it cannot be done over night but can be done in the phase of time.

IV. Conclusion

The foundation of major political parties and their approaches in practice are not new in Bangladesh polity where the current administration had followed similar approach to resolve its own unethical issues when the other party was in power. However, these destructive approaches undermine the growth of democracy & good governance and discourage investors for investment in Bangladesh because they believe that the policies adopted today may be collapsed tomorrow

once the regime is voted out. The hard truth is that this belief of the believers is supported by historical phenomena in this line of Bangladesh.

Chapter 12

Promoting a Democratic Society in Bangladesh: One Piece at a Time

One district or one upazilla or a union parishad or one issue *at once* for efforts on promoting democracy and good governance in any developing countries, like Bangladesh -- A way of changing hearts & minds of the people of Bangladesh in the long run

---- Sabera Yasmin, Doctoral degree thesis, Dhaka University, 2016

I. Introduction

Over the last two decades, Bangladesh has seen a virtual sea change in governance, as a result of national efforts that have pushed democracy further into standard practice. Now the nation has better democratic systems than that in 1970s or in 1980s or even in 1990s (Yasmin, 2013). It has demonstrated increased experience and collective skills in dealing with political conflicts. A successful handling of recent political crisis between 1990 and 2009 for instance, Bangladesh conducted a record six national levels elections. In year 2013, it was marked by a number of important electoral successes including city-corporation elections nationwide.

In 2014, based on Constitutional new provision, the Parliamentary Election took place under the current administration. The main opposition parties, the Bangladeshi National Party (BNP), led by Khaleda Zia, and Jamaat e Islami (JeI) have been calling without avail for fresh parliamentary elections since they boycotted those that took place in January 2014, in which the Awami League (AL), led by Prime Minister Sheikh Hasina, won an overwhelming victory. Their dispute centers on the fact that Zia wanted the 2014 elections to take place under the auspices of a neutral caretaker government, whereas Hasina instituted an all-party interim cabinet instead. Khaleda Zia called for mass demonstrations on 5th January under the banner, “Murder of Democracy Day”, to mark the first anniversary of the 2014 elections.

The AL government responded by banning demonstrations. Zia then called for an indefinite blockade of roads, railways and waterways leading into Dhaka, the capital. This began on 5 January and remains in effect. On 16th January, the BNP and JeI called for a dawn to dusk *hartal*, or ‘stay at home’ protest. The League responded with counter-demonstrations across the country on 17 and 18 January. The protests have led to at least ten deaths. One BNP leader has been shot and wounded. Khaleda Zia was confined to her Dhaka office between 3rd to 19th January. The authorities claimed that it was done for her-own security. Zia is also on trial for corruption.

The UK and US governments have expressed their concern over the ongoing violence, as has the EU. Meanwhile, the International Crimes Tribunal has continued to try individuals accused of serious human rights violations during the 1971 war of independence.

With this action, retaliation and then action for scoring politically, the goal of this chapter is to analyze the recent election, which took place “not under Caretaker Government” and consequences of it. Furthermore an analysis was carried out on success and failure of the current administration. So that lessons can be learned on promoting democracy and good governance in any developing countries, like Bangladesh -- a way of changing hearts & minds of people of a nation in the long run.

II. The parliamentary election of 2014

A flawed election

An extremely flawed general election took place in January 2014. The main opposition parties, the Bangladeshi National Party (BNP), led by Khaleda Zia, and Jamaat e Islami (JeI) both boycotted it, giving the ruling Awami League (AL), led by Prime Minister Sheikh Hasina an overwhelming victory. The government claimed a turn-out of 48% but others assessed it to

have been much lower than that (Lunn, January 21 of 2015). The BNP had called upon the AL to revert to previous pre-election procedure and install a neutral caretaker government ahead of the election to supervise the polls. Instead, the AL formed an all-party interim cabinet to perform this task. It invited the main political opposition parties to join the cabinet, but they refused to do so. The run up to the election from October 2013 onwards was characterized by strikes and escalating violence, with significant casualties. Following the election, the unrest continued for several weeks. Human Rights Watch criticized the authorities' use of excessive force, including extrajudicial killings of opposition supporters. Western donors refused to endorse the election outcome on the grounds that it did not reflect the will of the people of Bangladesh. They called for fresh elections once the political stand-off was resolved. Sheikh Hasina initially hinted at new elections but over the course of 2014 abandoned such talk.

Political impasse

While the political impasse remained unresolved, street protests subsided for a period after the elections. The BNP decided to contest local elections, which were held between February and May 2014, winning the largest share of the vote in the initial two rounds, but falling behind the AL in subsequent rounds. The political opposition alleged rigging. In March 2014, the political temperature rose again when a special anti-corruption court indicted Khaleda Zia for corruption during her tenure as prime minister between 2001 and 2006. Her son and political heir, BNP senior vice-chairman Tarique Rehman, who is living in exile in London, was also indicted for corruption. Khaleda Zia threatened a resumption of street protests in retaliation. In April 2014, the BNP said that the party was preparing to launch a campaign to force the AL out of powers if the trial of Khaleda Zia proceeded. Government representatives talked in terms

of banning both the BNP and JeI for their roles in war crimes committed during the 1971 independence war.

Another source of disagreement between the BNP and the AL emerged in May, following the alleged murder at the end of April of seven people by the Rapid Action Battalion (RAB), a controversial anti-terrorism force which has been accused of human rights abuses in the past. The BNP called for the RAB to be dissolved. The AL replied that the 2001-6 BNP government was a strong supporter of the RAB. In August and September 2014, the government took a range of steps that critics viewed as curtailing human rights in Bangladesh. It approved a policy on broadcasting which many felt threatened freedom of expression and introduced a bill in parliament that would penalize civil society groups which receive foreign funding. Parliament also passed a law that restored parliament's power to impeach Supreme Court judges. In September and October 2014, up to 100 members of the BNP and Jamaat e Islami, including a number of leadership figures, were charged with involvement in violence during the run-up to the January 2014 elections. In October 2014, India informed the government in Bangladesh that it had uncovered a plot by the Islamic terrorist group Jamatul Mujahedin Bangladesh (JMB) to assassinate Sheikh Hasina and overthrow the AL government. A number of JMB militants were subsequently arrested in Bangladesh. There were also arrests of members of another terrorist group, Harkatul Jihad al-Islami, in November.

III. Renewed protest in 2015

During the last quarter of 2014, levels of street protest rose again. However, Khaleda Zia complained that the turn-outs were insufficient to challenge the government. She called for a concerted effort to increase the degree of mobilization to mark the first anniversary of the

controversial 2014 elections on 5th January 2015, which she said should be called “Murder of Democracy Day”. The AL government responded by banning demonstrations on that day. This ban triggered renewed opposition demands for new elections under a neutral caretaker government and a call for an indefinite blockade of roads, railways and waterways leading into Dhaka. This began on the 5th January and remains in effect. When street protests occurred on 5 January in Dhaka and a number of smaller towns, the authorities cracked down; at least ten protesters were killed in clashes with the police. Other opposition leaders were arrested and one, the BNP’s Reaz Rehman, was shot and wounded. A gagging order was also issued against Tarique Rehman, banning the media from publishing statements by him. The chairman of Ekushey Television, Bangladesh’s oldest private TV channel, was arrested shortly after the channel had broadcast a speech by Rehman. Khaleda Zia was confined to her Dhaka office between 3 and 19 January. The authorities claimed that it was done for her-own security. On 14th January, the British High Commissioner to Bangladesh, Robert Gibson, called on all parties to show restraint and choose dialogue over confrontation. On the 16th January, the political opposition called for a dawn to dusk ‘stay at home’, or *hartal*. The AL responded with counter-demonstrations across the country on 17th and 18th January.

Trails of political opponent and critics

Khaleda Zia’s trial for corruption has not yet got under way in earnest. However, in November 2014, what appeared to be the last legal challenge to it going ahead was dismissed by the Supreme Court. The International Crimes Tribunal (ICT), a domestic court established in 2010 by Sheikh Hasina’s government to bring to justice those alleged to have committed war crimes, in collusion with the Pakistani army, during Bangladesh’s 1971 war of independence, has

continued to hear cases and issue verdicts over the last year or so. The BNP and JeI continue to argue that the ICT is politicized and being manipulated by the AL. International human rights groups and other commentators have expressed concerns about the ICT. Defense lawyers have called for changes to be made to its procedures to bring it into in line with international standards. These calls have not been heeded. In December 2014, the ICT found a British journalist, David Bergman, guilty *in absentia* of contempt of court in connection with a critical article he had written about it. The journalist received a symbolic punishment, including a small fine. Other media outlets and civil society groups have also been accused of contempt of court by the Tribunal. Such actions have been criticized for having a major ‘chilling effect’ on freedom of expression in Bangladesh.

In November 2013, the joint British and Bangladeshi national Chowdhury Mueen Uddin was sentenced to death *in absentia* for war crimes. Uddin, who lives in Britain, maintains his innocence. There are calls within Bangladesh for the extradition of Tarique Rehman so that he can stand trial. In the same month, 152 members of the security forces were sentenced to death for a two-day mutiny over pay in 2009. In January 2014, the leader of JeI, Motiur Rahman Nizami, was sentenced to death (along with 13 others) for arms smuggling to Assam separatists by a separate court in Chittagong. Then, in October 2014, he was sentenced to death by the ICT for his involvement in war crimes in 1971. In September 2014, Bangladesh’s Supreme Court commuted to life imprisonment a death sentence imposed by the ICT on JeI leader Delwar Hossein Sayeedi in February 2013. Sayeedi had been convicted of crimes against humanity. Another JeI leader, Mir Quasem Ali, was sentenced to death in November 2014. In December 2013, JeI leader Abdul Quader Mollah was executed after being found guilty of committing war crimes during the 1971 liberation war. He had originally been sentenced to life imprisonment in

the previous February, but massive street protests against the verdict led to it being reconsidered and replaced by the death sentence. So far, Mollah is the only person to have been executed. The next, should the authorities decide to proceed with more executions, could be Muhammed Kamaruzzman, a JeI leader who was sentenced to death in May 2013 for war crimes and whose final appeal was rejected by the Supreme Court in November 2014. Human Rights Watch has called for his execution to be halted.

Two leading members of the BNP have also been found guilty of war crimes. In October 2013, the ICT sentenced Salahuddin Quader Chowdhury to death. In the same month, Abdul Alim received the same sentence. However, Alim died in prison in 2014 before the sentence could be carried out. In year 2016, at least three Jel leaders and BNP leader Salauddin Q. Chowdury to be guilty in ICT verdict and were executed the death sentences where mixed emotion was seen in society. However, the younger generation has called the Hasin administration for success and supported the ICT verdicts. In November 2014, Bangladesh was elected a member of the UN Human Rights Council.

IV. Success and failure of current administration

In addition, the proportion of women in parliaments is higher than it has ever been. The current Speaker of the Parliament is a woman for the first time in Bangladesh political history, this progress obviously reflects how far the nation has progressed in this aspect. Nonetheless, considerable challenges remain in various areas nationwide. In 2007, the caretaker government was installed based on Constitutional provision, and then the political drama began and the dilemma continued for almost two years.

Preserving security, bolstering democratic institutions, fighting corruptions and promoting human rights and the rule of laws will remain important priorities for Bangladesh, an Asian Country that remains prone to violent conflicts when it comes to politics and abuses of power such as corruptions. Giving youth a voice and the ability to participate in political processes will be an important part of this project. Empowering young people carries wide-ranging benefits for their economies and societies. This will be important and challenging in view of the high rates of youth unemployment throughout the country.

Worldwide developed nations now recognize that democratic governance is central to Bangladesh's development and it has extended its helping hands in many folds including trade and investment sectors. Recently, the nation's economy upgraded to lower level middle income county by the

Taking these advantages for the greater interests of the nation, the political leaders need to help involving Bangladeshis in decision-making process, contribute to making democratic institutions work better, to promote principles of governance and to link divisional and district levels up with the necessary knowledge so that they can develop their own solutions.

In addition, we should support divisional and district levels institutions and processes so that they can examine and encourage each other to comply with a wide range of Bangladesh and international human rights, democracy and governance treaties and standards, *especially*, in the trading sector. In this proposed model, one district or municipality or union parish-ad at a time can be started with for achieving the absolute fruits of democracy where political regime can play crucial roles for leading the efforts of fostering democracy to its fullest. Bangladesh is on the verge of achieving a development breakthrough. By embracing a culture of participation,

openness, accountability and peaceful resolution of conflicts, the nation as a whole will truly be in a position fostering and achieving long-term, people-centered development.

V. Some guidance on creating better democratic society for sustainable development

Approach to Strengthening Democratic Governance in Bangladesh

In response to the above demands, the administration needs to focus on enhancing the capacity of district levels to deliver development while making sure people, communities and civil society organizations are included in decision-making processes. Here the aim should be to

- a. Expand people's opportunity to participate in decision-making processes, particularly women, youths, marginalized groups and the poor
- b. Contribute to build responsive institutions and making them more accountable
- c. Promote nationwide and divisional principles of democratic governance; and
- d. Promote knowledge on governance and share best practices among decision-makers among district levels as well as national political leaderships.

In this proposal, the national leaderships will respond to district levels specific demands, helping them to formulate and implement nationally-owned solutions to help them achieving the Millennium Development Goals (MDGs) as it was called by the UNDP. In this viewpoint, the local levels strength will be in national leadership's ability to pool experiences and knowledge from across the world while adapting that knowledge to specific local and national settings.

Involving People in Decision-Making

Participation gives people a voice in the democratic process. Yet many countries often lack specific systems and institutions to ensure people are represented across the board. In 1990 and beyond, the UNDP supported many peaceful national levels elections and has helped

completing its transitions to civilian rule, which were hailed by international observers as free and fair elections.

Democratic party-leadership

Although nowadays the regimes are changed through ballots, neither by bullets nor by any other conspiracies or army coups, the political power oscillates between two principal parties where the founder of one party was landed with socialism moves in 1974 and the founder of the other had emerged from an army dictatorship. Protecting the images of these founders and for political scoring, the current party-leaders, daughter of one party-founder, and the wife of another party-founder, occasionally engage in rivalry acts. However, they face uphill challenges by the general people when their acts or policies are something beyond the democratic moves or are contradictory to the meaning of democracy. This issue is as a root problem in fostering democratic society in Bangladesh, few still see Bangladesh as a nation where democracy is not pollution free, and consequently there are growing recognitions that democratic elections alone cannot deliver democracy.

Most of the observers in this group believe that the ongoing achievement of fair and free election is obviously a big step where cultivation of democracy from all levels including political parties can influence significantly for the maturity of democracy (Yasmin, 2010). Several prominent stakeholders and analysts have noted that the gains possible from improving elections have already largely been realized, and if there is to be significant further progress in consolidating democracy in Bangladesh, these advances will have to be made in other areas. For a number of reasons, the current system of government might more aptly be described as electoral autocracy, rather than liberal democracy. Political competition is largely inter-elite contestation for access to patronage resources, with voters deployed as pawns during elections

and ignored between elections. Competition is fierce and can be violent, as it is a zero sum game and the winner takes all. Once a government is elected, there are few checks on its power, as the opposition is neutered by institutional design, and ordinary voters lack effective accountability mechanisms. According to Freedom House, “endemic corruption and criminality, weak rule of law, limited bureaucratic transparency, and political polarization have long undermined government accountability.”

Mixing religion with politics

The observations in most of the South East Asian countries suggest that the politicians have little to do with religions but everything to do with political power and for that reason it utilizes all arsenics that are available to it. Just before each and every election they use religion; they abuse it and all of a sudden every politician has become a pious man only to get the throne. In other words, the politicians use religion for their nonreligious gains. Practically religion and politics, we mean the politics in Bangladesh, cannot escape each other's shadows, theoretically they endeavor to do so and the clashes erupt in that melee. The general mass is normally religiously conscious but politically not that much as they should be to draw a clear margin between religion and politics. Taking the advantage of this gap the nonreligious clever politicians try to exploit the people both ways, religious and secular for their hidden gains only. Once the gain is achieved or lost religion and politics go to their own places and the people only can express their disgust to juniors as the old man did and nothing else. Changes in power with Mujib coat and with boot-suit-tie effect on only corruption and looting not on religion and public and that is the game played again and again.

The root cause of this Islamism problems are mainly economic and increasing cultural gaps between a rising middle class and the not-so-middle class who are failing to keep up with the rapid change in Bangladesh, for whatever reasons. Religion has always been an opium to the poor, and by opium I do not mean anything negative. Rather, those who cannot find their place in social strata, find their place at the step of the mosque. Because of globalization and growing connectivity with the world, a vast number of youth are bombarded by information that conflict with their socio-cultural foundation and that can be a strong force. The resulting confusion, mixed with economic uncertainty, peer-pressure to conform and lack of upward mobility encourage many to find solace in religious dogma or archaic interpretation of doctrines of the past. We see this Pakistan, pockets of India, Horns of Africa, Sub-Sharan regions and anywhere poverty is rampant. This problem won't resolve itself by traditional modus operandi of policy implementation or force. It will require creative solutions that involve multi-dimensional approach--an approach that uses power of persuasion through mass outreach, humor and social connectedness among people of various social strata. Conflict in a social set-up happens mostly due to a sense of sense of separation. The more we can do to minimize the sense of alienation of one group, the less likely we will see friction. Islam does not need to be a political problem for Bangladesh; it can easily be a source of sustenance for the souls of the millions, instead of a base of violence, if other social issues are addressed properly.

Women in Public Life and Policy

Women's participation in political life and their representation in development policies continue to be a challenge in many local levels in Bangladesh. The national leadership should strive to ensure that Bangladeshi women have a real voice in all governance institutions, enabling them to participate equally with men in decision-making process. The national

leadership should also work ensuring gender issues and the specific needs of women are taken into account in national policies and decisions. Regards to social problem, women's of our country are no longer backward but it is unfortunate that society does not still allow women to work abroad even though there are huge job opportunities in many service and industrial sectors. In Bangladesh, the readymade garments sector which brings these women out from their home and they now contribute largely to our GDP. But the problem is that the payment of women employees is lower than that of man which discourages our women. It is now a demand of importing countries, especially western governments who are still reluctant to import garments from Bangladesh because of this lower payment issue.

Constitutional Reform(s)

Constitutional rules are keys to ensuring good governance in any nation. They define the principles upon which country is based and the procedures determining how laws are created and passed. Therefore, reviewing county constitution to bring it in line with new developments and the aspirations of their people should be a continuous process. But in this the issues that need to be addressed or changed should be started the process of modifying from the grassroots. In other words, civilians opinions should prioritized in the process of changing or adding constitutional provisions for the great interests of the nation as a whole. In this viewpoint, if citizens votes overwhelmingly in favor of constitution change that would trigger off a wide set of reforms, then it should be observed.

How to avoid conflicting violence including Hartal in politics

Organizations can be formed nationwide helping to develop a nationwide conflict prevention programs and early warning mechanism to avoid a repeat of the post-election

violence. In this aspect, UNDP monetary and technical helps can be helpful in the process of generating and reviewing civilians' recommendations and its implementations. To use of media conducting opinion surveys and key informant interviews can be a vital process for identifying best practices addressing the conflicting violence in politics and its strict implementations can bring the results cost-effectively.

Support for Political Parties

Political parties are vital to promoting strong democracies and healthy public debates in any society like Bangladeshis. They can provide a structure for political participation; serve as a training ground for political leaderships; and translate social interests into public policy. Leaderships of parties should work to strengthen the capacity of political parties in Bangladesh to effectively engage and participate in electoral processes as necessity arises. In this aspect, UNDP can be a source for financial supports for establishing a project of support to political parties during elections for sustaining their capacity to engage and participate in the electoral process. As a result of these efforts, party officials can be trained on election processes, rules and procedures, including on codes of conduct and interaction with the media.

Making public institutions work

Transparent, efficient and accountable public administrations are critical to delivering public goods to all citizens, *especially*, to those who are the most vulnerable. Many international organizations such as UNDP can support the efforts to make public institutions more robust, representative, responsive and democratic. It can help to strengthen a wide range of democratic institutions, including governments, parliaments, judicial institutions and local authorities.

Support for Parliament and for Parliamentary Members

Parliament plays critical roles in legislations, oversights and representations that keep the county running smoothly. Therefore, it is crucial to train the parliamentarians or Members of the Parliament on a routinely basis. The UNDP can provide financial and technical assistance building the capacity of legislators to perform their functions. In addition, UNDP can promote institutional development and reform; works to strengthens parliaments' relationships with the executive, the judiciary and civil society; and implements programs to enhance the effectiveness of women members of parliament.

For example, in the Democratic Republic of the Congo, with support from the Government of the U.K., in 2010, the UNDP helped to set up public discussions to raise awareness on a number of policies, including on poverty reduction and infrastructure. In this effort, over 5,000 citizens had direct talks with local and national assembly representatives during the course of 23 forums held across the country. A 45-minute television program summarizing the discussions was then broadcast throughout the country by 40 television and radio channels. Furthermore, In South Africa, the UNDP facilitated dialogues between parliamentarians and experts in the run-up to the climate change negotiations in Durban. The dialogues informed Members of Parliament on a range of climate-related issues, supporting them to contribute meaningfully to the negotiations.

Public administration reform and bold action for protecting democracy

Since the 21st Century is the technology *era* and any failure to keeping up with its progress will results the county to fall further behind, Bangladesh administration needs to reform its administrations in all levels so that it can help governments and public institutions to deliver

basic public services more efficiently. It should also efforts in shaping public administrations into robust democratic institutions. The UNDP might be the best source for seed money for continuing the task.

Since 1/11 *dilemma* is considered to be a black spot to our new phase of democracy (1990 – 2006), it might be a right time to think spreading military bases to many different districts. It might have very limited size offices in capital city for top level communications. No country in the world has military bases in size located in its capital city as it is in the capital of Bangladesh. By so doing, the government can curtail its huge amount of costs in one hand; on the other hand, it can put further effort for strengthening democracy & good governance without worrying a repetition of the ill motives of military. Also, it can enhance the opportunity for districts to grow economically faster as Philosopher Plato said: *Democracy is a charming form of government, full of variety and disorder, and dispensing a sort of equality to equals and unequal alike*. The success in this line will make the capital city to be more open and create open access to public not for just one entity of the government. In this aspect, it will facilitate the city to be *modern money making engine* rather being displayed signboards “owned by army”, “restricted area” etc. Since military segment is a part of government, the current setup undermines philosophical argument: *Democracy is a government of the people, by the people for the people* (Abraham Lincoln, Gettysburg Speech, 1863). In this aspect the necessary efforts and understanding of the efforts from all segments can bring a fruitful outcome, which can be parallel to Aristotle’s famous slogan: *Democracy is when the indigents, and not the men of property, are the rulers*

Economic and financial governance

Delivering public services is a key to advancing development, while fiscal, monetary and financial policies are essential to ensuring these services receive adequate funding and are managed appropriately for the greater interest of the society as a whole. In formulating nation's budget based on set of directives, collaborations of technical partners such as World Bank, International Monetary Fund, UNDP and public finance specialists can pave the way for the adoption of results based budgets and more transparent use of public funds. This approach will satisfy the donor nations' concerns on the other hand, it will produce an effective uses of the public funds.

Marginalizing corruptions: Further efforts on anti-corruptions

Corruption hurts human development, diverts public resources to private gains and reduces access to public services in general. Integrity is essential to democracy and to meeting the goals of the Millennium Development. In this viewpoint, State institutions must be capable of managing resources to benefit all citizens. It can be claimed in this study that corruption costs Bangladeshis an estimated 10 to 20 percent of their combined national income, which amounts to some \$100 billion a year. It also increases the cost of goods, services and infrastructure by 10 to 20 percent. Given the magnitudes of this problem, political regime should lend its support thru creating an independent agency so it can develop and implement national anti-corruption strategies, establish and strengthen anti-corruption agencies and enhance citizens' roles in ensuring accountabilities of public sector officials and institutions.

In this aspect, the nation can seek for help from international organizations on providing long-term advice to the Anti-Corruption Commission, training staff, educating senior officials on anti-corruption issues and helping to launch a massive public awareness campaign on the

negative consequences of corruption. Seeking help from these organizations can be a win-win situation for parties where the donator and the recipient both can be satisfied, which will keep the aid-flows uninterrupted. Also, the Commission should propose regulation on registering assets of government officials so that it can be passed by the Parliament of Bangladesh.

In addition to enforcement efforts, the Commission should encourage government officials and civil servants including political leaderships to register their assets in compliance with a law, which will be passed by the Parliament. The register should be automated to give public access to assets declared by public officials.

Easy access to justice and rule of law

The poor and marginalized citizens are often denied the ability to seek and obtain redress in a fair justice system. However, the development economics suggests that every individual, so long as the individual does not violate the laws of justice, should leave perfectly free to pursue the individual's own interests in individual's own way and to bring both the individual's industry and capital into competition with those of any other individuals or order of individuals. And accordingly, the administration of Bangladesh should develop national plans and programs for justice reform. So that its efforts can empower the poor and marginalized citizens in obtaining justice and these efforts should protect them legally. The administration should also further safeguard human rights and ensures that women's rights are protected in all aspects.

In aspect of protecting human rights, the administration can begin by assigning a special team of inspectors to verify detention conditions in the country's prisons and train the inspectors in the areas of prison management, human rights and criminal law so that they can report to the Prosecutor General based on a set of criterions. The UNDP has various grant programs to promote these kinds of services, therefore, if the administration would have taken any such

efforts in this aspect, the monetary supports can be available, which can enhance the inflow of money, which can revitalize the growth of economy.

Fostering democratic societies in Bangladesh

With support from UNDP and funding from the Government of Belgium, the Democratic republic of Congo now Bangladesh has a single Web space to manage its official development assistance. The system tracks USD 15 billion worth of humanitarian and development aid and offers comprehensive information on 5,700 development projects conducted between 1999 and 2010. Bilateral, multi-lateral donors and the government can now monitor aid flows using personal access codes and the site has a public section so that any individual, journalist or NGO can check trends and overall numbers, improving transparency and accountability.

In this line, with further foreign help and following successful models in other countries, the administration can put further efforts on strengthening democracy and establishing good governance in all aspects. For example E-governance involves a public investment in information and communication technologies (ICTs) to improve governance services and processes. For instance, E-governance is a pillar of Cape Verde's public administration reform agenda. With USD 1.4 million funding from the government of Spain, UNDP helped the country to conduct an electoral census, deploying biometric technology and training 600 census officials to use the new software. The initiative resulted in the establishment of a voting register for the general election of 2011. In addition, UNDP is currently helping the country to integrate civil registries, border services and voting lists into a single database. In 2016, this effort is expected to lead to the production of new digital national ID cards and passports.

Can Bangladesh follow the footsteps of the Cape Verde's? The answer is YES where the administration needs only its willingness for the interest of the nation not for scoring politically.

Local governance and decentralization

Local institutions are keys to delivering public services, involving people in the decisions that matter to them and furthering local development. The UNDP can monetarily and materially help the country to decentralize their agendas, bring people in touch with local assemblies and develop the capacities of local officials and authorities. In this aspect, the government needs to plan and implement a new process of decentralization. In addition, representatives of all district and municipal levels should be able to design their own development plans and mobilize resources to implement them. In parallel, the grant from UNDP will be helpful building local government structures in rural areas and in city areas as necessity arises.

For example, in Mali, UNDP is leading a vast development program in three regions situated in the North, all of them characterized by long-standing armed conflict. Interventions targeting 150,000 beneficiaries aim to build the capacities of local governments, tribunals and law enforcement institutions to administer justice and provide security. The program is also promoting inter-communal dialogue and raising community awareness on peace and human rights issues. In communities where stability, security and trust have returned, UNDP is supporting a revival in economic development through income-generating initiatives that will create local jobs in 68 municipalities. Bangladesh can also follow the Mali footsteps for the interest of nation as a whole.

Promoting norms and principles of governance

UNDP promotes the integration of international and regional norms and principles of democratic governance, including anti-corruption, human rights, women's empowerment and equal opportunity for all into development.

Advancing regional governance norms

Global and regional norm setting is an important way to ensure consistency of both quality and standards. In this regard, UNDP supports regional organizations to establish and implement governance norms throughout the continent. In the area of democracy and governance, UNDP has supported the African Union (AU) to develop and advance important regional principles, standards and norms through the adoption, domestication and implementation of the African Charter on Democracy, Elections and Governance, which is central to the consolidation of democratic governance and participatory democracy in Africa. So far, 38 countries have signed the Charter. Since July 2010, UNDP supported the African Union Commission (AUC) and the Pan-African Parliament to accelerate the number of countries that have ratified the Charter from four to 15 by January 2012. The Charter came into force on 15 February 2012.

UNDP has also supported the AU Conference of African Ministers of Public Service to develop and implement regional policies for improved public service delivery in Africa. In 2009-2010, UNDP helped the AU to develop the African Charter on Public Service Principles and Values, adopted at the AU Heads of States and Government Summit of January 2011. The Charter defines a framework to guide public service delivery in Africa through legislative, regulatory and technical measures. To date, 14 countries have signed the charter and five have ratified it. A two-year implementation plan focused on themes and performance indicators was adopted. Also, 5 other African countries have already initiated the ratification process.

At the sub-regional level, UNDP has supported the East African Community (EAC) to conceptualize and develop several important normative instruments to further integration in the Regional Economic Community, including the EAC Protocol on Good Governance, Draft Bill of

Rights and the Principles Governing Democratic Elections in the East African Community. In order to raise awareness of these three instruments among the wider public, UNDP also supported multi-stakeholder consultations at both national and sub-regional levels.

Actually, several foreign businessmen have cancelled their planned trips to Bangladesh seeing the onslaught of *hartals* and the attending unbelievable damages inflicted on the economy. It has also come light that one big electronic company keen on investing in the export processing zone has put off its scheduled visit to our country.

These are signals that political parties who have the best interest of the country on their mind should ponder and be heedful about. In fact, the destructive swipe of politics that we have experienced lately is unprecedented in our political history since Bangladesh's independence. The economy is teetering at the edge of a deeper crisis. It cannot withstand any more strains through *hartal* and resulting increase in violence. Before long, the major political parties should see the wisdom of coming to terms with each other and thereby stop punishing the people and hurting the economy.

We would, therefore, endorse the business community's call for a dialogue between the contending forces aiming to lead the country out of the tunnel into the sunlight of hope and prospects spurred on by their taking the path of discussion to reach a common ground on the interim-government issue - the bone of contention between the two sides.

VI. Conclusion

Democracy and good governance do not come by itself and it cannot be imported from abroad, let alone be implanted by enforcement means. It has to grow from within countries by gradually institutionalizing and constructing political processes and spreading the universal

values that are intrinsic to democracy and good governance. Values such as respect for diversity and pluralism, tolerance, justice, freedom, human rights, and non-violence are universal core values that are embedded in the rich cultural diversity around the globe. As the former UN Secretary General Kofi Annan stated on October 30th of 2006:

“...democracy is a universal right that does not belong to any country or region, and that participatory governance, based on the will of the people, is the best path to freedom, growth and development.”

Transforming these values into the practice of democratic governance takes time, which is in short supply because of people’s high expectations for democratic government to deliver. Yet, to quote Kofi Annan once more: “*No nation is born a democracy.*” It requires effort and time to build while it requires permanent maintenance as well. To manage the process of democracy building and the expectations of people, governments need to ensure a ‘social contract’ with their people that provide those governments the legitimacy to govern.

No matter what party is in power, the regime should routinely carryout the following steps for knowing the status of democracy and good governance in Bangladesh so that any threats to can be prevented through direct aid and greater international solidarity

- a. A realistic assessment
- b. Lessons learned in advancing democracy
- c. Responding to the backlash against democracy and democracy promotion
- d. Making democracy deliver
- e. Strengthening moderate democratic elements
- f. The changing international context
- g. Reinforcing our commitment

Chapter 13

Conclusion

Economic growth of a country, like Bangladesh, can be comparative to the strength of its democratic institution that simultaneously require a good governance where higher strength of democracy in practice can lead to a greater economic growth where checks & balances on government as a mechanism for securing property rights must be in place.

--- Sabera Yasmin, Doctoral thesis, Dhaka University, 2016

Economic development of Bangladesh is a very critical issue. It is very simple word but it is easy to say and difficult to do. There are changes in constraints behind the economic development in aspect of price, wages and employment. In our country the main problem is inadequate opportunities for its population to employ themselves for living. So, rapid growth of population is not a great threat for economic development if both in home and overseas employment opportunities can be created. Nowadays, most of the countries that employ foreign labors prefer seeing that political stability of Bangladesh, which requires the regime to effort for strengthening democracy & good governance simultaneously.

Good governance includes a variety of factors which are inter-related to each other and they are related to many factors of democracy in Bangladesh. Of these, regime's responsiveness (RE), accountability (AC), participatory attitudes (PA) and transparency (TR) seem to be the dominant factors behind the process of good governance. On the basis of the above findings, it might be remarked that the current state of governance of Bangladesh is poor. At present, Bangladesh has been facing a number of challenges in the path of democratic regime like institutionalized political parties, judicial independence (JI), democratic gesture (DG), executive constraint (EC) etc. On the same token, the regime faces challenges in the path of good

governance like lack of accountability and transparency, lack of rule of law, inefficient leadership, ineffective political institutions, rampant corruption etc.

Regards to social problem, women's of our country are no longer backward but it is unfortunate that society does not still allow women to work abroad even though there are huge job opportunities in many service and industrial sectors. In Bangladesh, the readymade garments sector which brings these women out from their home and they now contribute largely to our GDP. But the problem is that the payment of women employees is lower than that of man which discourages our women. It is now a demand of importing countries, especially western governments who are still reluctant to import garments from Bangladesh because of this lower payment issue.

Regards to effort for democracy, if the problem of democratization in Bangladesh is the persistence of traditional feudal social structures, and the country is currently in transition from traditional society towards a modern culture of democracy, then those interested in strengthening democracy should prioritize accelerating that transition. As this involves public education and changing attitudes and expectations, it will be important to begin the process with a clear understanding of problems and potential points of intervention. This will facilitate monitoring of progress and measurement of change over time. Improvements and reforms in other areas will have little impact if the gains made over the last several decades (1990 – 2006) in elections cannot be maintained. An important element in ensuring that elections are credible is transparency. Civil society advocacy and observation will both be important to maintain and increase transparency. Also important to reduce political tension and encourage acceptance of election results is a perception that the process was administered fairly and neutrally, so

advocacy for an unbiased, un-politicized neutral and independent Election Commission might be appropriate.

Civil society organizations may encourage the growth of more open, inclusive and democratic political parties by supporting activities aimed at changing public and internal understanding and expectations about the appropriate role of parties in a democracy. This may be accomplished by facilitating the development of issue groups, and by encouraging parties to expand their membership base, so that the parties better represent the interests and aspirations of the broader population. Mechanisms might also be developed that provide opportunities for better communication between Parliament Member and constituents, to strengthen accountability and improve representation.

To strengthen the culture of democracy in Bangladesh, civic education aimed at facilitating public transition from a feudal understanding of place in society towards an acceptance and expectation of equality of class and gender will be essential. Civic education should also aim to reduce tolerance for corruption and impunity. Finally, to strengthen civil society and help balance the power of the political and commercial sectors, democracy assistance actors should explore ways to encourage the development of voluntary associations and membership organizations.

Since 1/11 *dilemma* is considered to be a black spot to our new phase of democracy (1990 – 2006), it might be a right time to think spreading military bases to many different districts. It might have very limited size offices in capital city for top level communications. No country in the world has military bases in size located in its capital city as it is in the capital of Bangladesh. By so doing, the government can curtail its huge amount of costs in one hand; on

the other hand, it can put further effort for strengthening democracy & good governance without worrying a repetition of the ill motives of military.

Overall, in this gloomy *scenario*, regime's efforts for good governance & democracy simultaneously are the dire need of the hour. Though good governance has always been a dream for our country yet, this dream can be transformed onto reality. Sincere and dedicated government can make this dream come true. But it cannot be achieved in a wink of an eye. It requires a great toil and sacrifice. The civil society can play a significant role in this regard. Now, it is very easy to raise public opinion for democracy & good governance through the use of electronic media. The meetings and rallies are also very essential means to bring the trend of establishing democracy & good governance simultaneously on the right track.

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Appendix:

The Corruption Perceptions Index ranks countries and territories based on how corrupt their public sector is perceived to be. A country or territory's score indicates the perceived level of public sector corruption on a scale of 0 - 100, where 0 means that a country is perceived as highly corrupt and 100 means it is perceived as very clean. A country's rank indicates its position relative to the other countries and territories included in the index. This year's index includes 177 countries and territories. The Corruption Perceptions Index 2013 serves as a reminder that the abuse of power, secret dealings and bribery continue to ravage societies around the world. It has disrupted the evolution of the democratic political process and further weakened the legislative organ of the state.