Follow Bangabandhu's ideology properly to build Sonar Bangla

Hasina tells AL leaders, activists

UNB, *Tungipara*

Prime Minister Sheikh Hasina yesterday asked Awami League leaders and activists to properly follow Bangabandhu's ideology to build a developed and prosperous Bangladesh free from hunger and poverty.

"We're working tirelessly so that the grassroots and rural people get the benefits of our achievements," she said.

Hasina, also the AL chief, made the comment while addressing a joint meeting of the Awami League Central Working Committee and the Advisory Council at her residence at Gopalganj's Tungipara.

She said the main goal of the government was to change the fate of the countrymen. "Every leader and worker of the party will have to move with the ideology of the Father of the Nation. We'll build a hunger and poverty free Sonar Bangla as dreamt by Bangabandhu.".

In this connection, she mentioned that Bangladesh has already attained high growth rate and has a strong economy. "... We'll continue our drives against terrorism, militancy and corruption," she said.

Hasina said the party has been in power for three consecutive terms after the 2008 national election. "As a result, the country's progress is visible and the people's fate is being changed."

The PM also said the government had drawn up elaborate programmes to celebrate "Mujib Borsho" nationally. "Besides, other organisations and institutions will celebrate Bangabandhu's birth centenary in a befitting manner," she said.

She said the name of the Father of the Nation was once wiped out by assassinating him on August 15, 1975. "But today none could erase his name because he struggled and suffered throughout his life for the people of the country," she said.

The prime minister also said over 82 percent people lived under the poverty level when Bangabandhu liberated the country. "Our Awami League government has been able to bring down the [poverty] rate to 20.5 percent," she added.

Flanked by the members of the newly-elected Awami League Central Working Committee and Advisory Council, Prime Minister Sheikh Hasina places a wreath at the grave of Father of the Nation Bangabandhu Sheikh Mujibur Rahman in Tungipara of Gopalganj yesterday. PHOTO: PID

Dhaka sits on

FROM PAGE 1

Bangladesh's expatriates' welfare ministry said the Malaysian delegation may visit Dhaka in the middle of next month.

Labour migration experts say it is important for Dhaka to take immediate steps to secure a zero-cost labour recruitment deal with Malaysia and frame policies accordingly.

One of the measures would be the elimination of brokers from the recruitment process, as the brokers, with their strong presence at home and abroad, often cheat and abuse workers and make them pay exorbitant migration cost, they said.

Bangladesh, however, is yet to have a law that eliminates brokers from labour recruitment or brings them under legal jurisdiction so that they can be held accountable in case of fraudulence or abuse.

Ahmed Munirus Saleheen, a senior official at the expatriates' welfare ministry, said it would be great if Malaysia strikes a zero-cost recruitment deal with Bangladesh.

"There can't be anything better than this for us."

Saleheen, however, couldn't say how the policy would be implemented as brokers and private agencies have strong influence on the recruitment system.

"We will sit and finalise the modus operandi when the Bangladesh-Malaysia joint working group meets in Dhaka," he told this newspaper.

YEAR	GOVT FIXED COST	ACTUAL MIGRATION COST
2006-2009	Tk 84,000	Tk 2 lakh (private sector)
2012	Tk 60,000	Tk 60,000 (G2G)
2016-18	Tk 40,000	Tk 4 lakh (private sector)

At a press meet earlier this month, Expatriates' Welfare and Overseas Employment Minister Imran Ahmad spoke of a low-cost and transparent recruitment system, admitting that high recruitment cost leads to exploitative practices.

He, however, did not mention the idea of "zero-cost".

Talking to The Daily Star, Syed Saiful Haque, chairman of migrant rights advocacy body WARBE Development Foundation, said Malaysian labour recruitment from Bangladesh is mired in largescale malpractices and worker abuses.

"High migration cost has been a major problem. As brokers and agencies make hefty profits by sending workers to Malaysia, they focus on recruitment, not on workers' welfare."

Many workers were recruited at bogus companies, while many got wages less than that was agreed upon -- factors that forced many migrants to become undocumented and work elsewhere, he noted.

Over the last few years, the Malaysian authorities detained and deported many of the undocumented workers.

Amid such a situation, the US Trafficking in Persons (TIP) put Malaysia on the Tier 2 Watch list for the last two consecutive years. This means Malaysia did not fully meet the minimum standards for the elimination of trafficking, he pointed out.

In October last year, the US Customs and Border Protection blocked imported goods from five companies, including Malaysia's glove-maker WRP Asia Pacific Sdn Bhd, which were accused of practising forced labour.

"This is why Malaysia is talking about a zero-cost recruitment deal," said Saiful.

He said such a deal with Bangladesh is very important as the record of labour relations between Malaysia and Bangladesh is not a very happy one.

Since 1992 when the Southeast Asian country started hiring Bangladeshi workers, it closed its doors on them on multiple occasions, citing anomalies in recruitment and subsequent labour exploitation.

Malaysia imposed the suspension for nearly a decade from 1997, except in 2000 when some 20,000 were granted visas.

The migration resumed in 2006 and continued till early 2009. Though the migration cost at the time was set at Tk 84,000, studies found that each Bangladeshi migrant had to pay almost Tk 2 lakh.

Also, many were found jobless and exploited -- a reality that forced Kuala Lumpur to suspend workers' recruitment in 2009.

After four years, Malaysia resumed labour recruitment from Bangladesh under a government-to-government (G2G) deal in 2012, when the migration cost was set at Tk 60,000.

But only 8,000 workers could get jobs under the deal, said industry sources, adding that the recruitment could not gather momentum due to opposition from private agencies and brokers.

Later in 2016, the two countries signed a G2G Plus deal, which was suspended in 2018 because of a syndicate's control over recruitment and high labour migration costs.

13 cities shut down

FROM PAGE 1

The outbreak emerged in late December in Wuhan, an industrial and transport hub of 11 million people in China's centre, spreading to several other countries including the United States.

China is in the midst of its Lunar New Year holiday, a typically joyous time of family gatherings and public festivities.

But yesterday Wuhan was a ghost town, its streets deserted and stores shuttered.

Hospitals visited by AFP journalists bustled with worried patients being screened by staff wearing full-body protective suits.

At a temperature-check station, a medical staffer in bodysuit, face mask and goggles took a thermometer from a middle-aged woman, pausing to examine the reading before quickly turning back to the patient.

"Have you registered? Then go and see the doctor," the staffer said.

One 35-year-old man surnamed Li voiced the fears of many.

"I have a fever and cough, so I'm worried that I'm infected," he said.

"I don't know the results yet."

With hundreds of millions of people on the move across China for the holiday, the government has halted all travel out of Wuhan, shut down its public transport and told residents to stay home. Deepening the isolation, there were few flights available to the city.

"This year we have a very scary Chinese New Year. People are not going outside because of the virus," a taxi driver in the city, who asked not to be named, told AFP.

But he said a prolonged shutdown should not pose food-shortage problems because many Chinese had stocked up for the holiday.

Besides Wuhan, 12 other smaller cities nearby have battened down the hatches, with most of them going public yesterday with various measures ranging from closing public venues and restricting large gatherings to halting public transportation and asking citizens not to leave their cities.

Several of the cities have populations numbering several million, led by Huanggang, which has 7.5 million.

The pathogen -- 2019 Novel Coronavirus (2019-nCoV) -- has caused many outlets in Shanghai, Beijing and other cities to sell out their stocks of face masks.

As reports surfaced of bed shortages in Wuhan hospitals, state media said authorities were rushing to build a new facility devoted to the outbreak in a mind-blowing 10 days.

The Wuhan hospital is targeted to be ready by February 3. Dozens of excavators and trucks were filmed working on the site by state television.

State broadcaster CCTV also reported that 40 medical doctors from the military were being brought in to help with intensive care at the Wuhan Pulmonary Hospital.

To discourage nationwide travel, the government has said all tickets for rail, air, road, or water transport could be exchanged for a refund.

Yesterday, staff in full body protective suits were seen checking the temperatures of people entering a subway station in Beijing.

Thermal cameras scanned passengers arriving at Beijing's West Railway Station.

Chinese authorities said the number of cases leapt overnight to more than 800, with 177 in serious condition. There were another 1,072 suspected cases.

Officials also said that a virus patient died in Heilongjiang province in China's far northeast, the second death outside the Wuhan epicentre.

Beijing has been praised for its response in contrast to SARS, when it took months to report the disease and initially denied WHO experts any access.

Gao Fu, head of the Chinese Center for Disease Control and Prevention, asked China's people to forego New Year gatherings this year and confine themselves at home until the all-clear.

"If we all work as one, we can contain the virus in Wuhan and add no more cases exported from Wuhan, so as to stem the virus nationwide," Gao told state TV.

Beijing has cancelled popular New Year public events at temples in the capital, the historic Forbidden City will close from Saturday, and Shanghai Disneyland said it also will shut down for an indefinite period from Saturday to protect visitors and staff.

A number of tourist spots were closed and events cancelled in central Hunan province, which borders Hubei province.

War crimes, not genocide

FROM PAGE 1

that the campaign against the Rohingyas had genocidal intent, while the UN termed it a classic case of ethnic cleansing.

The minority community have been denied citizenship and basic rights though they lived there for generations.

The top UN Court at The Hague, Netherlands, also said Myanmar have to submit report on the steps taken to implement the court orders in four months. Afterwards, the country has to submit reports every six months.

Myanmar foreign ministry statement said: "Myanmar has appeared before the court in this case to assist the honourable judges to make the correct factual findings on the proposition made by The Gambia that genocide occurred in Rakhine State in 2016-17.

"As concluded by the Independent Commission of Enquiry (ICOE) in its recent report, there has been no genocide in Rakhine. The Commission found that war crimes had occurred, and those are now being investigated and prosecuted by Myanmar's national criminal justice system."

Blaming the human rights bodies, it said, "The unsubstantiated condemnation of Myanmar by some human rights actors has presented a distorted picture of the situation in Rakhine and affected Myanmar's bilateral relations with several countries.

"This has hampered Myanmar's ability to lay the foundation for sustainable development in Rakhine."

Meanwhile, a spokesman for Myanmar's ruling party said yesterday Myanmar had put in place measures to protect Rohingya Muslims, shrugging off an order from the ICJ, reports Reuters.

"The government is already doing most of the orders," Myo Nyunt, a spokesman for the ruling National League for Democracy, told Reuters by phone, without elaborating.

"One more thing we need to do is submit reports," he said.

But he said the civilian government, who rule jointly with the military in an awkward constitutional arrangement that reserves great powers for the commander-in-chief, could not control troops.

"Under the current political circumstances, we have difficulties solving some issues - such as the (order) that the government must ensure its military or armed insurgents do not commit genocide or attempt to commit genocide against Rohingya or Bengali."

The court said in its judgment on Thursday it did not accept Myanmar's assertion that it had been taking steps to facilitate the return of refugees, promote peace in Rakhine, and held the military accountable through domestic mechanisms.

Docking bad loans has now become critical

FROM PAGE 1

"It is not a good policy -- you are just increasing the number of defaulted loans. This was not right. And defaulted loan recovery is not easy anywhere."

Subsequently, he called for strict steps to bring down the defaulted loans to a reasonable level.

One of the steps he champions is fixing a defaulted loan ceiling for banks. "We should fix a target for bringing down the defaulted loan to a certain per cent. I'm not suggesting any figure -- the ministry has to decide that."

The banks that fail to lower the defaulted loan ratio to that number will not be allowed to do new business; they will have to work with their existing business, so the banks will collapse.

"So, they will have to do something about it. We have to be strict."

He, however, admitted that he was indulgent towards banks while as the finance minister from 2009 to 2018.

"I have given too many opportunities to the banking sector. I have indulged them," he said, while citing the Banking Companies (Amendment) Act 2017 as an example.

The amendment extended the tenure of a private bank's board of directors to nine years from six and increased the quota for board seats for a family from two to four. The move, effectively, tightened a single family's hold on a private bank.

"The stage for pampering is over, I feel. If I were in the government now, I would have put a stop to it and asked the banks to behave."

He also admits that there are too many banks in Bangladesh. Out of 60 banks in operation now, 12 of them came into being after the Awami League came back to power in 2009.

"We have too many banks but I was never worried as I thought they would automatically be forced to merge and there would be a reduction in number."

When quizzed that he himself had the chance to usher in consolidation in the sector in case of Farmers Bank: "It was my mistake. I should have allowed it to die."

He said he was not under any pressure to keep alive Farmers Bank, which was rechristened to Padma Bank in January last year as part of the bank management's effort to sweep the gross irregularities and loan scams under the carpet and get an image makeover.

The bank, which was established in 2013, became a hotbed for financial irregularities in less than three years of operation.

Allegations of corruption against them became deafening and depositors, including different government agencies, started pulling out their money.

This prompted the central bank and the government to step in and rescue the bank. Four state-owned banks -- Sonali, Janata, Agrani and Rupali -- and one public merchant bank, the Investment Corporation of Bangladesh, bailed out Farmers by buying equity shares worth Tk 715 crore in March 2018.

When prodded that another lender, BASIC Bank, became indisposed during his tenure, he became animated.

"BASIC Bank was destroyed by just one man: Sheikh Abdul Hye Bacchu. The current chairman is a very good banker and I have immense faith in his capabilities. But the state at which Bacchu left BASIC, it's very difficult to recover from there."

Bacchu, Muhith asserts, was made the chairman of BASIC Bank on September 2009 -- on political consideration.

"He had good contacts everywhere and he leveraged them fully."

Muhith, however, insists that no political appointees can now be found in state banks' boards. "It started from my time."

The damage though has already been done, with eight state banks now accounting for more than 50 per cent of the defaulted loans on September 30 last year: Tk 59,622 crore.

The government is now planning to form a public asset management company (PAMC) to take over banks' toxic loans from them and has already etched a draft act on it.

Muhith is not opposed to the idea.

"I think the PAMC can improve the situation. It depends on how the company decides which asset it will take and in what condition."

If the PAMC does that stringently, there is no chance of banks exploiting it and dumping their bad assets on it.

"At the same time, banks whose assets are being taken over PAMCs, those banks must be punished in another way."

Asked whether, like his successor AHM Mustafa Kamal, he thinks the country's double-digit interest rate is the reason behind the high volume of defaulted loans, Muhith begged to differ.

"The interest rate has relation with inflation. Our inflation is high in comparison to international standards."

The average inflation crept up four basis points to 5.59 per cent in 2019, according to data from the Bangladesh Bureau of Statistics. And, it is on an upward trend.

But to organically bring down the interest rates, he suggested narrowing the bank spread, which is the difference between what a lendercharges a borrower and what it pays a depositor.

"It is less than 4 per cent now in most cases. It is a good development and we should take it forward," said the retiree, who voraciously reads nine newspapers every day to remain informed.

One of the major causes of concern for the economy now is the sliding exports, particularly of the garment sector.

Garment exporters, who have been enjoying cash privileges for long, are now demanding more benefits to prop them up.

Asked whether it was wise to give garment exporters cash incentives all this while, which artificially made them seem competitive and might have made them complacent, Muhith said: "It's a very good question and I don't have the answer. Cash subsidy is clearly not having a lasting effect."

Subsequently, he is lukewarm on the prospect of ceding to garment exporters' demand for Tk 5 extra for each dollar of their export receipts.

"A simple device in the form of a cash bonus will make everything alright -- is not right. Their [garment exporters'] solution is not good. They are seeking little more cash bonus but no, it's not that easy."

The garment exporters will have to bring in qualitative changes.

"I will advise the government to be very cautious about it."

Muhith, however, praised Kamal's move to dispatch four finance ministry officials to Vietnam, Thailand, Sri Lanka and India -- all Bangladesh's competitors in global apparel trade -- to see first-hand whether those countries' governments are extending such cash benefits to give their garment exporters a leg up.

He though advised giving greater attention to diversification and industry deepening.

"The development on the export front is very bad. We always did well in exports. We have maintained a growth rate of 9-10 per cent -- it is very high. It's true that it cannot be maintained forever. But the sudden fall is a bit much, which is a matter of concern."

Another cause of concern for the economy is the underwhelming collections of the National Board of Revenue, which has sent the government to the doors of banks to meet its expenditure needs. The development is poised to crowd out private sector credit.

When asked why collection growth has slowed down so visibly, Muhith's face turned red with rage. He seemed to indicate that the tax administration had been providing inflated figures over the years.

The practice has now stopped, which is why the growth seems so low in comparison.

"Revenue bureaucracy is to be blamed. They were liars and they have just led us into nowhere. They should be punished, even those who have retired. For three years they have supplied us with false reports. They were deliberate lies, they showed growth when it was declining. Our revenue growth has historically been low."

Muhith's proclamation does have weight as for years the actual collection figures provided by the Comptroller Auditor General later on hugely fell short of the figures provided by the NBR.

But to boost collection growth now, he suggested sending university students door-to-door to survey the wealth status of households in suburban areas.

At the end of their visits they should make a list of which households should pay taxes and suggest an amount of tax. And the government should act on it.

"Once you give them a notice, they come under the tax net. They will then come forward and argue about the arbitrary amount of tax. Once you are in the net the arbitrariness will disappear and you will have to discuss with them and give a tax rate."

The new value-added tax law, which was supposed to boost collections to a certain extent and Muhith supervised for a large part, has not been a success yet.

"It was made with great hopes. We expected that it would be an all-time solution but that hasn't been the case."

The reason is that VAT calculation is rather complex.

"The whole theory of VAT is that you pay tax on the value you add, so 4-5 people end up paying tax for the same item. But they were all supposed to pay a little amount. We do not have the bookkeeping and discipline needed for it to work. This is our problem. We do not have the system yet to track value addition. It will take a while to get there."

One major incident that took place during Muhith's time as the finance minister is the cyber heist of about $1 billion from the Bangladesh Bank's account with the Federal Reserve Bank of New York (NY Fed) in February 2016.

A resolution is yet to come through, four years on.

When probed why, Muhith said: "Our mistake was, we should have filed the case against Fed earlier. Because, Fed obviously failed. They have made the mistake. We would have never known were it not for Sri Lanka."

Of the sum that the hackers made off with, $20 million was routed to an account with a Sri Lankan bank, which reversed the transfer.

He suggested the government to take on a more aggressive stance now.

"One of our objectives should be to drive Rizal Bank out of the banking system. The entire banking system is based on trust and Rizal Bank is a fraud. In my opinion, Rizal Bank should not exist in the world and we should have taken the appropriate measures for that."

Asked what achievement he is most proud of as the finance minister, he instantly said: "The growth of the economy."

"For a finance minister of Bangladesh, the only option is reduction of poverty. If you reduce poverty you will be successful," said Muhith, who is now occupied with authoring his book titled 'History of the World'.