

A Mounting Problem

On January 24, comely Selina Akhter was returning home from her college. Seven young men confronted her. She was kidnapped in broad daylight from main street Chakoria, a town in the Cox's Bazar zone. On May 12 she was murdered in a hotel-room in Narayanganj, her throat slit by a razor. On May 30 her body was exhumed and was identified by her father Altaf Ahmed. Selina was a brilliant student.

Repression of the weak, specially women and numerically and economically disadvantaged sections of the society, grows in measures the state and quality of governance goes down. Democracy is not a system only to ensure majority rule. Perhaps the most illustrious of women now living, Nobel Laureate Aung San Suu Kyi has said, "the true measure of the justice of a system is the amount of protection it guarantees to the weakest." Democracy aspires to an egalitarian libertarian society of universal participation based firmly on justice. At present the weakest section in our society is women and children. And of these the worst placed are young nubile girls.

There was a time in Dhaka as elsewhere in Bangladesh when people got panicky at the thought of sending the girls to school — any girl could be picked up by goons any moment and any girl could be killed or disfigured for life by acid-throwing mastans. To give the devil its due, it must be acknowledged that certain drastic measures taken towards the end of the decade of autocracy cut down the rate both of kidnapping and acid-throwing. And now, when administration by a democratically elected government is past its initial days, acid-throwing has come back with a terrible virulence. Murder-free societies have been a rare thing in all history. So should have been the case of acid-throwing which is but a variation on murder except in one respect. You must get your hands on a quantity of nitric acid before you can throw it to deface the girl you so hankered after. The Ershad regime acted wisely to make nitric acid scarce and followed it up some harsh sentencing of acid-throwers. That worked.

Kidnapping is another kind of crime. Hatched in a gang, it continues both in time and in space. The victim is here murdered every day and everywhere she is towed in bondage. Over a period stretching to the final murder of the victim or the capture of the culprits. In this case the scope of prevention and deterrence is much larger. Why is government failing to cope with the galloping kidnap rate? Kidnapped school-girl Afroza has come back to her Jessore home after 14 days, escaping from her captors who had moved her to a Jhenidah village. In Rajbari 14-year-old Karimunnesa was rescued by police three months after her abduction in January. Jharna, an 18-year-old, was also rescued by police from a Naogaon village, but 20 long days after she was kidnapped. This is but a random sampling from only yesterday's coverage by one newspaper.

Yes, why is government failing? It is failing because perhaps its political cadres are failing to exert a healthy influence on the youth of the nation which again owes much to political/ organisational failings of the party itself. The government is miserably failing in this respect because apparently its police are letting it down. Kidnapping of girls occurs mostly in towns where police have a rather tab on recalcitrant youth. If they fail to nip the crime at the time of hatching, they can, of course, make that good by persistent and quick action to get the criminals stung in the jails for periods proving effective as a deterrent. Or in the case of kidnapping ending in murder, as in case of Chakoria's Selina, to press for and get a capital punishment award.

The prevalent insecurity of women and children in general and young girls in particular, makes a mockery of our democratic protestations. We cannot afford to have our choicest flower to be trampled in a manner that makes of this our state a non-polity. A social movement is perhaps the true answer to this. That cannot materialise with government and its big political organisations not counting kidnapping and acid-throwing as a big problem.

Toiletopia

Although most aptly coined, the word, 'toiletopia' may cause many to raise their eyebrows. But toilet plus utopia is none of a mean joke. For people like Sachiko Azai, chief of a Japanese non-government action group, it is a serious matter and has to be treated seriously. When such people think it fit to follow up their concern about cleaner, lovable and sweet-smelling toilet by actually holding a three-day seminar to be once again followed by a full international symposium, doubt should not assail our minds about the business they mean.

The focus on toilet may not be always taken in good grace. The reason is understandable. People have reasons to think that the public gaze has been drawn to their privacy. If they become touchy about it from such a consideration, don't blame them. But given the standard of toilets and their maintenance record, there are even other more compelling reasons for becoming uneasy and itchy. Unkempt and grossly neglected, even private toilets can be a veritable hellish experience. The less said about public toilets the better.

In villages of the sub-continent, toilet habit of the more equal animal is almost no different from others of the inferior species. So the dream of a world with hygienic, well-maintained public toilets is certainly a utopia yet. But this is a dream worth pursuing like any other noble venture. But Dr Ronald Leung, chairman of Hong Kong's urban council, now hosting the seminar and nicknamed for his overt interest in quality toilet as Dr Toilet and Sachiko Azai are not the first to draw the world attention to this private and necessary facility. Decades ago Mahatma Gandhi did it in a most practical way possible.

Gandhi's was an acute sense of hygiene and during his travel he used to carry with him his portable latrine. The two people from the Far East are preoccupied with the idea of raising the standard of public toilet to a new high where the in-built apathy towards smelly and unclean toilets will be turned into a favourable attitude. Gandhi wanted the charity to begin at home. Where he left, the UNICEF seems to have taken from. Let the campaign for safe and healthy toilets be a success.

The Daily Star Public Debate

The Proposition is: Should the Next General Elections be Held under a Caretaker Government?

Mizanur Rahman Chowdhury, MP, and Acting Chairman of the Jatiya Party, argues that the next general election should be held under a caretaker government.

Interviewed by Asiuzzaman

We have been demanding a mid-term election under a caretaker government immediately after the 1991 election. We have had a bitter experience, although the election was held under a caretaker government. As we stepped down, showing respect to democracy, the other opposition parties then took advantage of us.

We failed to campaign properly even under a caretaker government and won only 35 seats. We can now easily imagine what will be the result for us in the next election if it is held under the BNP government. The Awami League supported our demand later. I think all the opposition parties have the same premonition. So they raised an identical demand. Which is now a political and national demand. So the ruling party should accept it.

As because it is a common demand so the opposition parties managed to forge a unity in the parliament.

The demand got momentum following the Magura by-election. We have noticed that more than a dozen ministers got involved in that constituency. They made pre-election pledges to influence the voters and used their official positions.

The administrative officers who conduct the elections do special favour to the ruling party, in most cases, to be in good book for promotion and other benefits.

Prime Minister Begum Khaleda Zia travelled miles together during the city corporation election campaign which culminated in the Magura by-election. She wanted to win the seat and she won it. The existence of the Election Commission was not felt during

the by-election. The Chief Election Commissioner left Magura several hours before the balloting started. Why he had to leave the constituency in such a way?

The returning officer accompanied the ministers during the polling. How an election can be fair if the returning

of obligation.

Moreover, convicted criminals were released from the jail several days ahead of the election. Some of them reportedly washed their guns at the house constructed for upazila chairman.

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the ruling party. The anti-social elements also take shelter of the political parties and create anarchy in different voting centres. If a caretaker government is in power all these negative possibilities diminish considerably. It is a demand of the parties who combinedly secured 69 per cent of votes, so



there is no such provision of caretaker government in the world and the opposition demand is 'absurd'. We will not go far. After 1991 election in Bangladesh, Pakistan followed the same path.

If they (ruling party) are so popular as they claimed, then why they are afraid in contesting elections under a caretaker government? Will their popularity decline under a caretaker government?

The ruling party members also raised the issue that there will be problem in choosing a neutral person. I don't think that we will face any problem in choosing a right person after every five years if the ruling party comes up with an open mind.

All the bills so far tabled by the opposition parties have been rejected by the ruling party using their simple majority. They are propagating that they are in favour of a national consensus. How they will reach a consensus opposing all the points of the opposition parties.

If a subtle rigging occurs under a caretaker government, even then it will be fairer than a election under a party government. I can assure that no party will come up with any complaint after the election if it is held under a caretaker government.

The terms how many elections would be under caretaker government, will be a negotiable point. We are ready to negotiate any point on the issue of caretaker government but our demand is that the ruling party should table the bill to ensure its passage in parliament. We will extend our support. The opposition parties will shortly announce separate but identical outline of the caretaker formula.

If a party government controls the state power, the Election Commission can usually never play its role independently and also the administration remain bent towards the ruling party. The anti-social elements also take shelter of the political parties and create anarchy in different voting centres. If a caretaker government is in power all these negative possibilities diminish considerably. It is a demand of the parties who combinedly secured 69 per cent of votes, so it is the demand of the masses.

Under the changed circumstances, the constitution needs further amendments to insert the provision of a caretaker government.

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We are now ending the first phase of our public debate. In the next phase, starting tomorrow, we will publish the contributions from our readers who have sent in their write-ups in response to our appeal. In most cases these write-ups will be published unedited, except for the language and for unparliamentary remarks, in the order as we received them. Since we will publish only what our readers will send, it may not always be possible for us to have both sides of the argument.

In the first phase, it was the politicians who spoke to our readers as to the correctness of their respective positions. Now it is the turn of our readers to tell the politicians as to what they think of the two positions. The Daily Star hopes that our politicians will carefully take note of what our readers will say in the coming days, just as they followed what the leaders said over the last two weeks.

EDITOR'S NOTE

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The Financial Sector Reforms : An Unfinished Agenda

by Abdul Bayes

One of the crucial determinants of economic growth of any country is the vitality of its Financial Sector (FS). Since the FS is responsible for systematic and continuous funding of the country's most profitable and efficient projects to generate output and employment, the health and efficiency of FS is considered supreme to yield the dividends. Available cross country empirical analysis points to positive correlation between the financial sector's size, private banks, interest rates and economic growth. The larger the FS, the greater is likely the monetization of the economy and more is savings mobilization to feed growing needs for investment.

Over the years, the FS in modern day world changed its courses of action to development. Instead of being a point of deposit mobilisation and its disbursement to the needy, the modern concept of FS emphasizes risk taking, monitoring performance and enforcement of financial contracts.

And quite obviously, modern FS requires, inter alia, the deployment of a fleet of highly skilled and knowledgeable manpower with latest technology of financial communications, a transparent net of policy parameters and of varied financial instruments to help portfolio investment choices.

The modern FS paradigm further goes to stipulate a competitive banking practice where private initiatives would sicken the FS but the Central Bank would only care for fair play.

The Bangladesh Financial Sector

Available documents tend to show that the FS of Bangladesh comprises (i) the Bangladesh Bank (BB) — the central bank or the apex bank of the country, (ii) twentytwo commercial banks including four nationalized commercial banks (NCBs), two denationalized private banks, 10 domestic private banks and (iii) six foreign banks. Besides, the FS is also occupied by four government-owned specialized banks (to serve the targets in agriculture and other sectors), one government-owned investment company, four non-bank financial institutions, two leasing companies, two state-owned insurance companies, several private insurance companies and lastly, the Dhaka Stock Exchange. In terms of its size and developmental stage, the FS of Bangladesh could be dubbed as small and underdeveloped. It contributes roughly 2% to GDP and tends to grow at a rate slower than the rate of GDP.

The existence of a number of institutions should not hide the fact that the FS is dominated by only four NCBs accounting for about two-thirds of deposits held and for a little over half of advances given.

However, with the growth of other private institutions over the years, the market share of NCBs seems to have eroded marginally. For example, during 1986-93, a part of the market share appears to have flown to domestic private banks which increased their share of deposits from one-fifth to one-fourth and of advances from one-sixth to one-fourth.

But despite such erosion of market share, the oligopolistic footholds of the NCBs still pervades where they can dictate the terms in the financial game. And as in other South Asian countries, the government interventions through banks in Bangladesh created distortions in FS and could hardly contribute to its robust growth.

In terms of the parameters to serve and the perimeters to cover, our FS could hardly be considered as friendly to economic growth. This is not to deny the vital fact that the NCBs hitherto been found to have served various socio-economic objectives of the government in the areas of agriculture, cottage and small industries etc. The opening up of rural branches also helped to further the monetization process (the question of its cost-effectiveness and the reverse pull of deposits from rural to urban areas, notwithstanding).

While the economy witnessed a volley of policy changes over the years (say from import substitution to export orientation, from restricted to open regime etc. the FS does not appear to have moved commensurate with the changes and thus appeal to clog the wheels of the economy. Financial sector reforms turned out to be essential, ipso facto.

Historically, the major constraints to financial sector development in Bangladesh have been, first, the Government's ownership of banks and with that goes the influence in credit allocation and disbursements. On a number of occasions, the political merit of the applicant was more important than the merit of the project for which loan was sought. Employment objective outran the productivity objective so much so that the productivity of NCBs (i.e. deposits and loans per employee) is reported to be lower than the private ones e.g. deposit per employee Tk 5 million in private vs Tk 3 million in NCBs; advances per employee Tk 4 million in private vs Tk 2 million in NCBs. The differential

could partly be attributable to non-commercial treatment to pricing loans, the share of higher non-earning assets, lower fee income etc. second, the absence of an appropriate legal framework for the financial sector has been another hurdle. The current legal norms can hardly address the quick and transparent delivery of the cases. As such the weaknesses therein contributed to loan defaults and bankruptcy in specialized agencies.

Private banks, on the other hand, are also not immune from financial vices. It is being alleged that unlawful credit disbursement is taking place for those who own the banks. Directors of banks are alleged to draw huge sums in fake names and all these are happening by-passing the apparently non-transparent rules of the BB. Our policy makers, most often than not, speak of the various ills in FS in public but hardly the culprits are learnt to be taken to tasks.

By the large, the FS of Bangladesh turned out to be a field of unfair play with its perceptible adverse influence on the future growth of the economy.

Banking on Bank Reforms Only?

Given the maladies confronting our FS, especially of the NCBs, the Government of Bangladesh rightly embarked on Financial Sector Reforms since the late 1980s. Some attempts at revitalising the FS has been in order. Interest rate liberalisation was the first 'candidate' and BB now specifies only the floor deposit rates for saving accounts and fixed deposits in banks and establishes interest rate bands for lending to priority sectors e.g.

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Recently college student was beaten to death in Fazlul Haq Hall in connection of theft. What a barbarian behaviour!

More than twenty students/student leaders have been killed due to political unrest, share of money, bargaining with tender box etc. Many of the well known student leaders(?) are reportedly earning a lot under the shadow of different political parties. The culprits are seldom arrested. If you pull the ear, head will be nearer. Four House Tutors have formed a committee to investigate the incident. But I am ashamed of the role of the common students and teachers. No protest is raised from the DUCSU. The organs of the political parties are also silent. It seems rapists are not an issue (is it not?), demanding freedom of mastan is perhaps a national issue in this country.

In our country, many committees are formed to investigate but the reports never see the sunlight. I think this committee will yield nothing. Please, try to investigate by a committee formed of some teachers other than DU's. House Tutors have also imposed ban on the entrance of female guests into the male hostels. This is a nonsense idea. Let us find the criminals and impose punishment so that no other can pursue such kind of activities.

The writer is a Professor of Economics, Jahangirnagar University.

My earnest request to the teachers and students — please do not let them go unpunished. Do not hold the umbrella over their heads. If your daughter or sister was the victim, would you allow the criminals to go scot free? Please ask yourself. She came to this Oxford for a brighter future, but we have darkened her whole future. She is some body's daughter or sister. Try to realize her family's as well as her pains!

Tanik Teggaon, Dhaka