

On to Newer Glories

Emperor Akihito opened the 12th Asian Games yesterday at Hiroshima's newly built totally circular Big Arch stadium.

Although Hiroshima is the first non-capital venue of the 53-year-old games, it rises far above the past and future sites in significance and is symbolic of man's march of creativity over aberrations ending in massive death and destruction.

From 11 nations participating in 6 disciplines in the first New Delhi Asiad in 1951, yesterday 42 nations started competing in 34 disciplines for prizes in 337 events.

It is sad that for one of the first sponsors of this great sporting meet, the subcontinent that is, has not registered any improvement in the sporting arena in the half century gone by.

A 55-member team of Bangladeshi competitors is now in Hiroshima. Around 20 million Taka have been spent on preparing and sending this team together with some 23 officials.

Like education and many other sectors, Bangladesh's spendings are drained almost wholly in maintaining and servicing establishments that have gone up centring on those — and not even a niggardly sum goes to education and sport proper.

The inept performance of Bangladesh's sport managers quite frequently hit absurd levels and very publicly too. Why can't they be made accountable and removable? As the system that employs them is not itself very accountable, things carry on rather on the principle of divine right.

The athlete and the swimmer and the player plod on giving their best of life. All to no avail with a 120 million base, we continue to be the very worst in sport. How soon are we to see a turn around?

Caring for the Elderly

Old age is said to be a leveller, loneliness being the common denominator cutting across levels of solvency and real estate-holding.

Apart from loneliness which can be turned into solidarity of the aged people, all of them stand out by the natural trait of being drawn to the root — devoid of frills, artificialities and go-getting restlessness which were associated with their rat-race of a life-style they had taken to earlier on.

This trend has caught on well with the richer among the middle-aged group, who have bought some acreage on the cheap outside Dhaka as an old-age fall-back pasture promising good, creative living.

We must leave room in the country for Bangladeshi wage earners abroad, many of whom are likely to be drawn to the country — the root, that is — in course of time.

It is only when the economy looks up that the destitute among the poor old people will find their places securely guaranteed in a society that fortunately has respect left for the old age.

OFFICIAL data on banks deposit-taking and lending operations for the whole of the financial year 1993-94 (FY94) published just recently, point to certain deviations from the usual pattern.

Data on the deposit base reflect the credit balances of the accounts at the end of the period under consideration. Credit balances naturally include interest accrued in the case of term deposit accounts.

Likewise, data on lending portfolios of the banks would show the amount of loans outstanding at the end of the period under consideration. This amount would include the interest due on the outstanding loans.

Be that as it may, this is the way official banking statistics get published in our case, the data comes from some 5780 branches of the banks.

data are done manually, at least at filed levels. So there is a usual time-lag of about three months between the close of the financial year and publication of the official data.

First, the change in banks' deposit mix in FY94 appears to signal increased cost consciousness. This could be interpreted as a shift away from the banks' traditional preoccupation with collecting deposits — at any cost.

All these do not mean that term deposits did not grow. Actually, term deposits expanded at a rate of 12.3 per cent in FY94 to reach Tk 25,236 crore by the year-end.

Trends In Banks' Deposit and Lending Operations

In FY94, deposits in current accounts with banks grew sharply to Tk 5751 crore from Tk 4582 crore as at the end of FY93. These figures do not include deposits from the government and interbank transactions.

Term deposits' growth rate in the preceding year had actually been lower — 10.8 per cent. The year before that, in FY92, term deposits had advanced by 13.8 per cent.

Interest rates on deposits continued to slide downward in FY94, albeit at a sedate pace — the weighted average touched 6.20. In absolute numbers, term deposits in FY94 increased by Tk 2763 crore. This amount includes, as noted earlier, accrued interest on deposits.

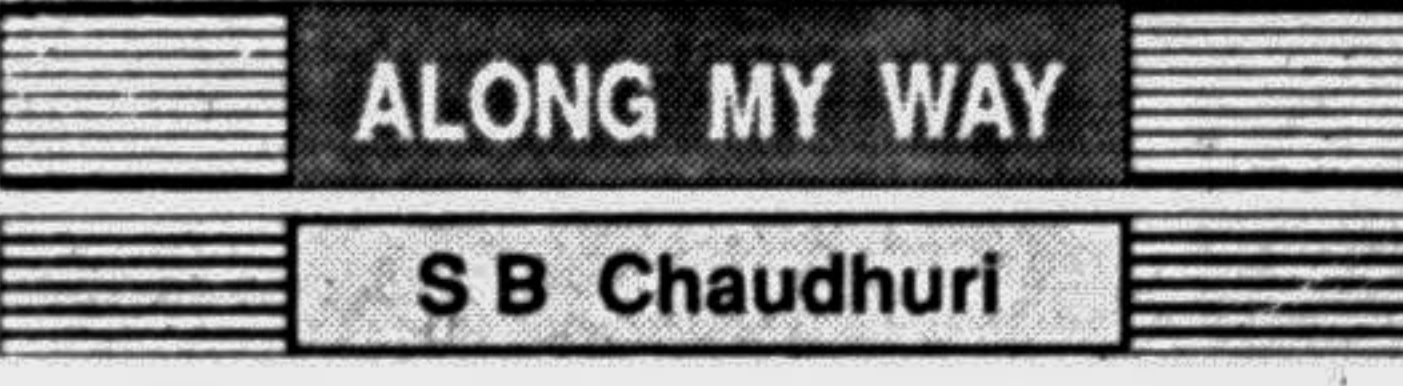
investment in government savings instruments also enjoys tax breaks on the yields, as does dividend income.

Commercial lending? Banks continued to reduce lending rates. However, the private sector banks scaled down their lending rates faster in FY94 as compared to the preceding year.

Banks' credit to the private sector expanded, by 8.6 per cent in FY94 as compared to 7.6 per cent in the preceding year. Credit to the private sector in FY94 touched Tk 20,950 crore.

There are other indicators also to suggest that banks are raising the level of their financing of industries. On the basis of total outstanding bank advances at year-end, the share of industry, including working capital financing, came to 34.8 per cent of gross loans in 1991 but rose to 37.8 per cent in 1993.

Bank lending expanded in FY 94 but not by enough — so runs the general perception. Meanwhile disturbing signs have appeared about the quality of bank lending.



All Eyes on Blair as the Parties Huddle Closer

Derek Ingram writes from London

FOR good or ill, Margaret Thatcher changed the face of British politics. She moved the goalposts. Nearly five years after her departure from the scene her imprint remains.

Britain is now midway between general elections. The Conservative government of John Major, with an overall majority of only 13, has two-and-a-half years left.

The Conservatives have now been in power for 15 years — longer than any party this century. For most of that time it has benefitted greatly from a weak and divided opposition: a Labour Party led successively by Michael Foot, Neil Kinnock and John Smith.

The last Labour government, headed by James Callaghan and finally propped up by a pact with the Liberal Party, fell to Thatcher and her right-wing radicalism in 1979.

A Labour Party clinging to policies of the 1960s and earlier became unelectable. It was gradually driven towards the right, but not before four of its most prominent leaders led

It is party conference time again in Britain (Labour conference Oct 3-7, Conservative conference Oct 11-14). This year all eyes will be on the new leader of the Labour Party, Tony Blair, who has been riding high in the opinion polls and winning support from disillusioned Tory voters.



Tony Blair: Appealing to Tory wobblers by former Chancellor of the Exchequer Roy Jenkins had broken away to form a social democratic party.

Britain has thus ended up with a Labour Party that accepts the much reduced power of the unions, privatisation and even modification of its own historic creation, the welfare state. The 1945 socialist dream of a state that looked after its people from cradle to grave has gone.

In the preceding three years, demand deposits had hovered around 17 per cent of total deposits. The shift, if it can be termed so, may also have been aided by the banks' lesser need for additional lendable funds.

Any way, higher access to non-interest bearing deposits should allow for better management of the banks' loan portfolios. To that extent, their exposure to the risk of mismatch between deposit liabilities and loan portfolios would be reduced.

Which leaves the Liberal Democratic Party, led by ex-diplomat and ex-soldier Paddy Ashdown, squeezed in a small space between a party that has moved to the right of the old Tory party of Macmillan and Churchill, and a Labour Party

thinking. They find themselves making sloppy announcements, poor legislation and ever more frequent U-turns.

Under Britain's first-party-post system a government these days never wins 50 per cent of the votes cast. In the 1992 election Major won 41.93 per cent in a 77.73 per cent turnout, Labour got 34.39 per cent and the Liberal Democrats 17.85 per cent.

The Major government has become increasingly incompetent, ever more vulnerable to scandal and sleaze.

A period out of office gives ministers time to reflect and work out new policies. In office for long periods they find no time for constructive re-

his immediate predecessors to those wobbly Tory voters in the south who must be won over if Labour is to win.

To them he talks sense, but the charge is, that so far his speeches are too full of generalisations and lack specifics. His supporters say that, with more than two years to a general election, he is keeping his options open.

At the next election the Tories will argue from a base of experience. They will point out that Blair and most of his colleagues have never been in government. This is a specious argument difficult to counter.

Much of the political debate in Britain for the next two years will be about how the Labour and Democratic Liberal Parties can loosely come together to turn the Tories out.

DEREK INGRAM, founder of Gemini News Service, is now its Consultant Editor.

To the Editor...

Letters for publication in these columns should be addressed to the Editor and legibly written or typed with double space. For reasons of space, short letters are preferred, and all are subject to editing and cuts.

BTV ad on environment Sir, In a BTV advertisement on environment, which propagates against cutting trees, the message tells us that if one tree is cut five saplings must be planted anew.

Although the power of the present Imam has been practically reduced to a minimum by the moderate Mr Rafshanjani, President of the Islamic Republic of Iran, it seems the fanatics are still active.

Game theory and caretaker government Sir, This refers to Professor Wahiduddin Mahmud's Game-Theoretic interpretation of BNP-AL political conflict on caretaker government (Star Sept. 18) and a correspondent's comment on that (Sept. 23).

Sylhet Division Sir, We congratulate the Honourable Prime Minister for declaring the Sylhet as new administrative division.

Massacre of pigeons Sir, Monitored by AFP and published by you, a small news item (The Daily Star 20 Sept) terribly shocked me. Reportedly, the Iranian police have killed about 12000 pigeons in the Holy City of Qom — the seat of the Iranian spiritual leader who is also the supreme authority of the state and the government of Iran.

beautiful and historic country is still wet with the blood of about a million people done to death by the fanatics and cynics unfortunately in the name of Islam which is a religion of tolerance, peace and love for both the believers and the non-believers.

May Allah bless them with goodness and the true essence of Islam. Violence in the name of religion by the Muslims, the Hindus or the followers of any other religious faith is a curse which yields wrath of the Creator in many forms.

My first reaction is that it is not a zero-sum game, say, as it was in the case of Ershad vs. the Opposition. In the classic example of two cars coming from opposite ends over a bridge that admits only one car at 100 m.p.h and none willing to give way to the other might lead to a 'disaster'.

Game theory and caretaker government

Sir, We congratulate the Honourable Prime Minister for declaring the Sylhet as new administrative division. With the declaration, the long felt demand of the people of the area has been fulfilled.

ways lead to disaster. In a straight fight between military/autocracy and democracy, the outcome in this country has been success, not disaster... whether against the Ayub, the Yahya or the Ershad regime. The success of the AL, for that matter the Opposition comprising the AL, the Jamaat, and Jatiya Party will depend on how closely forces of democracy and autocracy are defined and fixed on the public mind.

This is the crux of the whole matter. If the Opposition representing democracy is fighting against an autocratic regime, then it can go home smiling for its success is assured. But is it fighting an autocratic regime? Or does the public mind perceive the Opposition with its 71 antecedents and the Jatiya Party with its Ershad connections as really representing the democratic forces of the country?

Of course, neither the BNP nor the AL has asked for my advice on the present so-called 'crisis'. But still I can offer some. The BNP needs to keep its head cool. It should pretend that no crisis really exists and go about its ways always remembering that restraint and magnanimity are the essence of success of a ruling party. It acted commendably on September 10. Opposition public meetings should be

matched with BNP meetings of equal size and shape. The JCD 'activists' ought to be off the streets. In no time the 5-year term will be completed and the Opposition will be confronted with the choice either to accept elections under the BNP government or to prolong its life. The government has only to keep the 'key forces' happy just for an insurance against any third party intervention.

The real strength of the AL lay in its fierce insistence on democracy and secularism. Whenever it deviated from either of them, it spelt disaster for the party and the leaders. The trouble with the AL since 1972 is that it refuses to listen to independent advice. As early as March 1972 the Sheikh was given a timely warning from a very unlikely place — a newspaper editorial which exhorted him to look above and beyond sycophants. Mujib did not listen to it and August 1975 was only three years away.

Astonishingly, Sheikh Hasina is now surrounded by similar set of people. For the AL it will be a good question to ask whether its current fight for caretaker government has not impinged on its twin ideals of democracy and secularism by an alliance with Gen. Ershad's Jatiya Party and Golam Azam's Jamaat. In democratic politics it is not relevant what the politicians think about their own act. It is what people think about their work that matters.