won't try to describe the condition of Bangladesh

or even Dhaka city 50 years ago. The world was

much behind in the field of

technology. On the cessation of

second world war, nations were

engaged in measuring the

amount of destruction and cal-

culating profit and loss. Till

then nothing called develop-

ment economics came into exis-

tence and the concept of foreign

aid had not originated. Televi-

sion had not entered the houses

of common people. In

Bangladesh, Ahsan Ullah En-

gmeering School had just been

promoted into Ahsan Ullah

Imagination is the

Greatest Power

hence. I can say with certainty

whatever conception one makes

and whatever fiction one forms

in mind, it cannot even reach

the border of unforeseen reality.

The reason behind it is very

simple — that the elements of

imagination are based on our

existing reality, we can't exceed

it. But it definitely does not

mean that we shouldn't imag-

ine. There can be no creation

without imagination. In fact,

imagination is followed by cre-

ation. No. I am not talking

about planning. Planning is

based on accounting whereas

imagination knows no bound.

Imagination is something like

day-dreaming. I think the

power of imagination is the

greatest power of man and only

this has made man superior to

following his imagination.

Imagination creates strong will

and force to move forward over-

coming all adversities. If we

can't imagine of something, we

are not able to develop our will

power for it. We would have re-

mained busy with our daily

ination of an individual

spreads to many. It is conta-

gious. When one's imagination

becomes mingled with that of

thousands, it doesn't take much

time to become a reality. Its in-

stinctive energy turns it into

reality at the end. In the world

of science and technology only

one person's imagination

brings forth great invention. He

changes the whole world by dis-

covering new theory through

A Radically Changed World.

Right at the moment a ques-

tion is stirring in my mind:

what will be the facade of the

world after 50 years? What will

be condition of Bangladesh in

2048? It is not so easy to com-

ment on what will happen after

50 years. The world is changing

change is getting faster. I am

just frying to show a picture of

Bangladesh after 50 years in my

and organisational framework

of the world we know today will

undergo a radical change. If I

fall asleep tonight and wake up

after 50 years. I won't recognise

anything of the world then. I

will then myself appear as a

state, government and adminis-

tration will be radically

changed. There will be no re-

striction of border and that will

be simply like natural demar-

cation of villages only greater

in areas indicating distinction

of culture and heritage, which

also may be more attractive for

tourists. And even this border

will require no security, no bar

of passport and visa. There was

no passport, no visa 70 years

ago and who knows it will be

completely be changed. No one

need to go to office, they can

perform their work in their

home, in the park and they will

be able to perform meeting,

seminar, etc., wherever they

puter will find its place in the

technology museum. The com-

puter will function following

oral instruction. Drivers will be

needless for any type of vehicle and people can take their jour-

ney, while gossiping, reading,

and state will change. There

will be a nominal organisation

to maintain the historical tra-

ditions. There may be an occa-

sional election but the activities

of the head of the state will be

very minor say, this person will

only take the salute in the

children's parade session. No

one will be interested to be a

"Prime Minister". The people

will have to request a re-

spectable person to become the

"Prime Minister". To take any

kind of major decision, it will

need to have opinion from the

people across the country in-

stantly by electronic system.

The parliament will only make

the law, but need not take any

decision. The parliamentarian

will just hold a debate but the

decision will be taken by the

can communicate instantly

with others at any place of the

world. They can talk to each

other, even they can see each

other at almost no cost. There

won't be any problem of lan-

guage. Any language can be in-

stantly converted into any

notes or coins. But there must

be a world-wide common unit of

money. As we now have Euro-

pean medium of exchange of

money 'Euro' just like this, we

may have "world medium of ex-

change". But nobody will need

to carry any money, only it will

be for accounting. Everyone

made through those cards or

There will be no currency

The people from one place

majority in the country.

other.

The concept of government

working or playing.

The keyboard of the com-

The concept of 'office' will

the same 50 years hence!

Our conception regarding

prehistoric caveman.

I think the social customs

fast, and everyday the pace of

his perseverance.

after 5 Years

imagination.

Seemingly unrealistic imag-

chores like other animals.

The reality of man is created

other animals.

Let's try to imagine 50 years

Engineering College.

TECHNOLOGY

Should We Ride the Wave or Pick Up the Crumbs?

rings. The thumb impression we are discarding now will be

back again in a different way We can then easily identify a person by his thumb impression and all transactions will be conveniently made under that. Everyone will have his/her own number, which will be determined based on date of birth and place of birth

As there will be no money, we need not have any bank for transactions. There will be an organisation to keep proper accounts and for conducting related consultations.

As it will be possible to judge the opinion of all people through serving short notice. political parties won't have to take the trouble of assembling people by trucks to show their popularity. It will be quite needless to express disagreement through Hartal (strike). Disagreement proposal in the parliament floor will not be required for removing a government. It can be done any time by judging the opinions of all

Technology will undergo such a rapid change that only the students will be able to acquaint with new developments. Those who have left schools and colleges will gradually become back dated. The younger people will acquire technology faster and remain more acquainted with scientific knowledge and development. "The older, the wiser" - this adage will be replaced by "The younger, the wiser". The older will come to learn from the younger.

No Botheration of Expenditure

As currency notes will no longer be in use and all records of transaction will be stored in computer memory, bribing will be very difficult. No thing will remain secret, even if it is bartered through gold or other materials. Because all buying/selling will be recorded with transparency in transaction, secret dealings will become impossible.

The tradition of taking commission percentage from the contractor will be abolished. All information regarding the kind, rate and amount of materials purchased by contractor will be transparent. All necessary information during the preparation of bill be instantly known from the information network, persuading the person who would pass the bill will be needless. As a result there will not occur any brib-

Any sort of irregular addition in the balance sheet of those who work for fixed salary will be disclosed. All the information regarding the source and time of receipt will be known. As a result unusual interest for jobs in specific departments will be done away with. The government job will become less attractive. Ambitious young people will show eagerness to commerce and industry, boosting the development process.

Competition for admission to specific department of technological universities and colleges will no longer remain so tough as now, people willing to make rapid money through politics will become reluctant to it. Those who may become much moneyed man without any endeavours will repent and try to form resistance against modern technology.

Interesting matter is that in the field of marriage, the guardians of brides will loose interest for persons serving specific government depart-

Enthusiasm for multi-billion project will lessen. The responsible quarters of the government will show serious argument in favour of privatising development projects and their implementation.

Critical Part of the

What will be our actual benefit to hear that all our problems will be solved after 50 years? We are to live in the present day world and have to be concerned

with the problems of today. about that far future is that we shall have to reach a better position in the long run, we have to cross every inch of the long way with the help of our industry and intellect. We can cross this way too fast or may be slow or remain stagnant being tired even we may regress backward to certain extent. But we have no alternative to cross the way. They picture 50 years hence which I have drawn is not all fictitious. But to reach there, we have to start now. If we don't start at all it will only add to our misery. I don't think anyone would disagree on the point that we can bring in revolutionary changes to our society and economy with the help of technology. If it is so, why is there no eagerness towards in-

timating it? Exchanging the degree and notion of frustration among ourselves has become an inseparable part of showing social courtesy. As soon as we meet someone, we start describing series of frustrations and repent for it. Whether staying inside or outside the country, all speak out frustrations. Corruption, terrorism, political stagnation, woman violation, deteriorating law and order situation, irregularity in electricity supply etc have become the

will hold a card or a ring and this will contain all informaprime subject matters of discustion. All transactions will be

by Muhammad Yunus The promotion of advanced technology like computer, fax, internet, and the installation of software industry have been confronted undesirably, by the technologists themselves. . . The matter of felicitation is that the ones who gave a 'die-hard' fight to bring new technology to Bangladesh are also the technologists.

and try to inspire, they try to say with counter arguments that the situation has exceeded the level of tolerance. Perhaps I am a genuine optimist. Frustration has not yet weakened my stamina and I hope it will

not do so in future too. I think we are passing the most critical part of our long way forward. Once we can successfully cross this part, our way is bound to be smoothened, lighted. How quickly can we spread the light of new age to the houses of all people will depend on how quickly we can pass this difficult part.

All our anxieties are concerned with the difficult part. The anxiety arouses deep suspicions in our mind and tends to shatter our confidence. It seems the darkness of problems will further intensify rather than being removed by the light of solution.

The leaders of the country speak against one another in such a way that our confidence in anything seems to within away. Political competition has turned into a competition for

list of frustration with the help of the innovative technology All we need for the purpose is to culture them in the classroom with a sense of purpose. Getting admission to BUET is to be compared with winning a lottery which ensures a glowing future like that of a state service. BUET, to my estimation, holds a unique position with remarkable sincerity and hon-Carpet' reception.

esty in its fold. Why graduates from such an institution are questioned their honesty? Is it not possible to root out this apprehension? Those who can get into this academic premises are considered to be the cream of the country. Why, deplorably, will the cream be driven by the idea of earning bush money right from the beginning? Who, then, are to be endowed with the

advancement. We have to assert the impression that we believe in profits but not at the cost of our neighbours. Our national development will be eased thereby. Look at the instance of Malaysia. Technological programmes are being welcomed with celebration, as if the whole nation is awaiting technological innovations with a 'Red

Tomorrow's Bill Gates

I wonder whether the future Bill Gates are already born in any anonymous family in the remote corner of Bangladesh. He might belong to a peasant family but is bestowed with the quality of brilliance ornamented by communicative skills. Capitalising on these two qualities, he will be one of our frustration.

The violence at the premises of higher study gives the idea that we are resolute to root out our buds of high hopes. The Honourable President is repeatedly bringing the fact to the acknowledgment of the political parties. But it, regrettably, makes no big difference. Isn't there any sensible and farsighted political leader to put a stop to this suicidal game of armed youths? Our President has gone through our minds. My request to our political leaders will be not to ignore our unspoken desires.

This is a question of life and death for our nation. There is no scope for hesitation. Our Honourable President has emphasised on the need purposefully. We can, more discernibly, express our desire by conforming to his call. It is imperative that we urge our President for initiating the bid for rescuing education from vandalism and older technology.

If we become determined to bring about the economic changes I'm speaking of, the process of implementing new technology will be of no difficulty. It won't be inconceivable for us to abbreviate the time to accomplish the economic momentum. Nevertheless, it depends on our preparation for and expertise on accepting and infusing new technology.

Until recently, technology tended to appear as one of the tools of labour, as absolute. Sometimes it came as a factory. as a formula at times while often as a system. The technologists identified its working mode and put into appliance accordingly; the outcome was anticipated. To rebuild this technology was no less than an extravaganza for us, the underdeveloped.

The technology of the new era is gleaning differently. Now, a myriad of technology will come with lot more susceptibility. What will be curbed from them are to be decided by the experts. This orientation needs no big preparatory work nor a mammoth investment (in fact the expertise begets investment).

Technologist Must be a Social Artisan

The previous technologist worked as 'mechanic.' He applied his technical know-how with repeated excellence which earned him success and reputation. Being a mere constituent of the whole process, neither did he take himself for a 'Director' or 'Manager' nor the society was ready to confer him such title.

The future technologist must be a craftsman, a scientist - especially a social craftsman, a social scientist. He must be well-aware of the sociopolitico-economic enigma which will multiply his ability to utilise the technology. He has to invest the typology and methodology of technological implementation for the wellbeing of the common folks. He can't escape the concern for economy by the excuse of being a mechanical workman. He can't plead for solely mechanical problems and their solutions being divorced from the social causes.

The future is not likely to leave such scope for averting social problems. If the technologist doesn't have social awareness he will fail in discharging his responsibilities with competence. He must be creative, imitative skills won't serve the ultimate. In future, not only acquiring new technology will be crucial but armouring it with the highest applicability will be significant as well.

Another aspect gets along with the advent of new technology. We are not only to import technology but to export technology proportionately. As technology is compared to clay, we should curb such a sculpture out of it as will be a throb for the whole world. We could, thus, hand in the harvest of our genius to the world.

Software: More Luminous than Gas

Software technology is prospective, which is said to be the determinant of all future activities. Our youth can acquire the know-how and assert their superiority in this respect. This software industry, by far, can be much more instrumental in economic development than the hidden treasure of natural gas, on the ground that the storage of natural resource is exhaustive. The software will not decay or be used up - rather, it will extend beyond the periphery. It may provide employment for the millions of our educated,

unemployed youths lifting our life to the verge of a dramatic change. It may resolve much of our socio-political dilemma.

So, what restricts the opening of this industry in Bangladesh? When the whole nation is awaiting the inauguration of software industry in our country, the successive governments are fluttering the flag of 'Red Tape' year after year. All they have to do is just creating opportunity and providing some logistic support. The private investors are waiting eagerly shape up the infrastruc-

The government has to make the law of 'Intellectual Property Rights' which will guard against all kinds of intellectual piracy. Withdrawal of tariff on computer import will ease the use of computers on a mass scale fostering flourishment of data processing industry and creating easy access to exotic technology.

Computer and infotech are to be regarded as the vanguards of reaching the beaming-tomorrow. The more easily it reaches the hands of our common youth, the more we will speed up towards prosperity. What is needed now is to establish progressive and favourable laws to replace the stagnant and ancient ones. Every concerned person.

these days, realises the worth of software and data-entry industry for national development. Why, then regrettably, do the enthusiasts have to wait to make them realise the utility of this industry? In contrast, the government was supposed to encourage the mass in this regard offering preferred facilities. I don't understand why the relations between the citizens and the government is maladious in reality. My earnest request to the

government is to form a reception committee for welcoming the investors in this prospective sector. If any special action plan is to be formulated, it must be the one favouring the installation of data-entry industry in positive investment environment. It would be big blow for the nation if the government fails to lift the green flag lowering the red one. The nation is looking forward to the same initiative from the government as is being shown in the distribution of gas blocks.

Riding on the Waves of Technology

To smoothen the arrival of new technology is the foremost social obligation of a technologist — to reap the latest and prospective technology in no

Who is supposed to be the most enthusiastic about it? Undoubtedly the technologist. Whereas if the question is who restrain the entry of technological innovations to Bangladesh, the answer, unfortunately, will refer to the technologists.

The promotion of advanced technology like computer, fax, internet, and the installation of software industry have been confronted undesirably, by the technologists themselves. Those who represent the technologists in the state governing body are not charged with responsibility of abetting new technology.

The matter of felicitation is that the ones who gave a 'diehard' fight to bring new technology to Bangladesh are also technologists. The ego that they had not joined this exciting profession for picking up the crumbs of technology was the driving force behind the struggle. They are determined to put the nation on top of the new, wave of technology. I know they'll succeed. Because they must have to succeed. We have no other option.

The author is Managing Director of Grameen Bank. The above writeup is based on his speech delivered at the 5oth founding anniversary of Engineers' Institution.

ominous political influence. He

Bangladesh's per capita income is \$250 i.e. the average for him to exercise this power.

the most successful personnel

of the future world.

daily income of a Bangladeshi is a meagre 68 cents. The population with an income below one dollar a day counts upto 1.3 billion. This income level is considered to be below-poverty line. The average income of the lower income group could be, assumingly, one-fourth of this 68 cents, e.g. Taka 8.50 a day. The root cause of our prob-

lem lies in this income statistics. Upgrading the aforesaid income rate to one dollar is our foremost responsibility, i.e. multiplying the present rate by six times. The question is how many years we are to look forward this increase.

Call to the President for timely intervention

My hopes for the change espouse from dual assets - our youth and technological innovation.

Our future will be shaped by the way we dress our youth up. The way we are dealing with them now is rather aggravating

N the changed context of

banking, embracing a num-

L ber of reform measures as

adopted in Bangladesh since

early nineties, the important

issue which concerns the bank-

ing industry is the declining

trend in profitability of com-

mercial banks, both in public

and private sector. The main

sources of earning is return on

investment (i.e. interest) which

is associated with risk i.e. busi-

New Technology, New Hopes The developed countries will be producing new technology

might be limited in terms of leg-

islative power but his moral

power flows beyond the sphere.

For the nation's sake, it's time

It would be logical if he talks to

different classes of profession-

als for opinions. It is he who is

to enkindle hope today.

did in the past. But some qualitative changes in that have brought about same good news The technology now being introduced is of such type that reaches the paupers of poor

for their own interest as they

countries simultaneously with the developed ones. In the days to come, such technology is likely as will reach the poor ahead of the rich. The reason is that we don't have the heritage of old technology. Installation of new technology in the blank space is likely to be more convenient than the replacement of

Bank Lending: Reducing the Risk

by Md Ahsan Ullah

Proper implementation of Lending Risk Analysis (LRA) can ensure higher return on investment and generation of substantial revenue in the form of Corporate Tax

ness performance of the company rather than the security offered. Moreover, it brings a significant change in appraisal credit proposal of financial institutions. Earlier, the financial institutions of Bangladesh used to follow the UNIDO system while appraising a credit proposal. Under the previous system risk of loan/advances was calculated on the basis of mere ratio analysis with emphasis on certain area of projected balance sheet, income statement or existing balance sheet, income statement. LRA facilitates a systematic and structural analysis of business and security risk of project or existing project or trading concern while implementing the lending risk analysis, in finan-

tioning process of loan cases of Tk 1.00 crore and above from January, 1994. Among NCBs. Agrani Bank first came forward to implement LRA in loan sanctioning process lowering the floor level of individual loan to Tk 25.00 lac for processing under LRA. Later, all commercial banks - both private

lowing problems and barriers may arise before the lending

risk analysis officer of a bank. 1. Inadequate information or statistical data, for example under sales risk the data from competitors i.e. turnover of sales/revenue, profit etc. are so difficult to manage. 2. Inaccurate data (fictitious

or inflated balance sheet). 3. Complicated legal system. 4. Non-cooperation among

banks. 5. Decision maker may become biased while deciding on lending risk analysis.

6. The analysis may not be accurate if the LRA introducing officer does not have thorough knowledge of accountancy and finance.

7. Political influence 8. The scoring of lending risk analysis may differ from person to person since it is based on qualitative judgement. 9. Some body may think it as

time consuming. 10. Most of the senior executives of banks are not usually conversant with LRA as this is a new phenomenon.

Proposals: In order to overcome the above problems, while implementing the LRA, the following steps may be taken by financial institutions as well as

government bodies: 1) A data bank or MIS (Management Information System) may be developed. 2) Financial institutions

should be kept away from any type of political influence or pressure group in respect of loan and advances. 3) All sorts of information

and data in respect of all kinds of industries should be provided to all financial institutions. 4) Interpersonal relationship among banks should be developed for exchanging in-

formation and data. 5) The respective officer must be trained with knowledge of basic accountancy and financial management, for analysing the proposal.

6) Credit Officer and Senior Executives should be aware of the new tool.

7) Officers receiving LRA training must work in credit

Prospects: After proper implementation of LRA in all the financial institutions of our country the ratio of new classification of loans and advances would be gradually reduced con-

sequentially increasing profitability of banks due to higher return on investment. Then, naturally, the banks will be able to contribute significantly in socio-economic activities of the country and earn substantial revenue for the government in the form of Corporate Tax. The analysis emphasised on business risk instead of security risk which leads to identi-

fication of good borrower as well as the extent of risk of lending which is also systematic and scientific.

The writer is Principal Officer, Prime Bank Ltd., Mohakhali, Dhaka.

Passing through the Long Way

The reason why I am talking

If I start showing argument

tion this is the main cause to be frustrated with. Despite many examples of good works and initiatives, no one is getting any scope to be optimistic in the confusing situation due to attack and counter attack. Whenever I try to judge our destiny, I don't take much time picions from mind. Everytime I come to the same conclusion

lowering one another instead of

becoming the competitions of

programme. In my considera-

in removing the shadow of susfrom various perspectives. Everytime I congratulate myself thinking that we are a fortunate nation. There is no racial or linguistic complicity among us. Our people are naturally painstaking. They are accustomed to leading their life with own industry. They do not care for anyone's mercy. This country has a population of twelve crore and a half. In spite of various mistakes and corruption by the administration, common people lead disciplined life following rules and regulations. Most of our large population is quite young. Half the population of our country is below twenty — I consider it as a great opportunity. With ample leadership and imitable example, this young population can develop into a wonderful, modern, creative and enterprising man power. They hold out great prospect for us. If we can get each of them boarded on the horse of technology, they will start running at an amazing pace so as to usher in the golden light of solution removing the dark cloud of problems quicker than envisaged. Any misfortune on this country will not befall due to the simplicity of common people. That will be solely due the ignorance of so-

cial leaders. But if we fail to enlighten our youth, exert faith upon the state leadership and the state itself, the disciplined community will no longer remain so, rather destabilising institutional setups. Evidences are not far to seek now-a-days.

It's not a fanciful idea to wipe out all the items from the

high hopes of the have-nots? Our youth, characteristically, are challenging. They have ruled out the allegation of being 'home-sick' Bangladeshis'. Almost all big cities in the world will be found with at least a handful of Bangladeshi youth working there. Labour is no prejudice for them to win the bread and also fortune. The more challenging the task is, the more delight is out there. But wherever they go, whatever they do, they never forget their

sweet home.

In my assumption, Bangladesh is, rather, the most prospective country in the South Asian region to attain prosperity. Bangladesh has every prospect for leading the economic revolution in this region. Even more fascinating is the fact that Bangladesh can start with little preparation The task will be more facile if we can manage to establish a free trade area across the SAARC territory and with India in particular. The larger the volume of this market, the wider is the prospect far prosperity. While, in contrast, the more we curtain ourselves by Indophobea, the more barren our future will be. Suspicion will only boil down to the absence of mutual trust in the bilateral relationship. It's time to effectuate initiatives to promote trade relations on large scale with eastern India Myanmar and Nepal. This Bangladesh could eventually turn into 'the Industrial and Technological Core' of this region. For that, all we are to develop is a solid infrastructural base.

dom. Freedom attributes to bravity, honesty and acceptance of new technology. Climbing the Everest or swimming the English channel is also frightful but the psyche could never restrict man from being adventurer. Precaution and preparation blended by courage should be our motto in our journey towards prosperity. We are to believe in the principle of

Fright does not endow free-

ness risk and security risk. While company risk and industry risk combine the business risk, security risk is associated with the event when the realised value of the security does not cover the loan exposure. These risk factors were not systematically analysed and evaluated before implementation of LRA (Lending Risk Analysis). Moreover, NCBs (Nationalised Commercial Banks) were overburdened with classified loans and advances which was around 30 per cent of

the total loan portfolio and loss of interest income of every bank was between 50-120 million taka every year. This situation obtained gradually as a result of the following: * Monitoring of business performance of borrower was almost ignored * Absence of adequate analy-

sis of financial statements

Absence of assessment of

lending risks Banks extended risky lending facilities without proper selection of borrower. To protect further deterioration, FSRP (Financial Sector Reform Project) has come up with a new tool of risk analysis

Implementation Stage: Bangladesh Bank first issued an instruction regarding LRA implementation in late 1993 by which the use of LRA was made mandatory for NCBs in sanc-

cial institutions.

and public - follow the LRA. Problems and Barriers: It of lending known as LRA which has been observed that the folgives more importance to busi-