

## STRAIGHT LINE

## Default culture again!

*Stem the tide by all means*

WHILE the Hall-Mark loan scam will probably go down in Bangladesh's financial history as the single largest siphoning off of funds from a State-owned bank (SCBs), data published by the central bank (BB) for the last quarter (July - September) reveals something alarming. The amount of bad loans up to June 30 stood at Tk29,000 crore. Yet, on September 30, this figure had shot up to Tk36,282 crore, a 1.58 per cent increase.

What is interesting to note here is that the largest segment of these bad loans belonged to SCBs. Bad loans have been increasing from various sectors that include manufacturing, real estate and ship breaking industry. All this has adversely affected bank profitability in the last quarter. These anomalies were discovered by BB which has been fighting a not so successful battle to have banks classify the loans.

Incidence of forged documentation has been detected in more than one SCB and private commercial bank, but the granting of loans continues. So the question arises, why have banks not complied with BB demands to classify these loans? And why it should take up to December, i.e. another financial quarter to put them into the books as classified loans? Are we then to infer that by letting time pass by, we may be looking the other way so that more bad loans may accrue?

What has become obvious is that our banking sector is not in good shape. According to BB data, many banks have not followed correct credit risk analysis properly prior to loan sanctioning. Naturally, a bulk of these has gone bad. Despite being armed with such dismal facts, banks have failed to treat the matter of loan recovery with due diligence. With Hall-Mark scandal yet to become a distant memory, it is simply incomprehensible to find laxity of controls being exercised by bankers today that allowed for the Hall-Mark scam to happen in the first place. We urge BB to rein in the deterioration in the banking sector while there is still time, to prevent our very own version of the 'global financial meltdown'.

## Combating food adulteration

*All-out effort needed*

THE High Court directive to the government that it immediately stop import, distribution and sale of fruits, groceries and other edibles treated with formalin, carbide or any other toxic chemical couldn't have come a day later. How safe the food we eat is of utmost importance to public health but this has for long been neglected or at best approached on an ad-hoc basis.

The HC has also directed the authorities concerned to supply sea and land ports and the markets under city corporations with testing kits. So that they can check the items before these are allowed into the country or sold.

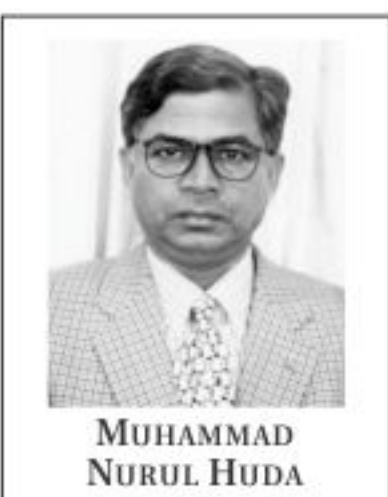
Already a few markets have installed the testing devices with reasonable amount of success, albeit on a limited scale. There is indeed so much more to be done to ensure that people consume safe, chemical hazard-free food. Their well-being and productivity are associated with this.

There are a plenty of laws to contain adulteration of foods and to regulate their distribution; only that such legal provisions are scarcely enforced. Some very stern measures including death penalty are in place but these could not scare the adulterators away from their devious practices. However, as well as raising mass awareness through media campaigns about the dangers of consuming hazardous foods, people would have to be motivated to seek recourse to law and institutional mechanisms to redress their grievances.

Testing is a fundamental aspect in the whole process which ranges further from stopping unauthorised imports of chemicals through supervising their use to keeping tab on the wholesale and retail networks. This is a tall order demanding well-coordinated efforts by all agencies including particularly port authorities, testing laboratories and city corporations.

Furthermore, cooperation of the industry and chamber bodies who have a say over the working of the wholesale and retail outlets should be a necessary part of the comprehensive strategy we need to adopt and imple-

# Confronting violent politics



MUHAMMAD  
NURUL HUDA

AS of now, many cities and townships are witnessing unprecedented violent incidents caused by a particular political party and its student wing activists, many of whom are suspected to be maintaining link with banned extremist outfits. Planned and deliberate attacks on police testify to diabolic designs and definitely do not augur well for a democratic polity. It is thus no wonder that the home minister has brushed aside suggestions for holding discussions with the protesters and is determined to confront and subdue them before talks can start.

While there could justifiably be different strategy and tactics to tackle public order situations, the moot question may perhaps relate to aspects of priority and approach. Coming to specifics, one may ask if coercive actions supported by political directions should be the policy or the reverse, that is, political moves supported by the might of the establishment.

Thoughts on the above would perhaps convince us that there cannot be an across the board guarantee of human rights to all, irrespective of the means they in turn use to achieve their ends or whether the extremists respect the human rights of others. The issue is whether we will countenance a situation where all the human rights are reserved for the so-called democratic protesters, while governments dealing with disorderly situations are arraigned day and night on grounds of violation of human rights - real or imaginary.

Does the establishment lack a tough instrument to combat disruptive activities legally and is there a belief that there is a problem because the trouble makers have votaries in human rights groups?

While dealing with disorder a considered view is that there should be emphasis on the removal of the aspect of motive from any act of disorderly activity. In other words, the possibility of describing some acts as political disorder rather than simple disorder has to be snatched. We may have to dispel the notion that some perpetrators of violence are well-meaning political activists. The question to be answered is simply this: can any motive justify an act of violence?

It needs to be noted that whether in

fighting or controlling or even containing the so-called religious extremism, the first step is to understand and appreciate the very prevalence of such elements in a given society and its pernicious effects on the way of life of the citizens. Unfortunately, in Bangladesh, we have been perilously late in awakening to the realities on ground. This is not to discredit anybody or apportion blame to any particular political party because the growth and muscle flexing of the obscurantist elements has not been limited to the tenure of one regime. Cumulative inaction of the regulatory authority resulting from a lack of

solemn expression of the will of the people and the supreme law of the Republic. Article 11 of the said constitution says: "The Republic shall be a democracy in which fundamental rights and freedoms and respect for the dignity and worth of the human person shall be guaranteed."

However, as against the above position, one of the extremist outfit's bulletin of August 22, 2005 says that "in a Muslim land there can be no other law except the law of Allah ... The constitution is composed by some willful sinner ... The ruler of our country is an opponent of Allah because the procedure of selection of

As part of strategy, the enforcement apparatus should succeed in separating an act of violence from its so-called politico-social context and thus criminalise a certain mode of political expression. In Bangladesh's context this line of action would be very appropriate because there is a greater need to reject the religious extremists' right to legitimise violence as part of a larger social movement.

The so-called jihadists must not be bracketed with political dissenters, although such differentiation becomes difficult from an enforcement point of view. Laws to be made for dealing with religious extremists should be such as to distinguish them from constitutionally oriented political elements.

Under the circumstances as of training now, there must not be any hesitation in the actions against the frontal attack on our constitution. There must not be any ambivalence in relentlessly pursuing the bigoted mischief-makers. Religious institutions or places of prayer should not be allowed to be used as sanctuaries. In order to do that quite a number of such entities should be subjected to well-planned surveillance.

Voluntary or charitable work or even religious teachings which are suspected to be used as cover by some organisations should be shadowed so that bonafide welfare work can be separated from malafide subversive ventures.

Foreign donations, whether by individuals or organizations, must pass through government scrutiny. This must be made mandatory. Along with this there must be a complete account of all educational institutions and the areas covered in the instruction should be known to competent authority.

Democracy has to allow the interaction of different shades of opinion or divergent views to ensure the vibrancy of a pluralist society.

However, that does not mean that there will be freedom to convert the entire country into a theocratic dispensation. There is a challenge to our way of life. This must be realised by the mainstream political parties who are pledge-bound to uphold, protect and preserve our constitution.

Therefore, the visible enemy must be caught by the forelock and be dealt with under the law. A sovereign Republic born out of a historic struggle entailing epic human sacrifices demand that. We must not fail.

The writer is a columnist for *The Daily Star*.



IQBAL AHMED/ DRINK NEWS

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appreciation by policy-makers about the mindset and modus-operandi of the extremists has brought us to the present state of affairs.

We need to be clear and definite about the threat perception. This is crucial because one cannot possibly treat a disease by denying its very existence. So from vague generalities if one has to venture into meaningful specifics, one cannot but make a pointed reference to our constitution. This is obvious because our constitution is still the way of life the citizens of Bangladesh have chosen for them and the constitution remains the

all organs of the government is made by a completely non-Islamic system ..." The bulletin was spread throughout Bangladesh during the country-wide bombing of August 17 last.

Under the circumstances, the constitutional position as against the programme of the extremists leaves no room for any ambiguity. While at the macro-level it may be a matter of political direction to sort out disagreements through dialogue and persuasion, the field-level operatives, both in uniform and plainclothes must have clear directives and plan of action for preventing violent subversive actions.

# A fine display of US diplomacy

TRACY QUEK

UNITED States President Barack Obama's history-making visit to Southeast Asia this week was a consummate display of American high-level diplomacy.

But the four days filled with meetings and speeches might have left some wondering what the trip amounted to for US interests, since there were no big breakthroughs in knotty regional territorial issues or concrete deliverables in trade and economics. Indeed, the president headed home on Tuesday, with seemingly few immediate or substantive rewards for deepening his strategic shift towards the Asia-Pacific in his second term.

In Thailand, he refreshed bilateral ties with the US' treaty ally.

The first sitting US president to set foot in Myanmar and Cambodia, he praised the former for political reform efforts and urged the latter to follow a similar path. At the East Asia Summit in Phnom Penh, he gave Asean a boost by supporting its multilateral approach to tackling territorial friction in the South China Sea. In bilateral meetings, he reaffirmed the US-Japan alliance and economic ties. With China's outgoing premier, he stressed shared responsibility for balanced global growth but also nudged Beijing on ensuring regional stability.

Far from being a re-election victory lap or an exercise in legacy building,

analysts said, the president's tour was carefully designed to address questions that emerged during his first term's Asia rebalancing strategy, namely, sustainability of the effort and the US' intentions towards China.

Concerns about sustainability were prompted by the US' economic troubles and possible reductions in military spending. The heavy military theme of the policy raised fears of increased US-China rivalry with nega-

fixes for reducing the US budget deficit, the next best thing Washington could do was simply to show up, experts said.

Given the heavy demands on the president's time, spending four days in Asia right after his re-election was a clear statement of his intention to prioritise the Asia-Pacific in his foreign policy, said George Washington University International Affairs Professor Robert Sutter.

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tive consequences for regional stability.

Allaying those worries in Asia would go some way in helping Washington execute its Asia "pivot" policy more evenly in the second term, with potentially positive economic outcomes for the US as it deepens ties with regional partners over the next four years.

The strongest statement the US can make about its ability to remain engaged in Asia is to get its financial affairs in order. But with no quick

To dispel suspicion that its renewed focus on Asia was only about containing a rising China, the president and top officials played up the economic dimension of the Asia shift to a greater extent than before. Last year, "the pivot was often linked to security. This year, the rebalance has itself been rebalanced to incorporate economic cooperation as well," said Professor Donald Emmerson, a South-East Asia expert at Stanford University.

The US also announced a US-Asean

Expanded Economic Engagement Initiative, which would help make the US-led Trans-Pacific Partnership trade deal more attractive to Asean members.

Obama also used opportunities during his visit to restate the "pivot" in a way that is less alarming to China, analysts observed. This sent a strong statement to China's newly installed leaders. Thailand, Myanmar and Cambodia have strong economic ties with China. But Obama was careful not to let his visit to each country come across as a US-China tug-of-war for influence.

"In Myanmar and Cambodia, he returned to a more traditional articulation of US interests in democracy and human rights. By doing so, he made it clear it was not all about containing China," said Dr Michael Green of the Centre for Strategic and International Studies.

Obama will have other foreign policy issues such as the Middle East unrest to attend to, but the Asia-Pacific will be guaranteed his presence at least once or twice a year for regional meetings. "This regularity is very important because consistent presence and engagement means you don't need dramatic outcomes from each summit," said Dr Green. "It means the US can steadily and consistently pursue the agenda it thinks is important for the region."

## THIS DAY IN HISTORY

November 24

**1940**  
World War II: Slovakia becomes a signatory to the Tripartite Pact, officially joining the Axis Powers.

**1962**  
The West Berlin branch of the Socialist Unity Party of Germany forms a separate party, the Socialist Unity Party of West Berlin.

**1963**  
Lee Harvey Oswald is murdered by Jack Ruby in the basement of Dallas police department headquarters. The shooting happens to be broadcast live on television.

**1963**  
Vietnam War: Newly sworn-in US President Lyndon B. Johnson confirms that the United States intends to continue supporting South Vietnam both militarily and economically.

**1965**  
Joseph Desiré Mobutu seizes power in the Congo and becomes President; he rules the country (which he renames Zaire in 1971) for over 30 years, until being overthrown by rebels in 1997.