

Foreign investment upswing

Steady policy could attract more

ACCORDING to the World Investment Report 2013 unveiled by United Nations Conference on Trade and Development (UNCTAD), Bangladesh received nearly \$1.3 billion in foreign direct investment (FDI) in 2012. This is especially good news in light of the fact that FDI actually fell by 18 per cent to \$1.35 trillion in 2012 from \$1.65 trillion in the previous fiscal. Indeed, if we look at the FDI in the region, Bangladesh has fared well during the global downturn and has secured second position among the Saarc economies.

The Board of Investment took the opportunity to showcase latest findings of the report to stress investors' confidence in the economy and downplay findings of think-tanks, both local and foreign. With India, the dominant economy in the Saarc region followed by Pakistan and Nepal all posting downward trend, the increase of FDI in Bangladesh suggests greater investors' trust in the stability of the economy. That said, the biggest chunk of the inflow of investment went to the telecommunications sector with about \$347 million. Whereas the truly cash-strapped power, gas and petroleum sector requiring billions of dollars of FDI managed to draw in an estimated \$126 million.

By the government's own admission, much remains to be done in terms of adopting policies that remain unchanged for a stated period. Obviously there must be a fundamental rethinking along those lines. The frequent change of policy is not one that attracts investors to commit in the long term in Bangladesh, touted to be one of the "Next Eleven" economies by Goldman Sachs.

River-grabbers in action, again

What are the authorities doing?

T HURDAY'S report in this paper on building of roads in the New Dhaleswari river at Kalihati in Tangail by sand traders has once again brought to the fore the unlimited greed of river grabbers.

It may be recalled that after a widespread campaign in the media and by environmentalists, the government, as directed by High Court in 2009, took some steps to evict illegal structures on the four Dhaka rivers -- Buriganga, Turag, Balu and Shitalakkhya.

With the passage of time, the concern appears to have been put on the backburner. Otherwise, how could there be such goings-on in Tangail? Perhaps, the administration there was sleeping when a sand traders' syndicate had been building roads on New Dhaleswari cutting off its flow at Kalihati as well as at the confluence of Jamuna and Dhaleswari?

As a result of cutting and dredging of the Dhaleswari river near Jamuna Bridge, not only the local biodiversity, environment and different river systems connected with it are being badly impacted, the Jamuna Bridge itself is also learnt to be under serious threat.

Evidently, it is with the connivance of some influential quarters helped by the administrative sloth that the sand traders have been emboldened to inflict such irreversible damage on the river.

The administration must act, and decisively at that, before further damage is done to New Dhaleswari and its entire ecosystem to the detriment of the livelihood of the population dependent on the river.

The destroyers of New Dhaleswari river must be stopped and meted out exemplary justice.

Don't break up Grameen Bank

KAMRUL HASAN

NOBEL winning Grameen Bank is perhaps the only bank in the world that is owned by the poor, administered by the poor and works for the poor. It is a bank of the poor, by the poor and for the poor. It has been functioning well even after Professor Yunus left it. According to our finance minister, it is now functioning even better. If that is so, then why is the government trying to bring reforms in the Bank?

Usually one goes for reform of an institution if it is not functioning well. The bank of the poor is the best institution in the country. The present rules of the Grameen Bank suit it best, and it should be allowed to function without any change in them. This Bank is not run by donation money, neither does it take money from the government. The Bank provides its poor clients with means and ways to make best use of the money they borrow from the bank without collateral, which defies conventional banking rules. Repayment rate of the micro-loans of the Grameen Bank is enviable for any conventional bank. I cannot understand why the government has not formed a commission for nationalised banks, which are in terrible state, and is going after a Bank that has won the Nobel prize.

This government had problems with Prof. Yunus, according to people's perception. Now that he is no more in the Bank, the government should leave the Bank alone and let it function the way it was. If Grameen Bank is fragmented into 19 pieces, as suggested by the Commission, what message would it send to the rest of the world? It will ultimately be the people of Bangladesh who will have to pay the price.

Grameen Bank has become a political issue. It is so sad that if you speak in favour of Grameen Bank you are BNP and if you are against it you are AL. Leave aside politics or personal vendetta and let the Grameen Bank remain the bank of the poor, by the poor and for the poor.

The writer is Professor, Department of Physics, Dhaka University.

CROSS TALK



MOHAMMAD BADRUL AHSAN

don't ask what will happen to fat.

The Commission made no omission, and it has got standby options. If the butchering scheme doesn't work, it offers two other alternatives. The Grameen Bank can be restructured in the line of Bangladesh Shilpa Bank. It can also be turned into a private company other than a cooperative or credit union.

That brings us to one of the most well-known lessons of the Bible. A woman, who had been caught in the act of adultery, was brought to Jesus Christ. He did not condemn the woman, not because he was a liberal, not because he condoned her sin, but because the men who brought the woman to him were hypocrites. "Let he who is without sin, cast the first stone," he told them.

Who are the luminaries who will sit in that *loya jirga* of July 2? We understand they will be experienced and distinguished people of this country. They will be the leaders of our financial world, the knights of knowledge and the warriors of wisdom. But even yesterday we learned about a state-owned bank where Tk.45 billion went missing. Only those who can prove they warned us about it will have the moral right to criticise Grameen Bank in that meeting.

For arguments sake, let us assume that everything the government says about Grameen Bank is true. Let us assume that mistakes were made. The Bank's former managing director, who is also its founder, made errors of judgment. He overstayed his welcome in the job, but there hasn't been any instance when shareholder money was misused.

Bigger mistakes have been made elsewhere in this country. Almost 3.4 million investors were wiped out in the stock market manipulation, and if the Grameen Bank

The first thing the Commission should explain is why the government is targeting Grameen Bank. Any other country would have treasured this gift. It would have made an icon of the institution that brought such glittering glory.

Commission rule is applied, the two stock exchanges should have broken up long ago. The Sonali Bank should have been smashed on account of the Hall-Mark and other swindles. The Destiny scam should have turned many government functionaries into pulp. The Padma Bridge corruption and other scandals should have splintered some of the ministries. For all the mistakes and wrongs committed in last 42 years, our governments deserved to be incrementally split.

The first thing the Commission should explain is why the government is targeting Grameen Bank with all its rage. Someday historians will dig into this question. Perhaps analysts will analyse why we have this inverse propensity to diminish a global jubilation into a local joke. Any other country would have treasured this gift. It would have made an icon of the institution that brought such glittering glory.

Nations can be different like people. It's always possible that many nations' treasure is one nation's trash. But we hope that the heavyweights next week are at least going to remember that people will not be convinced if they touch Grameen Bank. Not if it's done before they have first fixed more questionable financial institutions in this country.

One can also question the timing. Hardly four months left the government has enough worries why it shouldn't worry about Grameen Bank. It won't have enough time to implement its decisions while wrapping up its term and fighting the opposition in re-election bid. It's also a fairly foregone conclusion that if the ruling party doesn't return

to power, Grameen Bank will return to its original form. This is one institution in this country that still has some credibility. This nation looks into this resplendent mirror and finds enough reasons to feel lifted in the spirit.

It's said that the Romans were the first to make glass mirrors. They also were the first to consider it was bad luck to break a mirror, because a mirror has the power to confiscate part of the user's soul. If the user's reflected image became distorted in any way, this could mean a corruption of his or her soul. Those who are planning to break or disfigure Grameen Bank should know that it will have a reflection on their souls.

It has been one thing to separate the Bank from its founder. But any attempt to separate it from the people will alienate them. The parliamentary election drawing so near, the government is underestimating the power of the broken mirror. Beware of its curse, which can bring bad luck for seven years! That's enough to cover next five years.

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Hassan Rouhani: Reformer or loyalist?

MAHMOOD HASAN

MODERATE cleric Hassan Rouhani (64) was elected as the seventh President of Iran on June 14. He got 50.7% of the votes in a turnout of over 72% voters, thereby avoiding a run-off vote. Thousands of people across Iran celebrated his victory. Unlike the 2009 elections, which gave birth to anti-establishment "Green Movement," this election was peaceful and fair. Interestingly, there were no opposition candidates. All six candidates were approved by the Guardian Council, essentially because they were loyal to Ayatollah Ali Khamenei.

Originally it was Saeed Jalili who was the favourite to win the election. Jalili came under criticism from former foreign minister Ali-Akbar Velayati for mishandling the nuclear issue with P5+1. At an election speech, when Ayatollah Ali Khamenei said: "I don't have any favouritism and no one knows ever whom I am going to vote for," he actually gave a subtle hint that he was not pleased with Jalili. The conservative vote bank turned and voted for Hassan Rouhani. Had there been an opposition candidate, surely people would have voted for him. But that is not possible in theocratic Shia Iran.

The Supreme Leader Ali Khamenei and the Majlis will formally appoint Hassan Rouhani as President on August 3. Rouhani comes with a wealth of experience.

Hassan Rouhani is an Islamic scholar (*Mujtahid*), a lawyer, academic and diplomat. He was deputy speaker, and holds the membership of "Assembly of Experts," "Expediency Council" and "Supreme National Security Council," and heads the "Center for Strategic Research." Most importantly, he was head of Iran's nuclear negotiating team during President Khatami's tenure. He studied in Tehran University and Glasgow Caledonian University, where he obtained Ph.D. He has a good number of publications. Rouhani belongs to "Combatant Clergy Association," which is not a political party in the conventional sense. He is married, has four children and is a close advisor to Supreme Leader Ayatollah Ali Khamenei.

Hassan Rouhani is taking over the reins at a time when the country is beset with deep problems. He is a



Hassan Rouhani

As an insider, Hassan Rouhani will remain loyal to Supreme Leader Ayatollah Ali Khamenei. It is impossible to imagine that he will challenge the Supreme cleric. Rouhani's reforms will be limited to a change in style rather than substance. Iran will continue under the conservative Ayatollahs as it is not yet ready for another revolution.

moderate and people have high expectations from him. The challenges he will face are indeed daunting.

Internally, people are restive for more political freedom and want respite from severe economic burden, particularly inflation which stands at 27.2%. Four rounds of UN sanctions have wreaked havoc on Iran's oil exports. This has reduced Iran's main source of income by about 65%. Both exports and imports have declined significantly due to the sanctions on banking. Shortage of hard currency eroded the value of 'Rial' by 80% in 2012. Unemployment stands at over 13%. GDP growth shrank by 1.25% in 2013. The economy has been in recession for the past two years.

Externally, Iran is at odds with the Gulf States and the West, particularly P5+1, over its nuclear programme. The threat of war seemed real, with Israel frequently threatening to bomb Iran's nuclear facilities and Iran threatening to wipe out Israel. Iran's unstinted support for Syrian President Bashar Al-Assad and Lebanon's Hezbollah has contributed to isolate Iran economically and politically.

Many of these problems were created over the past eight years by outgoing President Ahmedinejad. His confrontational foreign policy and mismanagement of the economy has pushed Iran to the brink. The Supreme Leader Ali Khamenei also has to take the blame as he is the one ultimately responsible for Iran's major foreign and economic policies.

Western powers, tired of Ahmedinejad, hailed moderate

Rouhani's victory hoping that there will be changes in Iran. Hassan Rouhani won the election on the slogan of "change." The people of Iran, burdened with economic problems, rallied around Rouhani hoping that he will tame the runaway inflation and end Iran's international isolation.

The statements and remarks made by Rouhani speak of his moderate but firm attitude. "Relations between Iran and America are complicated and difficult issue ... after all, there is an old scar. We must act prudently to heal it," he stated. America must forgo "unilateral and bullying policies towards Iran." On the nuclear issue, Rouhani emphatically said: "Our nuclear

programmes are completely transparent ... but we are ready to show greater transparency and make clear ... Iran (is) completely within international framework." He stressed he was opposed to halting uranium enrichment. Clearly, there will be no change in Iran's nuclear policy. There will be change in the way the negotiations are conducted with P5+1 and IAEA.

The Ayatollahs have realised that taking a tough line against the Western powers was not a good idea. It has brought misery for Iranians. Given Hassan Rouhani's wide experience and suave manners, he may be able to end Iran's isolation by having the sanctions removed. That in turn will help Iran's economy to recover. The Ayatollahs need Hassan Rouhani to stay in charge as much as Rouhani needs the Ayatollahs to run his presidency.

However, one must not be disillusioned. Turbaned Rouhani is Ali Khamenei's chosen one. And the Supreme Leader and the Revolutionary Guards will make enough space for Rouhani to improve Iran's international image and repair the economy.

As an insider, Hassan Rouhani will remain loyal to Supreme Leader Ayatollah Ali Khamenei. It is impossible to imagine that he will challenge the Supreme cleric. Rouhani's reforms will be limited to a change in style rather than substance. Iran will continue under the conservative Ayatollahs as it is not yet ready for another revolution.

The writer is a former ambassador and secretary.

LETTERS TO THE EDITOR

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Formalin in food



PHOTO: FOCUS BANGLA

Your June 14th issue had a proposal by a retired army officer to have a yearly "Safe Food Day" on June 14th, in memory of fourteen children who died from eating litchis sprayed with insecticide in June 14, 2012. On the same page under the comments column, another writer had his opinion about formalin in fruits, which went like this, "It has been going on, and will go on. We are truly helpless. We are being poisoned by our fellow countrymen. What an irony!"

The only remedy for this is to enact harsh laws so that persons guilty of such crime will have to suffer at least five or more years of RI. Moreover, the cases against such crime should be non-bailable. Only such stringent measures, if regularly enforced, will gradually stop such crimes.

S. A. Mansoor

Dhaka

Despots' favourite trick

Maybe it's because they have such a short attention span and memory. As one journalist commented, a short memory is a great boost to self-esteem. It helps when you can easily forget the past and tune out reality. In Orwell's book "1984," the main character worked for the "ministry of truth," dedicated to eliminating every vestige of the truth and replacing it with what the government said was truth.

When people fail to pay attention to the truth they are apt to become strongly deluded and believe a lie instead. This has been the favourite trick of despots and dictators throughout the ages. They get people's minds off their problems and needs and alterations by creating a much more frightening bugaboo, such as an external war or fear of their neighbours, or causing them to focus their fears.

The American government can be amazingly hypocritical when it comes to promoting human rights. Maybe other nations would have a little more respect for the United States if they saw it promoting freedom and human rights and democracy among its allies.

Ted Rudow III, MA
Encina Ave
Palo Alto, CA

Badmouthing in parliament

For the last couple of days your daily carried reports on the above subject.

Parliamentarians are supposed to be gentlemen and are expected to hold debate on national issues on development, progress and welfare of the people. But several MPs' indecent behaviour and badmouthing reminds us of the people who live in the slums and shanties and often quarrel with one another, hurling indescribable words and offensive languages. Often it is said that the JS is a sacred place. We wonder in what way it is so sacred. The recent chaos portrays it as a place of hooliganism.

We, the voters, would like to see our parliamentarians debating decently on national issues.

Mashudul Haque

Dhaka

Irregularities in recruitment test

The Agrani Bank has cancelled its recruitment test for the posts of Senior Officer, held on 31st May, over question paper leakage. As a candidate for the post, I was worried about the fairness of the recruitment process since I observed following aberrations from the norm:

-- Some examinees were using mobile phones in the examination hall although it was strictly prohibited.

-- The teacher on guard was absent from the hall in the last fifteen minutes giving the examinees a chance to resort to unfair means.

I hope the bank authorities will take corrective measures for the sake of fair recruitment.

Rafikul Islam

Bangladesh Agricultural University

"End of Jahangir drama" (June 24, 2013)

Mofi

It seems to me the ruling party will leave no stone unturned to win this election. But this desperation may potentially lead to more of similar incidents.

Mojammal Hoque

This drama proves that AL doesn't believe in democracy and its values.

Samih34

It's pointless crying now, Jahangir. You should have known better who you are dealing with!

Shahin Huq

True, it is a drama; but an undemocratic drama. I think all in Gazipur understand that these words have been forced out of Jahangir's mouth. When a government loses