

# Checking erosion of image

WALIUL HUQ KHANDKER

CORRUPTION affects image badly and is a burning topic of discussion among people of various strata of the society -- intellectuals, enlightened citizens, honest civil servants or anybody else. This menace has spread to every nook and corner of the country and to every service rendering outlet -- government offices, educational institutions, private organisations or business houses. In some cases it has also been institutionalised. It seems it is just the order of the day and the victims are the innocent and helpless ordinary people.

In the fifties and sixties, in case of government organisations, corruption was widespread only in a few departments/offices and in others it was either not there at all or was limited to lower categories of staff where small amounts of money changed hands. Public servants of middle and higher levels were free from it. But those departments can no longer boast of that situation these days as newspaper and other reports are pointing fingers at them. That small amount of money has become big and the menace has moved upwards. In some cases it is the reverse; it comes down straight from the top. This is alarming and unfortunate. It is high time now to make do soul searching, try to find the root cause and take appropriate steps to curtail this erosion of values with a view to at least limiting it at a certain level. The strategy should be limitation and not elimination because, realistically, though it is unfortunate, under the prevailing social, economic and other conditions, complete elimination will remain a pious dream for many more years before becoming true.

Right from British period up to the recent past, some organisations could boast of having a comparatively cleaner track record so far as corruption was concerned. This was possible due to the dedication, integrity and honesty of the majority of the people who ran the day-to-day activities of these organisations. Many bright people from the audit profession occupied high government positions in the past. And in recent years also, its contribution is significant and substantial. Being a quasi-judicial function, audit is shouldering the responsibility of reinforcing financial disci-

pline, maintaining transparency and accountability quite admirably.

Similarly, the education sector, particularly universities, also produced many distinguished scholars and luminaries whom the whole nation is proud of. Education is the base of everything as it creates the right type of persons fit to serve people and humanity best. However, some disturbing news is heard these days about both sectors, which needs to be addressed to maintain their glorious past record. In other sectors, the situation is worse but it is outside the purview of this article.

Image is the driving force behind satisfactory completion of an activity, whether it is individual or collective. Teachers in the universities and other educational institutions will fail to get respect from students and guardians if they have image problem. Same is true with those passing judgments, maintaining law and order, earning revenue or protecting people's money by preventing misuse, fraud, forgery or other irregular activities in the financial sector through audit. A less efficient but honest government servant is preferable to a dishonest, efficient one because the latter can be very dangerous in critical moments. So, organisations concerned should go all out to identify the reasons behind the problem, find a solution and implement it on a priority basis, thereby checking this downward slide.

Logically, next comes the ways and means which can help improve the situation. The first and foremost step required is to ensure recruitment of right type of people for the job, nurturing them properly and putting them to work with proper remuneration and other facilities. Corruption cannot be eliminated by sermons only; it should be coupled with proper salary also in case of government employees, which will prevent them from going in the wrong direction. This single step, if successfully implemented, can change the whole scenario completely. However, it is easy to say so but very difficult to do due to large scale undesired intervention from powerful pressure groups. This can be achieved only with adequate government support, which should be actual and not lip service.

A recent television talk-show, relating to scam in the public sector banking, brought it up nicely. A high-up in the government tried

to find excuses for so much looting of money from so many banks, saying that the large number of branches without adequate supporting technological facilities required for proper monitoring was the reason behind the corruption. He totally ignored the placement of political persons with little banking knowledge but good links with people in power. But another learned retired senior bank official countered it saying that in India, where social and other conditions are similar to our country, banks are functioning properly with number of branches many times more than ours and similar technological facilities, but no corruption took place there. This is because no Indian government, whether it is Congress or BJP, ever put a political personality with little banking experience at the helm of affairs of a bank, big or small. Interestingly that high-up from the government side had no answer to it.

The second important step needed is giving appropriate salary to the employees, which should be sufficient to maintain their families. Corruption may be contagious also. If two persons, with similar qualification and expertise but different income levels, live side by side, with passage of time one with lesser income is tempted to be corrupt to a great extent being unable to maintain his family needs like the other. This may sound ridiculous to an idealist, but is a reason, which should not be ignored altogether, to a realist. To address this, there should be a permanent pay commission for government servants which will adjust their salaries with cost of living. The silver lining is that the government has already established one recently. Now, it should be made really functional and effective.

The third step required is strengthening of moral values of employees through dissemination of religious dos and don'ts among employees, or by encouraging strict adherence to moral and ethical values. However, in a majority of people, fear of hell acts as a good vaccine and prevents ill motives from being executed. It is hoped that implementation of above steps will definitely help to check erosion of image of the organisations concerned.

The writer is Retd. Deputy Comptroller and Auditor General (Senior), Office of the Comptroller and Auditor General of Bangladesh.

## BEETLE BAILEY

by Mort Walker



## HENRY

by Don Trachte



## QUOTEABLE Quote

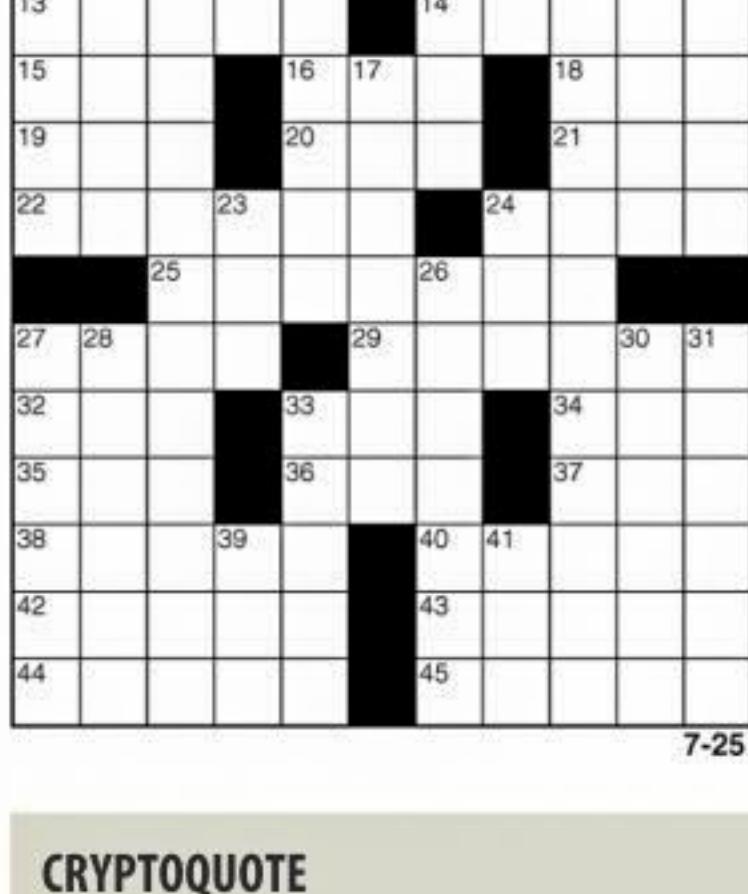
## CROSSWORD by Thomas Joseph

**ACROSS**

- 1 Half of humanity
- 6 Couches
- 11 Make amends
- 12 Up in the air
- 13 "Royals" singer
- 14 Towel material
- 15 Auction buy
- 16 Couple
- 18 Up to, briefly
- 19 Quarter-back Manning
- 20 Road-house
- 21 Road hazard
- 22 Stood up to
- 24 Miles off
- 25 Tel Aviv native
- 27 St. Louis landmark
- 29 Plots of land
- 32 Aunt in Acapulco
- 33 Summersign
- 34 Seaman's answer
- 35 Back muscle, forshort
- 36 Bizarre
- 37 Refrain syllable
- 38 Fake name
- 40 Knucklehead

**DOWN**

- 1 Enclosed, in a way
- 2 "Becket" actor
- 3 Great shame
- 4 Goal
- 5 Less well-off
- 6 Squelched
- 7 Spanish cheer
- 8 Rampart's role
- 9 Serengeti setting
- 10 Designer
- 17 Chronologically ambiguous
- 23 Kinda: Suff.
- 24 Copying
- 26 Wearing away
- 27 Ultimately
- 28 Theater district
- 30 Power of films
- 31 Usher, at times
- 33 Pathetic person
- 39 Heady brew
- 41 "Da -- Ron Ron"



## CRYPTOQUOTE

RQAKMZR ACP MT ZA UAQH WGNZ N  
LNP GNLMW KGMYG N LXTD UNZ GNT  
ZA WMUH WA BAQU.

-- NZPQH UNXQAMT

Yesterday's Cryptoquote: SLOW DOWN AND ENJOY LIFE. IT'S NOT  
ONLY THE SCENERY YOU MISS BY GOING TOO FAST -- YOU ALSO  
MISS THE SENSE OF WHERE YOU ARE GOING AND WHY.

-- EDDIE CANTOR

## Yesterday's answer



## AXYDLBAAXR is LONGFELLOW

One letter stands for another. In this sample, A is used for the three L's, X for the two O's, etc. Single letters, apostrophes, the length and formation of the words are all hints. Each day the code letters are different.

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# Piketty and the Super Rich of Bangladesh

AHMAD IBRAHIM

In the span of a few short months, Thomas Piketty's magnum opus Capital in the Twenty First Century has created a stir the equivalent of an earthquake amongst academic circles. The shockwaves have, interestingly, spilled over into civil society more drastically than ever before with his book shooting up to number one in many bestseller lists. The book was a painstakingly meticulous compilation of facts and statistics dating back as far as the French Revolution. Piketty, working with his associates analysed tax returns from several countries including the United States, France, England and Japan to underline the fundamental problems of capitalism and its famed 'invisible hand of the market,' which now seems to be perennially bent towards the rich.

The outstanding argument of his book is the fact that capitalism aggravates the wealth inequality between the classes. Piketty states that, all things being equal, the rate of return on capital (which can be broadly defined as assets, both financial and material) is always greater than the rate of growth (which can be broadly defined as wage). This means that in a perfectly neoliberal setting, anyone with inherited wealth will see the return they get on it (this includes rent, income from fixed assets, income from financial assets) to be larger than any income generated by the class working on wages without any capital in their possession. The implications of this is as follows -- due to the high return on existing capital, capital owners are in a position to purchase even more capital until the wealth accumulates strongly in a small 1% of the population. This discovery goes against the very moral of many of today's societies where an implicit understanding is 'hard work leads to success.' A more apt phrase would be 'if you have capital you are assured of success, hard work is not required.'

The problem that Piketty identifies is not one of bad governance; it is an inherent flaw in a system widely adopted by most of the world. Piketty, in a show of new-world sensibility, criticises much of Karl Marx's apocalyptic predictions against the monster of capitalism. Marx's theories on the dangers of capitalism have been proven correct to a certain extent but his fabled rise of the Proletariat never came to pass -- simply because of the fact that wealth accumulation means an accumulation of resources, power and, most significantly, education.

Piketty is much more realistic in his predictions but they are no less dangerous. Wealth disparity will continue to rise if the world continues in this vein of thought and governments will be helpless in the face of large financial institutions and their will. There is already a lot of criticism on the nature and magnitude of taxation on wealth by the top developed countries with critics of the opinion that it is not strong enough to fight inequality. On the flipside, attempts to impose heavier taxes has often been met by words such as 'class warfare,' particularly in the United States, where lobbying is legal and it often leaves the government hostage to the interest of private firms.

Now, taking Piketty's findings and extrapolating it to Bangladesh is hazardous business. And one that Piketty himself would frown upon since any substantial analysis would require studying tax return forms in the country. But patterns emerging from countries already studied suggest that it is not an irrational claim to make that the same effects of capitalism, the ideology, can take root here. And, indeed, the growing income inequality between the super-rich and the inferior classes can be quite clearly seen today. The country, not yet a full-blown capitalist state, has adopted several measures to combat inequality, including a wealth surcharge in the budget for fiscal year 2014-15, which taxes a high amount of money for people who earn upwards of Tk. 20 million.

However, what Piketty, in his scholarly intent, has ignored like many of his fellow economists, is the deadly exercise of corruption that plagues much of the world, and Bangladesh. You only need to see recent reports of the exorbitant amounts of money stored in Swiss banks by Bangladeshi nationals to get that point across. The fundamental problem between corruption in Bangladesh and Piketty's findings is this -- there exists a loophole in the budget which allows money to be whitened by reinvesting in the real estate of the country. Now, if we are to move away from the ridiculous concept of providing legitimacy to illegally earned money, we are faced with the far more dangerous idea of what that money could potentially do. Investing in real estate, a form of capital that increases in wealth over the years, can not only provide an easy way out to corrupt moneymakers, but it also stands to make the owner of that capital even richer with wealth accumulation over the years.

For the Bangladeshi population, inequality is a problem that is widely rampant and yet, in relative terms, still in its infancy. We have not yet arrived at the age of neoliberal privatisation but it is not a long way away. The problem, in this case, is not taxation or the nature of progressive tax but getting people to pay it. So long as a loophole exists whereby an individual can take the easy way out by not paying taxes and reinvest and have the money grow exponentially, not many will take the road which includes compliance to the government. And even less so when the government itself is offering you a red-carpet welcome into the pantheon of the super-rich.

The writer is Editorial Assistant, The Daily Star.

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