The Daily Star EDITORIAL\_\_\_\_



FOUNDER EDITOR
LATE S. M. ALI

DHAKA FRIDAY SEPTEMBER 5, 2014

# So many doctors as OSDs!

It doesn't fit in with their calling

UT of the 6,151 candidates who qualified as doctors through the 33 rd BCS exams, 1,647 have been made Officers on Special Duty (OSDs) attached to the Directorate General of Health Services (DGHS) in Dhaka. Surprisingly, it was not part of any easing off as in administrative service that these newly appointed doctors were made OSDs. Contrary to the usual practice, those doctors chose to become OSDs of their own volition. Interestingly, the work stations of most those OSDs are upazila or union health complexes that are situated within hailing distance of the capital.

How could such irregularities take place under the health administration's watch?

While the administration argues that these appointments as OSDs have been made as there are few positions vacant for these entry level doctors at the upazila or union health complexes, the reality as reported in the Thursday issue of this paper is quite different. In fact, such appointments to favour some doctors have been made despite the fact that there are many positions vacant for them at the health complexes situated in the rural areas. Evidently, this involves gross irregularities in the placements of BCS health cadres. This is quite unacceptable, especially, in a situation where we have only three doctors for every 10,00 persons, according to a WHO estimate.

The country can ill-afford such skewed demographic distribution of doctors in the public health sector. The government must look into it and address it as a matter of urgency so that the rural people may not be deprived of their right to essential health service.

# Rise in bad loans alarming

Lax governance to blame

HE latest report by Bangladesh Bank (BB) merely confirmed what has been common knowledge for some time. We now know that about half of the more than Tk20,000 crore stressed loans belong to ten banks of which six are state-owned banks. Those loans deemed to be going bad or irrecoverable has a lot to do with the lack of efficiency and transparency in the manner that loans are sanctioned. With 'stressed' or non-performing loans having crossed the 13 per cent mark, these financial institutions' profitability is put at risk. While this paper has repeatedly stressed on the need for reforming the banking sector in light of high profile scams that have rocked state-owned banks in the last fiscal, the reality is that too little has been done to plug the loopholes in the system.

Indeed BB has specifically stated that the lack of corporate governance that is prevalent in some state-owned banks runs the risk of causing instability in the financial sector as a whole. The Financial Stability Report (FSR) 2013 has pinpointed eight major areas which include strict loan classification and provisioning that may help restore financial stability. Other areas that need to be addressed immediately are ensuring ample liquidity, installation of automated payment and settlement system, etc. But the fundamental area of concern remains vagueness in the credit approval system. Unless political patronage is contained, transparency ensured, lent credit monitored and recovery ensured, majority state-owned banks will continue to bleed public funds.

## Some facts about launch disasters

CAPT. MOHAMMED ANAM CHOWDHURY

Cause behind the recurrent launch accidents is allowing a ship to be constructed violating the
approved design and getting it surveyed, approved,
registered for trading and plying by the shipping department. Reportedly, in the past, the surveyors issued certificate
of fitness for the coastal vessels at the rate of "five vessels per
hour" during their official working hours.

We put an end to such mal-practice and terminated those who were issuing those illegal certificates that led to many manmade disasters.

It's important to dwell on a few recent launch accidents for a clearer understanding:

Sathil-1:- Approved design draft was 1.68 meter but was constructed with a draft of 0.88 meter. The vessel was surveyed and registered by the surveyor by adding extra 30 person capacity in the certificate. It sank on 3rd May 2014 taking, according to the official figure, 30 passengers with it. An investigation was carried out by fellow surveyor and the blame was put on the weather hiding the main cause and consequently the Registrar and Surveyor survived.

• Miraj-4:- Approved design draft was 1.8 meter which was far less in comparison to the approved length and breadth; additionally eight extra luxurious cabins were erected at the top making the vessel totally unstable. These unauthorized modifications were approved by the surveyor due to lack of knowledge and greed. The launch sank on 15 May 2014 with official death toll of 150 passengers. Investigating officer was another fellow surveyor and the blame ultimately was put on the weather again.

• Pinak-6:- It was originally a wooden body launch.

Later it was modified to a steel body (2008/2009) launch but constructed by deviating from the approved design. The vessel over the years were surveyed and approved for plying by the department of shipping surveyors ignoring safety of the lives and properties of the passengers. The launch sank with approximately

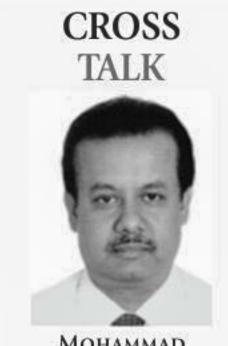
300 passengers.

Worst of all, the readers will be shocked to learn that, the design and construction supervision of ships in recent years are carried out by a chemist of Department of Shipping while, surveyors / inspectors have been found busy issuing seaman ID cards to persons with fake experience and qualifications.

In the last two decades there were 392 such accidents, officially claiming some 3,567 lives while the bodies of 401 others have never been found, according to information provided by the Department of Shipping. It is simply unacceptable to see a large number of people dying every year because of manmade causes and negligence on the part of the administration and other stake holders. It's high time that a stop was put to these criminal activities and these criminal brought to justice.

The writer is President, Society of Master Mariners, Bangladesh

## Patriotism in parenthesis



MOHAMMAD BADRUL AHSAN A CCORDING to some historians, Queen Mary of England said it in her own words that whenever her husband King George V visited her royal bedchamber to provide heirs, she "closed her eyes and thought of England." Patriotism comes in many places, positions, forms, fervors, shapes and sizes, but ours is an example of the law of diminishing returns. The

of diminishing returns. The output diminishes the more we talk about this subject.

The way to measure the effectiveness of an advertising campaign is to measure if the ad spending is delivering the desired results. How do we measure our patriotism? If we go by celebrations, commemorations, anniversaries, tributes, speeches, newspaper editorials and television sound bites, we ought to be the most patriotic nation in the world. But is so much love of country delivering us the desired results?

English literary figure Samuel Johnson said that patriotism was the last resort of a scoundrel. His biographer James Boswell argues that the reason why Johnson said it was not to indict patriotism in general, but only false patriotism. It brings context to the most burning question facing us today. If we love our country so much, how is it possible that we inordinately hate each other?

It's said that too much devotion is sign of deceit. Does our conspicuous patriotism resonate Johnson's hypothesis? Does every one of us love this country with the same intensity as he or she claims? Is some of our patriotism sheer pretension, sublimation of parochial interests through a purported common cause?

The University of Chicago's National Opinion Research Center (NORC) occasionally conducts its survey on national pride. It has concluded that many of the most patriotic countries in the world-like Israel, South Africa and the Philippines-are relatively new nations. Moreover, several of these countries were formed after winning independence from colonial powers or other occupying forces.

We fit the bill on both counts. Our independence is not too old and we won it from the occupying Pakistan army at a usurious price paid in blood. Given all the right reasons, why does our patriotism clank hollow in the manner of the goldless gold crests given to the friends of our liberation war?

In the pecking order of patriotism, those who talk about it most in this country ironically are politicians and business leaders. It's ironical because they froth in their mouths talking about national interests, while, more or less, all of them have got bank accounts and second homes in faraway lands. These people live in perpetual readiness for self-evacuation. Many of them already have their families living in the safety of adopted homes.

People least visible in this hierarchy are the ordinary

folks. They don't have the option of leaving this country even if some of them would like to do so. And these people talk least about patriotism, because they don't have to. Their lives are already acting it out from dawn to dusk in their daily drudgeries, and they don't need mindless lip-service to spell it out.

The crux of our problem is that patriotism has been reduced to jingoism turned inward. Jingoism is when a country advocates the use of threats or actual force against peaceful relations, either economic or political, with other countries in order to safeguard what it perceives as its national interest. In this divided country, the national interest perceived by one side unfortunately goes against the national interest perceived by the other. While we're pursuing a timid foreign policy, our aggression is targeted against ourselves. How can we be patriots if we don't love the country well enough to love each other?

Like religion is more than rite and ritual, patriotism is more than observance of special days, remembrance of special people and utterance of special words. It's said that mother of thieves speak

In the pecking order of patriotism, those who talk about it most in this country ironically are politicians and business leaders. It's ironical because they froth in their mouths talking about national interests, while, more or less, all of them have got bank accounts and second homes in faraway lands.

in loudest voice. Why is it so that most of our pronounced patriots are also dubious characters?

In Gabriel Garcia Marquez's short story "The Incredible and Sad Tale of Innocent Eréndira and Her Heartless Grandmother," fourteen-year-old Eréndira accidentally sets fire to their home. The grandmother forces her to repay the debt by adopting the world's oldest profession. One day when a soldier arrives, the old woman greets him at the door and reminds him that he shouldn't take too long because his country needs him.

Again, patriotism comes to many in strange places and positions. But it almost never comes in the dungeon of a mind where love of country is a means, not an end. It's not patriotic to tell others how to love their country unless one is ready to lead by example. The country needs everybody, but only a true patriot knows it before he's told. The phonies are easy to know. Their patriotism is a function their mouths compensating for their mischievous hearts.

Mohammad Badrul Ahsan is the Editor of weekly First News and n opinion writer for *The Daily Star*. Email: badrul151@yahoo.com

## Is Abenomics working?



Koichi Hamada

AST April, Japan's government implemented a long-planned consumption-tax hike, from 5% to 8%, the first in a two-step increase that is expected to bring the rate to 10% by 2015. The hike – a key feature of "Abenomics," Prime Minister Shinzo Abe's three-pronged strategy to revive Japan's economy – signals the government's

long-term commitment to fiscal consolidation. But it has also dealt Japan a heavy macroeconomic blow.

Preliminary GDP data show a 6.8% contraction year-on-year in the second quarter of this year – the largest since the 2011 earthquake and tsunami that devastated the country. Moreover, consumer spending fell by a record amount, contributing to a total real (inflation-adjusted) decline of 5.9% from last July. But it is not all bad news. Expansionary monetary policy – the second of three so-called "arrows" of Abenomics, after fiscal stimulus – has brought down the unemployment rate to just 3.8%. The ratio of job openings to applicants has exceeded parity, and the GDP deflator narrowed to close to zero.

Such data have given rise to two opposing views. Some economists worry that negative second-quarter data will dampen inflation expectations, thereby undermining Abe's plan for boosting growth. Meanwhile, the Bank of Japan (BOJ) is emphasizing the positive outcomes of its monetary policy – and is hesitating to continue its expansionary measures. If the first view proves correct, the BOJ will need to ease monetary policy further to counter falling inflation. If the BOJ is right, it should maintain its current approach, while the government should either postpone the next consumption-tax increase or implement it in two 1% increments, instead of a single 2% hike.

Of course, the second-quarter GDP data show the economy's immediate response to the hike. But no decision should be made until the third-quarter results are released, providing a clearer picture of what will happen to Japan's economy after it absorbs the first rate increase. Fortunately, that is precisely what Abe intends to do.

In any case, the success of monetary policy is difficult to deny. As the deflation gap narrows, however, the overall impact of monetary policy will weaken, as it increasingly influences prices more than output.

That is why it is time for Japan's leaders to shift their focus from the demand-focused first and second arrows to the supply-oriented third arrow: a new growth strategy.

When there is sufficient excess supply in the economy, promoting supply-side productivity is practically useless without efforts to boost demand. That implies that it was not appropriate to focus on growth until the deflation gap narrowed considerably – that is, until now.

The third arrow is not a traditional industrial-policybased approach. On the contrary, it emphasizes reform of the labor market, deregulation, and a reduction in the

corporate-tax rate.

A key component of Abe's growth strategy is to

expand the workforce – a major challenge, given that Japanese society is aging rapidly. One logical solution would be to integrate more foreign labor into the Japanese economy. But efforts to promote immigration face considerable social and cultural barriers.

A simpler solution would be to mobilize workingage women who already – or plan to – stay at home. By removing the barriers to employment that women face – whether practical obstacles, like insufficient childcare services, or social constraints – Japan could substantially increase women's workforceparticipation rate, creating an invaluable buffer against the growing labor shortage.

The second imperative for boosting growth is the removal of excessively cumbersome government regulations. Under the current system, it took 34 years to approve the establishment of a new medical school – the result of collusion between government officials and doctors.

Abe's plan calls for introducing a series of less strictly regulated special economic zones, each with a specific objective – for example, adopting new medical technol-



ogies or attracting foreign businesses. Such a move promises to help prevent damaging obstructionism by the authorities. At the same time, the government should work with the country's trade unions to boost the flexibility and efficiency of the labor market.

Finally, Abe's growth strategy demands a corporatetax reduction – a powerful tool for increasing the tax base in a world in which countries are competing to attract multinational companies. Indeed, lower taxes are vital to increase foreign and domestic investment in Japan.

Some of these initiatives, particularly deregulation, will undoubtedly face resistance from bureaucrats concerned about losing their influence. But, as long as Abe, backed by Chief Cabinet Secretary Yoshihide Suga, remains committed to his stated objectives, Japan's economic future will remain bright.

The writer is Special Economic Adviser to Japanese Prime Minister Shinzo Abe, is Professor of Economics at Yale University and Professor Emeritus of Economics at the University of Tokyo.

Copyright: Project Syndicate, 2014.

www.project-syndicate.org

(Exclusive to The Daily Star)

# LETTERS TO THE EDITOR letters@thedailystar.net

Pakistan democracy in

"Every country has an army, In case of Pakistan, the army has a country."

death throes

It seems imminent that Pakistan is going to have a quasi-military government within the next few days. Military rule is not new in Pakistan. In fact, out of 63 years of its troubled existence, Pakistan never had a truly functional democratic governance system. However, in recent months there was a glimmer of hope that democracy may take root in Pakistan. Fourteen months ago when Nawaz Sharif won the election and took charge, it was seen as a triumphant victory for democracy in Pakistan. For the first time in Pakistan's history, one elected government actually handed over power to another elected government.

Unfortunately, that hope for democracy withered away as the cricketer turned politician Imran Khan appeared in the scene as the front man for the Pakistani military establishment. It did not need to happen like this. Sometimes it is hard to change the trajectory of history. It seems inevitable that over the years Pakistan will morph into a rogue state with nuclear weapon. But one may ask why it is so. A simple but straightforward answer is that under the feudalistic and dynastic rule in Pakistan, democracy never had a chance to flourish. The independent institutions in a state which are critically important for functioning of democratic governance could not develop properly. The widespread rigging in the last election, as alleged by Imran Khan, could not and would not happen if the election commission in Pakistan was truly independent.

While we ponder over the plight of Pakistani political process, we may perhaps ask ourselves: which election was more rigged – May 11, 2013 election in Pakistan or January 5, 2014 election in Bangladesh?

**Dr. Manjur Chowdhury** Chief Entomologist & CEO, SAFEWAY Banani, Dhaka

## Acute transport crisis in Ctg

With the ban of battery-run rickshaws, commuters of Chittagong are facing extreme transport crisis. According to one estimate, there were fifty thousand battery-run rickshaws in Chittagong. Many passengers depended on those rickshaws as they were cheaper than CNG-run vehicles. Now that the police have launched a crackdown on the battery-run rickshaws, they are not plying the streets. The number of buses are inadequate and they remain packed with passengers during rush hours.

Something should be done immediately to solve the transport crisis of the port city.

Zabed Wali

Chittagong

## This year's devastating floods

Floods destroy lots of lives, lands and properties every year in the country. This year's flood seems to be more devastating than those of previous years'. Thousands of people have already lost their homes and are suffering from water-borne diseases. They are in extreme need of food and drinking water. It is a matter of sorrow that no government takes any permanent steps to control floods and end the sufferings of affected people.

S. M. Imranul Islam Rajon

Executive officer Janata Bank Limited

Comments on news report, "People obey law, influentials break," published on September 2, 2014

### Jahir Ullah

We need more reports like this from different newspapers; it is the only way to make a change. Shame on those who are abusing their power!

### S. M. Iftekhar Ahmed

It's very unfortunate that the influential people in this country become so conceited once they get the taste of power. They behave in such irresponsible and shameless manner!

### MH Khan

It's a shame. This shows the disrespect and lack of commitment of the influential people towards law and the common people.

### TruthnLie

Excellent report. Hope they will feel a little ashamed now and stop breaking traffic laws.

"Hasina goes for Khaleda-bashing" (August 31, 2014)

## Mahmud Hassan

This kind of reckless utterance will provoke nasty counter allegations. We think our politicians should bash each other on policy matters like what has been done to fight poverty, terrorism, corruption, etc. to improve law and order and public safety. Face to face debates with data and figures would be even better to win public support.

### S. M. Iftekhar Ahmed

It's a wonder why people still continue to vote for either of these two ladies who are clearly unsuitable to be leaders.