

When docs act like children

Pathetic behaviour!

TO witness two groups of doctors, one on the side of the VC and the other, pro VC protagonists, facing each other in threatening posture and getting involved in scuffles, is a spectacle that no person, least of all educated and responsible persons that those doctors are supposed to be, can savour. It is nothing less than tragic. And that is what happened in BBSMMU on Saturday that effectively disrupted healthcare services for a considerable period of time, although the VC has claimed that that the operation of the hospital was not dislocated.

The behaviour of the warring doctors, to the detriment of the wellbeing of the patients, whose health, and indeed some of their lives, rested in the doctors' hands, was strikingly painful. We wonder whether the feuding physicians have forgotten the Hippocratic Oath which, among other things, enjoins them to abstain from every voluntary act of mischief and corruption.

Unfortunately, the situation stems from alleged corruption linked to the recruitment of nurses and exposes the abject lack of ethics in these people. And these inevitably are the consequences of appointments at the senior levels getting blatantly politicised. The most important lesson that one can take from the incident is that when political affiliation is given preference over merit and professionalism what we saw happen in the hospital will be repeated. We hope that the health ministry would initiate investigation into the allegations of corruption against the VC and also take appropriate action for the gross breach of order wrought entirely for personal monetary gains.

Overuse of pesticides by farmers

Need to balance demand and risk

THE overuse of pesticides by farmers to prevent attacks on their crops may perhaps help them make a quick buck in the short run, but in the long run, poses many dangers to human health and the environment in general. Some farmers have, unfortunately, been ignoring these health hazards and the possible damages to the environment and using excessive pesticides in the hopes of making higher profits. At the same time, they are also trying to meet the increasing demand for agricultural products, however, at the expense of their quality.

It is paradoxical that, the Department of Agricultural Extension said that it cannot take any legal action against these farmers, as they have no magistracy authority for conducting drives against toxic vegetable producers. And that all they can do is create awareness.

According to experts, overuse of pesticides, besides the more obvious damages, also make insects grow resistant to the chemicals used in pesticides which will eventually be detrimental to the interest of the farmers themselves. The same is also the case in terms of their health, as overexposure during extensive use of these chemicals may prove deadly for farmers, as well as for those consuming the final product.

However, there is the underlying issue of demand and risk and, it is the government that must be the principle agency to balance the need for meeting the increasing demand versus the risk entailed.

LETTERS TO THE EDITOR

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Suggestions for improvement in public transport

Buses in Dhaka should maintain a strict timetable as follows – 5 am to 9 am and 4.30 pm to 6.30 pm on weekdays for five minute interval buses; 9 am to 4.30 pm and 6.30 pm to 8.30 pm on weekdays for 15 minute interval buses; and 8 am to 11 pm on weekends and public holidays for 15 minute interval buses. All buses should have two doors, and all routes should have individual colours with stoppages written on rooftop computerised boards. Buses must also have well-maintained engines as well as chassis capable of driving through roads, which should be strictly monitored by experts from BUET/ BRTA. Automatic traffic lights around the city should function without delay.

Meanwhile, we must sincerely follow traffic rules and regulations in order to help the system run smoothly. Pedestrians who can walk must use the foot over-bridges to cross roads and encourage others to follow suit. Traffic policemen are often seen helping pedestrians cross the road near the airport roundabout, which is dangerous and inappropriate given the availability of a foot over-bridge nearby. The police should appoint more community policemen to ensure road safety and correct parking of vehicles. They should also impose strict penalties against anyone breaking these traffic rules. I urge the concerned authorities to spread awareness regarding these matters through the television, mobile phone operators, and news and social media.

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 Uttara

BANKING SECTOR Time for a massive clean up

MACRO MIRROR



FAHMIDA KHATUN

THE banking sector in Bangladesh has been plagued with a number of disappointing trends for some time. This has impacted the soundness of the banking system and resulted in huge losses for the sector. One of the perennial problems is the rise of non-performing loan (NPL). The behaviour of NPL in the banking sector has been following a certain trend during the last few years. It is observed that towards the last quarter of each year NPL comes down but starts to rise afterwards. One of the probable reasons behind this lower NPL towards the end of the year could be restructuring and rescheduling of loans by December of every year.

Even though NPL was kept low by rescheduling and restructuring of total outstanding loans in 2015, the amount of NPL started to increase in 2016. A 'default culture' demotivates the good borrowers. It is encouraging to note that Bangladesh Bank has taken initiatives to provide incentives to good borrowers and help them by providing 10 percent rebate on their interest payments against their bank loans. It is yet to be seen how many banks offer this to its borrowers.

Among the South Asian countries, Bangladesh stands second, only after Pakistan in terms of NPL as a share of total loan. The major contributor to the rise in bad loans is state-owned commercial banks (SCBs). Even though only about one fifth of total loans of the banking sector are disbursed by the SCBs, the share of SCBs' NPL in total classified loans was 45.57 percent as of September 2016, according to Bangladesh Bank data. The highest share of loan is provided by private commercial banks (PCBs) which contribute to 42.12 percent of total NPL. In terms of the share of NPL in their respective total loans, there is a huge divergence amongst banks. For example, the share of NPL in their total loans was 25.16 percent for SCBs, 5.9 percent for PCBs, 8.85 percent for foreign banks (FBs) and 26.14 percent for development financial institutions (DFIs) in

September 2016. Even though DFIs provide only 3.5 percent of total loans by the banking sector, they have the highest NPL as a share of their total loans.

The overhang of NPL in the SCBs hit their profitability. It has also affected SCBs' ability to expand their loans. Lower credit growth by the SCBs could have repercussions on the overall credit growth as SCBs account for a sizeable amount of the overall loan disbursed by

In order to maintain the international standard of capital to risk weighted asset, the government is planning to release bond. The objective is also to meet the huge capital shortfall in the scam-hit banks. The details of such bonds are yet to be disclosed. Given that these banks suffer from extreme underperformance, the repayment ability and debt liability are matters of great concern.

Another indicator is the decline in profitability in June 2016 after a rise in

sector on a lasting basis. In current situation, SCBs are not in a position for growth anymore. Thus their focus should rather be on consolidation through cleaning their balance sheet.

While the banking sector is yet to recover from many shocks, new challenges continue to appear in new forms. Reserve heist from the central bank is an unprecedented phenomenon that underscores the importance of strengthening cyber security in the central bank and in the banking sector as



scheduled commercial banks. Of course, the share of total loans by the SCBs in total loan disbursed by commercial banks has been declining since December 2014.

Bangladesh is in the process of full implementation of Basel III from January 2020. In the transitional arrangement of Bangladesh Bank, between 2015 and 2019, the banking system had to maintain a 10.625 percent capital adequacy ratio in 2016. In September 2016, both SCBs and DFIs could not maintain the minimum requirement. Although private and foreign banks maintained capital adequacy above the minimum requirement, underperformance of SCBs and DFIs brought down the total share below the minimum requirement.

December 2015. Higher provisioning for bad loans in the SCBs lowered their profits. In June 2016, return on assets declined compared to that of December 2015. On the other hand, return on equity declined in June 2016 from December 2015. Among the six SCBs, return on asset is negative in three, while return on equity is negative in two.

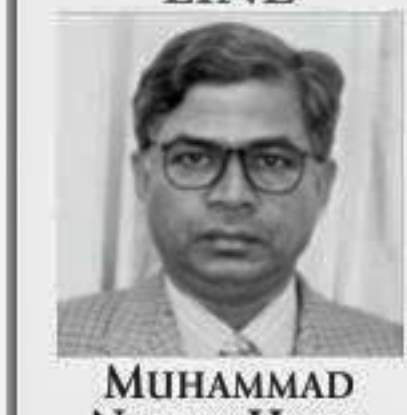
On the whole, there is not much to be optimistic about coming out of the current struggle on classified loans anytime soon, one which continues to persist in FY2017. The situation cannot be overcome without major policy reforms and establishment of good governance in the banking sector. The practice of writing off bad loans helps banks to heal wounds only superficially; this will not improve the health of the

whole. Efforts towards recovering the stolen money from Bangladesh Bank's reserve through cyber-attack should be pursued consistently. Autonomy of the central bank to undertake bold measures against defaulters and malpractices in the banking sector is crucial for effective measures. There is an urgent need for setting up a banking commission in order to scrutinise the overall situation of the banking sector and solicit concrete recommendations for a dynamic sector. Though the size of the banking sector has increased over time, the sector needs a massive cleaning up through implementation of appropriate measures and strengthening of monitoring and supervision mechanism.

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POLICE WEEK 2017 Of police professional

STRAIGHT LINE



MUHAMMAD NURUL HUDA

public order and peace are preconditions. In doing so, the rule of law is facilitated that characterises a democratic society.

In our parlance, police professionalism would mean organisational, legal and structural change to improve efficiency and effectiveness of the police to meet contemporary policing requirements based on human rights standards and the principle of rule of law.

The police function is distinguished from all others in the field of public protection and public safety by its reliance upon the minimum and not the maximum use of force, its necessary subordination to the decrees of the courts, its strict adherence to the essential rule of law, and its attachment to the concept of human rights.

The above mentioned functions can be performed by a police force having a self-contained organisational structure where there is no distortion of command and no dilution of accountability.

In view of the above, it is necessary to look at the historical perspective and the objective conditions. The reality is that Bangladesh attained independence after a bloody freedom struggle: it adopted a written, liberal democratic Constitution but retained the colonial administrative, police and judicial structures without recasting them to meet the changed situation. So how does one promote liberalism with a colonial mindset?

To illustrate, the colonial police system operated in the light of the imperial ruler's need to establish a relationship of control, coercion and surveillance over a subject population. The question is how such a system would fulfill the aspiration of an independent democratic polity.

Nearer home in India, where democratic system appears to be firmly entrenched, the situation is grim. K.S.

Subramanian, a former officer of the Indian Police Service, in his book *Political violence and the police in India* comments: "Politicisation, criminalisation, corruption, brutality and human rights violations are eating into its vitals. Public order maintenance and political intelligence collection take up most of the time of Indian police with little left for crime prevention, crime detection and service provision. The police leadership has remained a prisoner of the political party in power at all levels and has failed to contribute to organisational renewal and

The organisational objective is important because in the colonial model the policemen are accountable to their superiors, rather than public opinion or the law. Their duties are tabulated for them, and there is little or no room for discretion; clearly, such a police force would dictate a very different relationship between police and society. The distinction between society and State, and between State and government gets blurred.

We have to remember that a police organisation, which is controlled, is a source of great power to its controllers.

reaching administrative reforms?

Do we witness the public caught in an increasingly norm-free, unpredictable and unjust environment? Who is responsible for transforming policing from the professional imposition of a coherent moral consensus on society into unethical activities?

While the prevalent wisdom of a section of our society to lay all the blame at the door of the politicians is untenable, it is also not in broader public interest to make sweeping observations like "people are not safe even in their bedrooms, rape is



PHOTO: AFP

revitalisation, research and training, and the nurturing of professional skills."

The above reference has been cited to highlight the systemic deficit and to understand what happens when the institution is afflicted by organisational, managerial and policy crises.

Crime management could not be seen in isolation. The reason is simply that the first purpose of the paramilitary police force is to support the state; and their primary role is a political one. The state, rather than the law, is supreme; and the major enemy of the police is the political subversive rather than the criminal.

Therefore, do we see any societal effort to monitor police power carefully and harness it for the good of all? It needs to be remembered that to place police and their power under the sole direction of executive government is to give that arm of government power to enforce its will on society and overrule opposition.

It is likely that our leaders who came to occupy positions of power after the departure of the British and Pakistanis were enamoured by the administrative and police system left behind by the colonial powers, and enjoyed exercising power and authority, oblivious of their own demand of yesteryears for far-

common, murders are frequent, mugging is routine like a traffic jam," without the benefit of appropriate analysis and statistics and cognisance of the broader socio-political perspective. It is perhaps time for substantive police reforms to plug the systemic holes, and control the deviants and where necessary to weed out the bad hats.

In the ultimate analysis, the police officials have to demonstrably prove that civil liberty and enforcement efficiency can harmoniously coexist in a people's republic.

The writer is former IG, and a columnist of The Daily Star.