

Poverty decline slowing down

Job growth must be prioritised

ACCORDING to Bangladesh Bureau of Statistics (BBS) data, while poverty continues to decline, its rate of decline is slowing down. The BBS conducted a survey on 46,080 households in 2016 which revealed that the percentage of poor people declined at a rate of 1.2 percent annually over the 2010-2016 period, which is lower than the 1.7 percent per annum reduction in poverty over the 2005-2010 timeframe. Economists are questioning the quality of growth because poverty reduction slowing down during a period of increased GDP growth appears to contradict conventional wisdom.

The key reason for this situation appears to be the slowdown in job creation in the non-agriculture sector. The study has also found that people were eating less because enough remunerative jobs are not being created despite the fact that the country has seen greater investments. According to BBS Quarterly Labour Force Surveys, female employment in industrial sector has declined by 1.13 million and in services by 1,50,000 in 2016 compared to 2013. This comes in the aftermath of the Rana Plaza disaster that ushered in an era of remediation and relocation of factories.

As we move into the age of robotics, the industrial sector is slowly moving into less labour-intensive operations causing more people to become dependent on agriculture finding no other viable alternatives. That poverty rates are declining brings us back to the question of whether the benefits of growth are trickling down to reach the most vulnerable in our society. While social safety net programmes contribute greatly to poverty reduction, more emphasis must be placed on creating jobs that can help people come out of poverty.

A horrible example of public-private partnership

Mangrove forest targeted

IN what seems like a case of complicity between a government agency and a private firm, a portion of land of a mangrove forest in Chattogram's Sitakunda upazila was leased out to a private company to build a for-profit ship-breaking yard. As this daily reported on May 13, at least 7.1 acres of land of the forest was leased out to BBC Steel, violating all the existing environmental laws. And to do so, the district administration has shown the forest as a charland in the Bangladesh Ledger Survey. This was done despite the fact that the forest has been "notified" under Section-4 of the Forest Act-1927, meaning that it is under the process of being declared as a reserve forest.

Meanwhile, BBC Steel, the company that got the land, has already started the construction work of the ship-breaking yard without any environmental clearance. They have already installed a 300-foot-long fence along the forest, restricting the movement of the locals.

What we do not understand is why a government agency would violate the Supreme Court's directive in 2011 prohibiting leasing out "notified" forest to any person or company. If a ship-breaking yard is built in the area, it would also pollute the nearby forests and damage coastal biodiversity. So, the deal must be scrapped immediately. As the High Court has already imposed a six months' stay on the effectiveness of the lease contract, we hope that by this time the government would act and cancel the contract once and for all. At the same time, those involved in this illegal act should be called to account for this serious breach of the law.

Combatting bank loan defaults through Right to Information

SHAMSUL BARI and RUHI NAZ

BANK loan defaults and their harmful impacts on the economy are not matters of public concern in Bangladesh alone. It has agitated the public mind in neighbouring India for a long time. A recent directive of the Supreme Court of India has some lessons for Bangladesh.

Demand for information on "wilful defaulters" has triggered many Right to Information (RTI) requests to the Reserve Bank of India (RBI) in recent years. The process brought together a large number of RTI activists, bank officials, the Central Information Commission (CIC) and the judiciary to state their respective positions on the matter. As a result, RTI law received a public airing which no other subject could generate in recent years. RTI watchers in Bangladesh should pay close attention. These developments will help us appreciate the many dimensions of the law and its immense capacity to empower citizens to participate in the fight against corruption.

Under Section 35 of the Indian Banking Regulation Act, 1949, the RBI is empowered to conduct annual inspection of all commercial banks, whether public, private or foreign. The central bank undertakes on-site inspections, during which its officials visit the head offices and bank branches to inspect the books. The content of the annual inspection report is discussed with the head of the concerned bank before finalisation. The final report is then shared with the banks to enable them to take corrective steps.

The April 26, 2019 judgement of the Supreme Court of India dealt with three Contempt Petitions filed by RTI activists in relation to their RTI requests to obtain inspection reports of RBI on a number of banks. They had claimed that the top bank showed wilful and deliberate disobedience of the directives issued by the same Court in a 2015 judgement.

The concerned RTI requests were addressed to RBI over the years. In all of them, the central bank had refused to disclose the requested information. In the case of the more prominent of such requests, RTI activists had asked for copies of RBI's inspection reports on ICICI Bank, Axis Bank, HDFC Bank and State Bank of India, starting from April 2011 till date. The requests went through various stages of the RTI process and finally reached the Supreme Court. The latter, in December 2015, ruled in favour of disclosure and asked the central



bank to review its negative policy on the matter, saying "it is duty bound under the law".

Despite this ruling, the central bank denied the requests, stating that the disclosure of the requested information was exempted under the RTI Act 2005 of India and the Reserve Bank of India Act. It argued that the annual inspection report of the bank contained "fiduciary" information which could not be divulged. Subsequently, RBI issued a policy directive to other banks not to disclose certain information under RTI.

The refusal of RBI and its subsequent policy directive was challenged by the petitioners in the contempt cases, resulting in the latest Supreme Court judgement of April 2019. In it, the court maintained its earlier position and directed RBI to disclose its annual inspection reports on banks, along with the list of wilful defaulters and information related to them under the RTI Act. It gave RBI a final chance to reconsider its stand, adding that "(a) any further violation shall be viewed seriously."

It all began when RTI requests were made by activists seeking copies of the inspection reports of RBI on several banks. As stated earlier, RBI refused disclosure, arguing that the information

fell under the exemption provisions of India's RTI Act 2005. Similar provisions exist in the RTI Act 2009 of Bangladesh.

The refusal was appealed to the Central Information Commission (CIC) of India. The latter ruled in favour of disclosure and directed the RBI to provide the information sought by the applicants. It may be recalled that CIC had already decided, in a 2011 case, that the public had the right to know how banks were functioning in the country since significant amounts of public funds are kept in banks.

RBI challenged the CIC decision in the cases, leading to the chain of events resulting in the Supreme Court judgment of December 2015. The court observed that there was no "fiduciary relationship" between the RBI and the financial institutions. It added that "RBI has a statutory duty to uphold the interests of the public-at-large, the depositors and the country's economy and the banking sector (and it) should act with transparency and not hide information that might embarrass the individual banks and that the RBI is duty-bound to comply with the provisions of the RTI Act and disclose the information sought by the Respondents therein."

On RBI's argument that the disclosures would hurt the economic interests of the

country, the court found it to be "totally misconceived". It added that "the intent of the Legislature was to make available to the general public such information which had been obtained by the public authorities from private bodies... (and hence) RBI is liable to provide information regarding inspection reports and other documents to the general public."

The above positions were reiterated by the Supreme Court in its April 2019 judgement, only more forcefully. Its stance was unequivocal.

Irrespective of whether RBI will finally abide by the ruling or seek other alternatives, it must be said that the public airing of the matter has been very useful. It demonstrated the many ways in which citizens can use RTI to promote transparent and accountable governance. It generated a public discourse on the subject in India which is badly needed in Bangladesh. Such conversations can spread awareness of the law and increase our understanding of how it works. Our legislature has given us a very useful law. It is for us, the citizens, to make good use of it.

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Trump and our times: Is the world on the brink of turmoil?

"God's Plan made a hopeful beginning; But man spoils his chances by sinning We trust the story will end in God's Glory But at present, the other side is winning."



IFTEKHAR AHMED CHOWDHURY

A supporter of the current dispensation in the United States with President Donald Trump at its helm, may be forgiven if he or she were to view the contemporary world through the lens of the above

doggerel of a 19th century compatriot, William Wendell Holmes. For such a viewer, it would have looked a wonderful world some years ago. Everything was going right for America. There was the perception of it as the sole hyper-power, and one that was largely seen as benign. Thereafter, through the mechanism of America's complex political system, its people put a new man on horseback to run it.

Mr Trump was different from all who had gone before. He claimed to be actuated by rigid conformity to perceived national self-interest. He professed to put America first on all matters. He proffered the idea that should each country do the same, the result would be stability through an equilibrium of multiple interests.

The logical fallacy ingrained in this philosophical proposition soon became apparent. Almost forced by circumstances, other countries, as was to be expected, began to follow suit. The preponderant value now was: *not* what is good for all is good for me, but what is good for me, and others taken individually, is good for all. It was turning logic on its head. Unsurprisingly, instead of creating the desirable positive and stable balance, it threatened to put all on the brink of disaster. America became locked in intractable disputes with three adversaries at the same time: China, North Korea and Iran. Any mishandling or miscalculation with any one of them could land the protagonists, and the rest of the world, in devastating conflagrations.

First, with China, there is a fierce ongoing trade war. Mr Trump has threatened China that unless trade disputes are resolved soon, it would confront a much tougher America after its elections. This, Mr Trump has declared, he

was certain to win, much to the despair of many critics at home and abroad. He has slapped steep tariffs on some Chinese imports into America for now, but has said would soon include all. That is because he accuses China of unfair trading practices and artificial tinkering of monetary and fiscal policies, subsidising its manufactures to America's disadvantage, "stealing" America's intellectual property, and being unwilling to put a robust monitoring system covering agreements in place (with the intent of breaching them). China denies all these. Philosophically, Beijing weaves the accusations into some kind of a dialectical process, a remnant of Communist intellectual apparatus that it

capability of confronting the US militarily, both with strategic and tactical means. Russia might have the technical capacity with its nuclear armoury, but is woefully lacking in the political and economic wherewithal. China's Belt and Road Initiative gives it a huge international status, and President Xi Jinping's "China Dream" (*ZhongGuomeng*, in Mandarin), the required inspiration. One only hopes that any miscalculation as contained in the Thucydides Syndrome does not come into play. The Greek historian by that name had famously observed that "When Athens grew strong, there was great fear in Sparta, and war became inevitable."

The second is the strange relationship



US President Donald Trump and his Iranian counterpart Hassan Rouhani have indulged in a round of threats and counter-threats.

PHOTO: AFP

still employs, and hopes that a synthesis will ultimately resolve the clash of theses and anti-theses at play.

The conflict, dangerously, could go deeper. Already an element of racism has been introduced into the differences. An American academic-turned-official, Kiron Skinner, sees this as being akin to a civilizational war between two not-only-ideological-but-also-ethnic rivals, while the earlier fight between the Soviet Union and the US was one between two Caucasian parties, within the "western family". Scoffing at this apparent racist connotation, China called this week for a conference on "Dialogue of Asian Civilizations", exacerbating rather than bridging the chasm. This acquires significance, for almost alone among America's adversaries, China has the

between the US and North Korea, as also between Mr Trump and Chairman Kim Jong Un. The two leaders have had two summits, one in Singapore last year, and the other in Hanoi recently. The first witnessed an exultant reaction on both sides, judged by most analysts as unfounded. Mr Trump assumed Mr Kim would give up his nuclear weapons. Mr Kim averred that the US would lift the sanctions. But which was to precede the other? There was no agreement on that score. So, the meeting in Hanoi came a cropper. Mr Kim resumed testing missiles, albeit tactical ones, that could hit Japan and not the US. In a near-bizarre reaction, Mr Trump saw nothing wrong with Mr Kim's actions, and displayed a remarkable understanding that these actions implied only signalling. But to the rest of the

world, the signals were: safety lay in possession of sufficient nuclear capability to inspire higher level of understanding of even the hyperpower; and also, the fate of allies could be secondary to superior goals, so in this real world, it was each man for himself and God for us all!

The third is rapidly emerging as the most serious danger, the brewing conflict between the US and Iran. Last year, motivated by two factors, one domestic-to undo everything that President Obama had done before him, and the other international, possibly at the behest of Saudi-Israeli urgings, Mr Trump scrapped US connection with the oddly named Joint Comprehensive Plan of Action (JCPOA). It was a plan (not, significantly, a treaty) that the US and major European powers had entered into with Iran. It was designed to allow Iran to carry on peaceful use of nuclear capability without weaponization. Now with elections looming in 2020, and the Republicans in the US confronting a difficult challenge, external bogeymen could provide the necessary boost. The Europeans were aghast, but were not sufficiently empowered to be with Iran for fear of hurtful US sanctions. Since the JCPOA does not actually prohibit missile testing, and thereby can never actually be ratified as a treaty by the US Senate. For this reason the Republicans may be encouraged to assume their posture, not because they may be legally justified, for that is not necessarily a key criterion, but because of a bipartisan support that can have wider electoral ramifications. In Iran, as a consequence, even moderates like President Hassan Rouhani are caught between the rock and a hard place. The result is the increasing beating of war-drums in the volatile Middle East, with severe consequences for the world.

But whether there is actual fighting as a result of this or not, the lesson for states who have that capability, might sadly be this: that their safety eventually lay in nuclear weapons. Which is probably why, they may argue, China and North Korea are safe from invasions, and Iran is not. So, their predilection may be, as Cromwell had urged his troops, to have faith in God certainly, but also to keep their (nuclear) powder dry. Alas, not a reliable insurance for global peace.

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LETTERS TO THE EDITOR

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Effects of climate change on river erosion

Bangladesh is one of the countries most vulnerable to the effects of climate change. River erosion is an endemic natural condition in Bangladesh. It is estimated that presently, about 5 percent of Bangladesh's total floodplain is affected by erosion. Some researchers have already reported that erosion of riverbanks is taking place in about 94 out of 492 upazilas of Bangladesh. Climate change, in the form of heavier rainfall, causes high amounts of sediment to wash into the rivers.

Severe storms, higher water level, and faster stream velocity can aggravate the situation which results in increased suspended sediment (turbidity) in water bodies affecting the normal distribution of sediment along rivers. Frequent heavy rain during monsoon also causes strong waves which loosen the soil of riverbanks.

Riverbank erosion in the country gives rise to various problems. People become homeless and abundant natural resources such as crops, trees, farmlands etc. are destroyed. Consequently, the number of landless labourers increases. There are several ways to prevent river erosion, such as by planting trees on the riverbanks. Plant roots hold the soil in position providing a higher resistance to the soil being washed away. Such steps should be taken by the authorities as soon as possible.

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