

# Making better-informed decisions on data protection

## ACC cannot afford to lose public trust

The anti-graft body's probe report reveals negligence of its officials

WE compliment the Anti-Corruption Commission (ACC) for its probe report that has found negligence of some of its investigating officials that resulted in an innocent man, Jaha Alam, languishing in jail for three years. The ACC has had the courage to shoulder the blame which does not happen usually. The High Court must be especially commended for ordering the ACC to submit its internal committee report on those responsible for Jaha Alam's wrongful arrest and imprisonment. Thanks to the HC's intervention, we now know the details of the negligence, flaws and violation of rules by ACC officials in charge of investigating the case.

But the level of utter callousness these officials have demonstrated is shocking. The probe report has found that although 12 ACC officials investigated the case, none of them visited Jaha Alam's house. The deputy director, who was assigned to carry out the inquiry of the case of embezzlement against Abu Salek, the actual accused in the case filed, did not make any field visits in the 14 months he took to carry out the inquiry. Instead, ACC officials relied on the bank officials to find the accused in the case filed which led to Jaha Alam being wrongfully implicated.

Now that the report has come out, we hope the ACC will see to its expeditious implementation and take measures that such errors do not happen in ACC's work. The anti-graft body should take heed of the recommendations given in the probe report which include forming a supervising panel with experienced officers to prevent such occurrences in the future.

The ACC is an independent, powerful body and unless it takes steps to ensure that investigations are done with due diligence and sincerity, it will lose public trust, keeping which is vitally necessary for their work.

In the case of Jaha Alam, we are happy that he has been vindicated and is now free although at the cost of three years of his life lost in jail. We now await the outcome of the HC hearing which is scheduled for July 16.

## First case of NBFIs liquidation

It should serve as a wakeup call

WE thank the Bangladesh Bank (BB) for its assurance that the depositors of People's Leasing and Financial Services (PLFS) will get their money back as BB gears up to liquidate PLFS, a non-bank financial institution (NBFIs); 15 banks and other NBFIs stand to lose more than Tk 850 crore. That, however, is merely the tip of the iceberg. When we take into account the manner in which liquidation works, debts of external creditors, i.e. outside parties which are owed money by People's Leasing, will be settled first. Whatever remains will then be cleared step by step. First will come the banks and other NBFIs followed by preferential debenture holders, etc.

While BB assures us that no depositor will lose money, the financials of the company state otherwise. In the first nine months of 2018, the institution's operating expenditure stood at Tk 22.48 crore against an operating income of Tk 2.05 crore. The NBFIs has been in trouble for some time now. Indeed, the central bank had been aware of the problems since 2014 when some of the directors siphoned off around Tk 1,000 crore and the institution failed to pay any dividend after 2014.

The question that comes to mind is: why weren't steps taken to take over the stewardship of the institution then? Why were these directors not brought to face the law? Merely removing them from the board was hardly a decisive step. Would it not have made more sense to launch criminal cases against them and trace the stolen money?

Today, the retail investors are looking at a bleak future because they are at the bottom of the food chain, as they hold 68 percent of the stock. If the company goes into liquidation (as per Financial Institutions' Act, 1993), it is estimated that general shareholders and institutional investors stand to lose nearly Tk 220 crore. Passing on the buck when it comes to taking responsibility for failure to regulate financial institutions has become the norm in our country. The contagion that has engulfed the banking sector now threatens NBFIs. Depositors need concrete action and not mere assurances from the regulator so that such incidents can be averted in the future.



NIE ZHENGJUN

EACH day, artificial intelligence and other innovative advanced technologies are bringing real benefits to our lives—from quicker and safer access to our mobile devices,

chatbots that can predict customer service requests, to medical devices that can diagnose ailments with greater precision.

Along with these developments comes a growing global demand for better oversight over how users' information is collected, stored, and used to train and power these innovations. Heeding the call, data protection legislation is making headway in more countries and regions: for example, Europe marked the first anniversary of the General Data Protection Regulation in May, while China entered the second year of its Cyber Security Law last month (June).

While the debates surrounding what constitutes an ideal solution continue to evolve, one thing is clear: responsible technology companies, partners and consumers need to come together to share knowledge in order to collectively arrive at better-informed decisions about data privacy policy and best practices. There is a growing urgency for action on this front as AI-powered innovations increasingly transform how people around the world go about their daily lives.

In China, for instance, technology developed by Alipay has helped millions of small business-owners obtain microloans to grow their businesses. Through their mobile phones, these entrepreneurs—ranging from shop-owners to street-side vendors—can apply for and receive approvals for loans in as little as three minutes.

We can expect ever broader adoption of such innovations due to the vast convenience and improvements that they bring. At the same time, as devices that collect and process our information become more integrated into our daily lives, companies need to implement stronger policies that ensure the security of customer data is treated with the utmost care.

Even companies with the most stringent and compliant data privacy and security policies will not be completely immune from data security breaches. With reports of security breaches and



PHOTO: AFP

improper data collection continuing to give consumers anxiety, striking a balance between the risks and the benefits will also require a broader public dialogue that looks at the topic holistically.

Open discourse will bring new perspectives to the conversation, sourcing more creative solutions for organisations that will help them make better decisions about the data they collect. We can start by arming decision-makers with objective, well-researched information. One approach we have taken to encourage public discourse on privacy in China and globally is to commission research by the Economist Intelligence Unit (EIU) on the topic.

Some of the results from the report challenge common misconceptions, such as those describing a more relaxed attitude to privacy in developing countries such as China. In fact, the vast majority of survey respondents who work for companies in South-East Asia and China believe data privacy is important to good corporate governance, and more so compared to respondents in other regions.

Other findings showed that executives generally believe people are willing to trade data privacy for improved services, with three out of four American executives agreeing with this sentiment, higher than the global average of about two in three. And overall, companies worldwide agree that cyber-security concerns will be the biggest driver of stronger data-protection strategies, a reflection of the fears about future security breaches.

Also forming part of this important discourse, Alibaba-formed think tank Luohan Academy this March gathered a group of privacy experts including economist and 2014 Nobel Laureate Jean Tirole, University of California, Berkeley law professor James Dempsey, and the Asian Business Law Institute's data privacy project lead Clarisse Giroit in Hangzhou.

Over the course of three days, these experts took part in extensive discussions, addressing topics such as how to better protect data without hampering innovation, the boundaries between ownership and use of data, and the relationship between data security and consumer trust. Participants also

discussed the need for deeper academic research into privacy issues, as opposed to excessive reliance upon hypothetical scenarios.

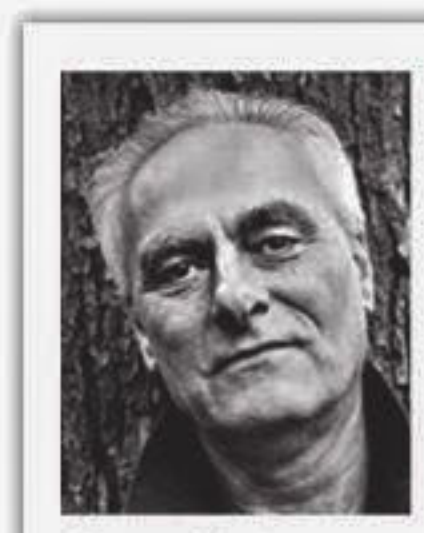
At Alipay, more than one billion users around the world now rely on us and our local e-wallet partners for services from mobile payments to a growing range of lifestyle services. To instill greater awareness for protecting the privacy of our users, we must focus on our core principles. That means always putting the interests of our users first and ensuring new products or features bring real value to our users.

Trust is what will enable us to build a successful digital society for the future, and ensuring strict compliance with regulations on user data and policy will be fundamental to that shift. There is still much that needs to be done to strengthen data protection practices around the world, and to get there, we are calling on all to join this crucial discussion that will profoundly impact the future of our industry.

Nie Zhengjun is Chief Privacy Officer of Ant Financial, operator of Alipay.

## A risky gamble

Official Turkish delegation to inspect troubled Xinjiang



JAMES M DORSEY

AN official Turkish visit to the troubled northwestern Chinese province of Xinjiang to assess reports of a brutal crackdown on the region's Turkic Muslims could shape

Turkey's challenge to conservative Gulf states' leadership of the Islamic world and complicate Muslim silence about the most frontal assault on their faith in recent history.

The visit to assess the situation in Xinjiang was agreed in talks with Chinese leaders when Turkish President Recep Tayyip Erdogan raised the issue during a recent visit to Beijing.

Erdogan appeared to set the tone for the visit by declaring that it was possible to "find a solution to this issue that takes into consideration the sensitivities on both sides."

Walking a fine line, Erdogan went on to say that "those who exploit the issue... by acting emotionally without thinking of the relationship that Turkey has with another country, unfortunately end up costing both the Turkish republic and their kinsman."

For its part, China seemingly sought to frame the Turkish visit with state-run *China Daily* newspaper quoting Erdogan as telling Chinese leaders that "it is a fact that the people of all ethnicities in Xinjiang are leading a happy life amid China's development and prosperity."

Turkey has in the past sought unsuccessfully to mediate tensions in Xinjiang in part by agreeing with Beijing on an investment programme in the Chinese region.

For Turkey, the visit amounts to a risky gamble.

A Turkish confirmation of the extent of the crackdown would position Erdogan as a leader willing to defend Muslim causes that other leaders have chosen to ignore, much like he attempted last year to take the lead on denouncing US recognition of Jerusalem as Israel's capital.

Turkey earlier this year briefly appeared to be willing to take on the Xinjiang issue when its foreign ministry harshly condemned Chinese policy, but has largely remained silent since.

In response to the criticism, China temporarily closed its consulate in the Mediterranean port city of Izmir, warned

Chinese residents and travellers to Turkey to "be wary and pay attention to their personal safety," and threatened further economic retaliation.

If Turkey, on the basis of the visit, were to endorse China's assertion that it is countering extremism by offering voluntary vocational training to Turkic Muslims, it would be granting a significant victory to China given Turkey's ethnic and cultural ties to Xinjiang's Muslim community.

It would project Erdogan as just one more Muslim leader who, for economic and commercial reasons, was willing to cold-shoulder co-religionists in a time of need.



Turkish President Recep Tayyip Erdogan and Chinese President Xi Jinping attend a welcome ceremony at the Great Hall of the People in Beijing. PHOTO: REUTERS

An endorsement would group Erdogan with men like Saudi Crown Prince Mohammed bin Salman who earlier this year during a visit to Beijing recognised China's right to undertake "anti-terrorism" and "de-extremism" measures and Pakistani Prime Minister Imran Khan and Indonesian President Joko Widodo who professed to be unaware of the situation in Xinjiang.

Trying to balance Turkey's position as a safe haven for Turkic Muslims while maintaining close ties to China, Turkey

last month said it had granted 146,000 residence permits to members of various Turkic communities, including an estimated 35,000 Uyghurs.

"You don't need to worry. I want you to know that we will use every chance in favour of you to provide that you will reach tomorrow as citizens of the Republic of Turkey, brotherly and sisterly," Interior Minister Suleyman Soyulu told a breaking of the Ramadan fast dinner.

China's past attempts to convince foreign diplomats even if they remained publicly silent and journalists of its version of events by taking them on guided tours of Xinjiang have largely

produced moderate results at best.

How Turkey handles the visit to Xinjiang is likely to resonate in major parts of the Islamic world.

The delegation's conclusion is likely to come as pressure plays out on the Sudanese military by Saudi Arabia and the United Arab Emirates to revisit several Turkish contracts concluded with ousted president Omar al-Bashir, including the development of Khartoum airport and a port on Suakin Island.

China's insistence that TBEA, a little-known contractor with at best modest experience in building and repairing power stations, be granted a USD 386 million contract to refurbish Bishkek's ageing plant has landed former Kyrgyz Prime Minister Sapar Isakov in court on corruption charges. TBEA was awarded the contract despite lower bids by a competing Chinese company and a Russian company with an established track record. It was not clear to what degree the push for TBEA was driven by an effort to line the pockets of corrupt officials and/or geopolitical objectives. China sees Central Asia and Pakistan as key drivers of economic development in Xinjiang.

Said Yang Shu, head of the Institute for Central Asia Studies at Lanzhou University in north-western China, commenting on Chinese strategy, said: "For countries that have good relations with China and have similar problems, it is easy for both to reach a consensus on the Xinjiang issue. For other countries, explanations will not have much effect... But overall, it's better to do it than not to do it."

After vacillating between silence and criticism, the Turkish visit is likely to determine where Turkey really stands.

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## LETTERS TO THE EDITOR

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### Rapists must be punished

News on rape incidents has become an everyday thing. Such horrific crimes have become far too common in our society. The increased frequency of rape incidents should compel us to rethink our social structure and moral and value system which are fast eroding.

According to Bangladesh Shishu Adhikar Forum (BSAF), in the first six months of this year, at least 496 children were raped and many among them were killed in cold blood right after. These statistics show us how brutal we have become as a society. The actual number of rape incidents, however, is much higher but they do not come to light due to reasons such as underreporting, lack of police records and fear among victims to take action against perpetrators because of the attitudes of stigma prevalent in our society and because victims fear retaliation.

The number of such incidents can be reduced through the effective implementation of laws and ensuring punishment of the offenders. Rape cases should be solved on a priority basis. In addition, increasing social awareness, encouraging victims to lodge complaints against rapists and making it compulsory for law enforcers to deal with such cases with the highest priority are some ways through which we can tackle this societal sickness head on. Moral education and ethics should also be incorporated in our education curricula.

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