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FOUNDER EDITOR LATE S. M. ALI

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## Bribery institutionalised in sub-registrar offices

TIB report should not be trashed

N a typical reaction from the authorities, the research report titled "Challenges of Good Governance in Land Deed Registration Service and Way Forward" by Transparency International Bangladesh (TIB), has been trashed as ill-motivated. The research was done over a 12-month period and data was collected from 16 district offices of registrars and 41 offices of sub-registrars (out of 497 such offices nationwide) in those districts.

The report tells us that during the 2017-18 fiscal year, nearly 37 lakh deeds were registered under the Directorate of Registration earning the government around Tk 12,433 crore. We also learn that practically the entire hierarchy involved in the land registration process is open to graft. Respondents have stated that they had to pay up to Tk 5 lakh extra for registration and the "extra fee" that was distributed among officials at different levels. It is astonishing to learn that up to Tk 20 lakh may be the negotiated price for an individual to get transferred to the position of a sub-registrar. If that is indeed the case, then it is quite natural for such officials to find ways to recuperate the investments they had to make to get to a particular position in the sub-registrar

That bribery exists in various forms in the land registration offices is a well-known fact. Land registration is the most harassing and costly experience in Bangladesh. While it may be expedient to throw the TIB report in the bin because that means no administrative action needs to be taken to ensure transparency and accountability, it would simply perpetuate the culture of corruption. Or, the administration can start implementing its plans to digitise the land registration and other land-related services-which has been gathering dust for years. Authorities can deploy the anti-corruption commission to identify and punish the guilty parties who have service seekers in a stranglehold. Instead of simply denying the existence of what is obviously institutionalised graft in these offices, would it not be better to look into the allegations and take appropriate steps? The government's zero tolerance policy on corruption should target the land registration offices without delay.

### Formation of rules for students with disabilities

High Court's order commendable

T is timely and commendable that the High Court has directed the government to formulate specific rules for assessment of answer scripts of students with disabilities in public examinations, in line with the relevant sections of the Persons with Disabilities Rights and Protection Act, 2013. Currently, students with disabilities face discrimination in public examinations in the absence of specific guidelines for assessing their answer scripts. While a student with Cerebral Palsy (CP) would have difficulty in writing clearly in the answer scripts because of their medical condition, a visually challenged person would face different kind of difficulties. If the examiners do not know that they are checking the answer script of a disabled student, how would they give marks judiciously?

While every year we observe International Day of Persons with Disabilities and National Disabled Day, the aim of which is to create awareness among people and extend support and provide adequate facilities to differently-abled persons, in terms of addressing the real needs of these people, we are still lagging behind. Although the government ratified the United Nations Convention on the Rights of Persons with Disabilities (CRPD) in 2007 and formulated Persons with Disabilities Rights and Protection Act in 2013, we have not achieved much in terms of implementation of the laws.

We have to make sure that persons with disabilities have equal rights like everyone else in the country. They should be given an environment where they would be able to prove their talents and should not be left out of the mainstream education. That's why formation of specific rules for the students with disabilities is so important. We now hope that the government would implement the HC order as soon as possible.

#### LETTERS TO THE EDITOR

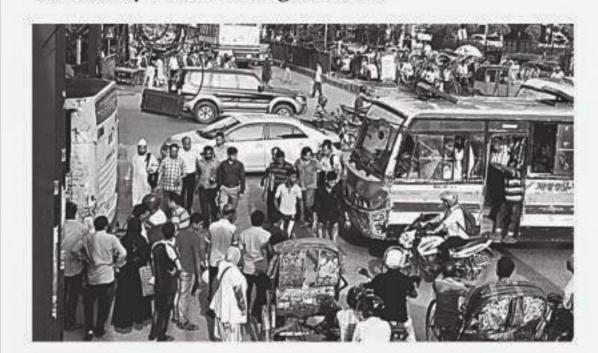
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#### The problem of jaywalking

Road accidents have a become a common phenomenon in our country; it has become a part of our lives. Unfortunately, pedestrians contribute to this scenario by not following traffic rules. A few days ago I saw a lady trying to cross the road with her school going girl. At that very moment, a speeding bus arrived and had to pull off a stunt to save the two. A tragic accident could have occurred had the bus driver failed to adjust the brakes at the right time. Although there was a foot overbridge nearby, the lady decided to jaywalk with her little

girl. In order to encourage pedestrians to follow traffic rules, effective campaigns should be undertaken by the government. Besides, fine can be slapped as well to discourage people from jaywalking. Effective administrative initiatives are needed to save unwanted loss of lives on the roads.

Syed Asaduzzaman Suhan Chowdhury Para, Malibagh, Dhaka



# Hallmark's return to the headline

### How the government should proceed with recovering the money the company embezzled



T'S been a while since ▲ the Hallmark Group has been mentioned in the news. Except for when it has been used as an example of severe corruption and criminality, to

illustrate the grave consequences that arise when certain principles and rules are ignored. This makes its return to making the headline all the more relevant—and surprising at the same time, considering why its back.

According to newspaper reports, Finance Minister AHM Mustafa Kamal, after a meeting of the cabinet committee on economic affairs and another with members of Sonali Bank and representatives of the Hallmark Group, hinted at the possibility of the government granting the disgraced group certain concessions that may allow it to return to doing business. He said, "You have to believe that Hallmark will pay back the money. They will start business again." When asked what type of new

arrangement will be made available, however, he replied, "You all would know in due time when the measures would be taken," thereby leaving the door open for speculation—and the issues of whether the money the group embezzled would actually be recovered and how, unconfirmed.

Among the questions that his statements raise, is how the fate of those members of the group who had been found guilty of criminal behaviour, would be affected by any future decision—if they are to be affected at all. In that regard, it is important to remember that this is not just an ordinary case of loan default. But involved serious acts of criminality and fraud.

To refresh our memories, the forgery of the Hallmark Group in the Ruposhi Bangla Branch of Sonali Bank had occurred for two years-from 2010 to May 2012—before being first detected in three branches by a GM of the bank in January 2012. After finding proof of massive irregularities in lending by

the state-owned bank's Ruposhi Bangla Branch, the Bangladesh Bank had asked the Anti-Corruption Commission (ACC) to investigate the matter. The probe by the central bank had found that "Sonali Bank high-ups, including a deputy managing director, a general manager and the branch manager, were directly involved in the scam" (Hallmark loan scam under ACC probe, August 14, 2012, The Daily Star).

The ACC found Sonali Bank's Ruposhi Bangla Branch gave Hallmark Tk 1.568.49 crore in funded loan (money given in cash) between October 11 and May 22. And on October 7, 2013, the anti-graft body pressed charges against 25 people in 11 cases for swindling over Tk 2,600 crore out of Sonali Bank, including "Hallmark Chairman Jasmine Islam, Managing

process. But mainly the bank did not succeed as there were problems with much of the paperwork of these assets—such as land deeds. And people were unwilling to purchase the mortgaged assets, fearing it may invite trouble for them in future.

This brings us back to the question of recovering the stolen money.

At the end of the day, it is true that all attempts should be made to recover the money that Hallmark, with the help of some Sonali Bank officials, stole from the state-owned bank. As ultimately, this money had been taken out of taxpayers' pockets.

However, the way it was siphoned out was through sheer fraudulence. And those who were responsible for this, had committed some very serious crimes.



Director Tanvir Mahmud, Tusher Ahmed, the then managing director of Sonali Bank, Humayun Kabir, and a union parishad chairman in Savar who issued fake trade license to the controversial business group" (Loan scam: HC clears way for trail of Hall Mark GM, March 16, 2016, The Daily Star).

In order to recover the money, Sonali Bank tried 60 times to sell the mortgaged assets of Hallmark Group in five years, but failed. Its attempts were thwarted on occasions by defaulters filing writ petitions with the High Court to stop the auction

Which is why, in the interest of justice, pardoning them for their crimes in any way should be completely off the table.

But so is recovering the money through auctioning off the assets of Hallmark, it seems, given how things currently stand. But does that mean that there are no other alternatives? Not at all! Sonali Bank had already previously approached the government with two alternative proposals. One was to turn the land of the Hallmark Group in Gazipur into an economic zone; and to sell the plots to industrialists to

recover the fund.

And the other was to set up a company with an initial capital of Tk 500 crore, which would be owned by the state-run Investment Corporation of Bangladesh (ICB), Sonali, Janata, Agrani and Rupali, with each contributing Tk 100 crore. The proposed company would purchase the properties of defaulted borrowers put up on auction by banks at the market price. Now granted that the Hallmark case is not a case of a "typical defaulter"; however, this option could still help bring down the overall amount of default loan in the banking sector.

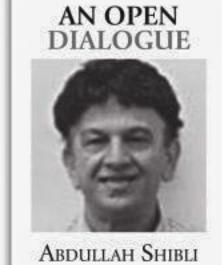
And in the specific case of Hallmark, what the government could do is establish a special committee or platform that could solve the various issues related to the company's assets, restart the operations of its businesses and then look to reprivatise them. If it can successfully do that, then potential clients might be more willing to buy the assets—or businesses—of Hallmark, making the recovery of the money it stole easier or, at least more likely, compared to what it is right now.

What the government should categorically not do, is seek to reinstate those who have been found guilty of committing crimes, back into positions of power or influence, or to lighten the punishments they have been given, for those crimes. As not only would that give rise to the problem of moral hazard, but it would also deal a grave blow to justice itself. And that should be totally out of the question.

Although not exactly the same, there are many cases that are similar to that of Hallmark's that are plaguing our banking sector. And the government should understand that if an example is set, where those who have been openly found to have committed serious frauds, that have resulted in the embezzlement of hundreds of crores of taka from the public exchequer, are forgiven, then others would be emboldened to do the same. Instead of enabling such a scenario and facilitating an environment of impunity, the government should set an example by letting justice continue to run its due course in this case.

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# Brexit: How will Boris Johnson play this game of strategy?



am sometimes asked by **■** my family members and confused friends to explain Brexit and the drama that is unfolding every day in the United Kingdom. At a pool party last Saturday,

after the threat of Hurricane Dorian off our coast had barely subsided, my long-time cricketing friend Mahdi commented with exasperation, "I have been following Brexit for more than three years, but I am not sure I understand a bit of what is the problem with the British public! Can't they make up their mind once and for all?"

I was going to tell Mahdi that the problem does not lie with the public, but with their politicians! Even a casual observer of the shenanigans in the British Parliament will confirm that the three-plus years that have elapsed since the voters decided to leave EU in a referendum in June 2016 is evidence of the disconnect that exists between the ruling class and the masses. And British politicians, who have honed their skills at chicanery over centuries of colonial rule and domestic intrigue, are now engaged in another master game over Brexit.

It is clear that Boris Johnson, the British Prime Minister, wants to pull UK out of EU by October 31 as planned. And one cannot blame him for his "do or die" stance. Since the referendum on Brexit on June 23, 2016, he has been a staunch advocate of leaving with or without a deal with EU, no matter what the cost of the latter option is. And the Tories gave him the mantle of the PM on July 24 based on his commitment to leave the EU by October 31, Halloween Day.

Unfortunately, Johnson's hands are tied by the Parliament in more than one way. It has now forbidden him from leaving without a deal with EU. Currently, there is no deal on the table that the

Boris Johnson still believes that if he holds steady and stays on course with EU by asking for no extension, Brussels will take his threat of a nodeal Brexit seriously to give him what he wants, a revision of the Brexit divorce deal.

Parliament will approve. The deal, secured by Theresa May after two years of negotiations with EU, was voted down several times by the Parliament. So, Boris Johnson only has six weeks, until October 19, to extract some concessions from EU on the Irish Question, also known as the "backstop". The backstop provision was included in the existing deal at the insistence of Ireland to avoid a physical (or "hard") border between Ireland and Northern Ireland which is part of the UK.

Therein lies the problem. October 31 is fast approaching, and Boris Johnson has not scheduled any new round of negotiations with EU to modify the deal. EU has repeatedly declared that it will

a better deal and without an Irish backstop. Brussels would then roll over and give what Johnson needs to have the revised deal passed by the British Parliament. The second possibility is for the Labour Party to join the Conservatives and schedule a general election in October. Opinion polls show that pro-Brexit hardliners would gain a majority in the new parliament and either approve the existing deal (which Johnson would not want anyway) or agree to a "nodeal" Brexit.

So, as outlined above, for Boris Johnson who is now playing a highstakes game of chess, the players he is dealing with are his opponents in the British Parliament and EU. With EU, his

EU by asking for no extension, Brussels will take his threat of a no-deal Brexit seriously to give him what he wants, a revision of the Brexit divorce deal.

With the British Parliament, he hopes to keep it prorogued to silence any naysayers. That will rule out further interference from the pro-EU group if he decides to negotiate with EU or seek an extension. In either case, he wants to come out with a victory sign!

Now, what about the option to delay Brexit? In a speech on September 5, the PM ruled it out categorically and said that he preferred to "be dead in a ditch" rather than ask for another Brexit delay. He rallied his supporters by pointing



A handout photograph released by the UK Parliament shows Britain's Prime Minister Boris Johnson speaking in the House of Commons in London on Tuesday, Sept. 3, 2019. PHOTO: JESSICA TAYLOR/UK PARLIAMENT/AFP

not work with UK to amend the existing options are limited: to seek an extension out that a delay was costly for the British contract, which was crafted over two years of protracted negotiations. In other words, the unanimous EU strategy is "take it or leave it". But, Boris Johnson is not prepared to take it because the Parliament will not approve it and he can't just "leave it" since the Parliament just voted to forbid a "no-deal Brexit" and seek an extension until January 2020 if a deal cannot be reached.

Boris Johnson's detractors suspect, and some of them have said it openly, that he wants to wait until one of two things happen. The first possibility is for EU to bend after it realises that Johnson means it when he warns that he would take out UK without a deal, i.e. crash out of EU. Then EU would give in to Johnson's demand for or call for immediate negotiations. With his parliamentarians, he has decided to shut them out by suspending the Parliament. In August, the government used the sovereign's powers, through the Privy Council, to prorogue (suspend) Parliament for five weeks starting September 9.

But, he cannot win the game unless he gets a new election and can crash out. The leader of the opposition Jeremy Corbyn had earlier wanted a general election. But now Corbyn is opposed to it since he knows that Johnson will be victorious with an even greater majority in the new parliament.

Boris Johnson still believes that if he holds steady and stays on course with

economy. While his numbers have been questioned in the past, he repeated that the continued membership in EU "cost a billion pounds a month, it achieves absolutely nothing," and asked, "What is the point of further delay?"

But there is another possibility. What if he does not negotiate with EU and lets the deadline pass? Well, on November 1, UK will find itself freed of EU regulations but shy of a free-trade agreement with EU. Will Boris Johnson be found guilty of breaking the law? Let us all wait until events come to such a pass!

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