

Casino Bengal and a deep-seated malignancy

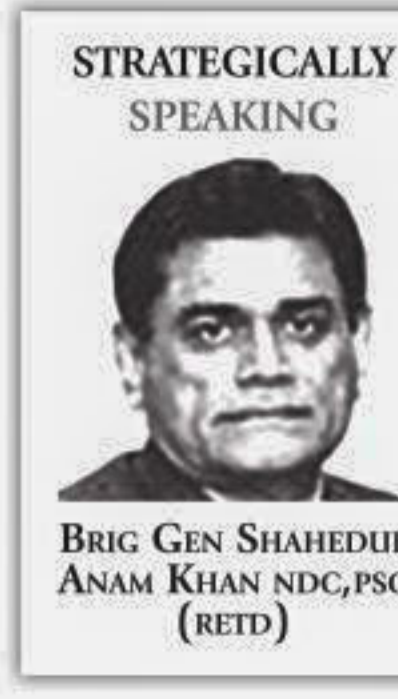
IMF report on loan defaults alarming

Stricter credit discipline should be enforced immediately

THE revelations of the International Monetary Fund (IMF) regarding the state of defaulted loans in our banking sector is disturbing, if not entirely surprising. According to a report published by the international money-lender, the amount of bad loans is actually double the figure presented by the Bangladesh government. This is in part the result of policies and practices that not only enable banks to mask their default loans as rescheduled loans and "special mention" loans, but also allow big loan defaulters to go about their business unfettered. The large borrowers have exploited the stay order by the court which has caused a large amount of this money disappear from the CIB database, and the banks can also report them as non-classified. This has resulted in the stunted amount of default loans as reported by the authorities. According to the IMF, these loans, along with those in special-mention accounts, should be counted as problem assets. As of June 2019, the total amount of problem assets stands at a staggering Tk 240,167.17.

The number is shocking, but what is even more alarming is the fact that most of these defaulters are well-connected and influential businessmen, who have realised that "there is no palette to enforce repayment of their loans," thanks to the constant rescheduling and restructuring of their loans with the help of the central bank. Bangladesh Bank has issued NOCs to banks on a case-by-case basis to reschedule defaulted loans. This has sent a very wrong message to the defaulters. Moreover, the central bank's backtracking on the principle of imposing strict discipline on distressed borrowers is sending out the wrong signal to these unscrupulous businessmen—that the banks are rewarding financial malpractice, or at the very least, bad credit decisions are being encouraged.

The finance minister is expected to meet with the IMF on the sidelines of its annual meeting to be held between October 14 and 20, to work on the next plan of action. We hope he will take cognizance of the recommendations of the international money-lender and work out a feasible plan to not only discourage such financial malpractices and bring the culprits to book, but also to make sure that the country's resources are made available to the financial sector to facilitate further growth and enforce stricter credit discipline. The government should also take measures to increase interest rates of defaulted loans in order to put additional pressure on the defaulters. The country's robust economic growth should not be allowed to stall due to the malpractices of the habitual defaulters.



BRIG GEN SHAHEDUL ANAM KHAN, NDC, PSC (RETD)

WHAT we have witnessed over the last week, namely, the "discovery" of a large number of casinos, is another instance of the prevalent corruption in, and of, our society. While we have

often heard the prime minister expressing her resolve to make the country prosperous and rid it of all ills, it seems that some members of the Jubo League—passing themselves off as "youths" although God knows some of them are old enough to be grandfathers—are hell-bent on making Dhaka the Las Vegas of the East, or Macao of South Asia. And were they not nabbed on a sultry night on September 18, and not a day too soon, they might have succeeded in emulating those casino kingdoms and fulfilling their aim sooner than our prime minister would have hers!

A Pandora's box has been opened and the cat is out of the bag. It beggars belief that as many as 60 casinos were operating in the city, some right under the nose of the police. And one such joint shared a common wall with a police station. But the public is expected to believe that the police, who are otherwise very alert and active when it comes to nabbing extremists, did not get wind of these illegal gambling dens till now.

The whole casino episode, organised and run by some office-bearers of the Jubo League, exposes some disconcerting pictures. It shows that corruption has become a malignancy eating into the very fabric of our society where breaking the law, not abiding by it, has become the norm. It also shows the decrepit moral standard of the ruling party's youth wing, and the close nexus between the culprits and some members of the law enforcing agencies. Above all, the image of the police force as a whole—which is expected to enforce rule of law and act against the lawbreakers belonging to the ruling party without a green signal from the right quarters—has been stained.

The degree of promptness of the police in discovering so many gambling establishments is really amazing. And that leaves us wondering whether these casinos had sprouted up overnight. Reportedly, the home ministry had instructed the police to take action against the casinos in 2017. And the gambling machines, as media reports have pointed out, were imported in 2015/2016. But nothing was done.

The cancer of corruption has pervaded the very fabric of our life in a manner that

besmirched the reputation of not only our highest seats of learning, but also the teachers who work there.

As for the health of our banks, a report published in this newspaper on September 26 informs us that the actual quantity of bad loans is twice as large as what is acknowledged officially. The report also said that important and connected borrowers default "because they can." What it left unsaid, however, was that these habitual defaulters default because the rules are bent or reformulated

act against illegal activities and nab the perpetrators without being prompted by any quarters?

We are told that the move against corruption is a cleansing operation. Like charity, purging the ills and the ill should also start from home, but it would be an incomplete exercise if this operation is not extended from the errant party cadres to all segments of the administration.

It was noticeable how quickly the Jubo League leaders distanced themselves from those who were arrested in the recent drive, the very people they were seen with in various programmes in the past. The denial mode is predictable, but the narrative that those arrested are all infiltrators is really a fig leaf that cannot hide the complicity of some responsible quarters or their dithering to act decisively against the wayward party apparatchiks. It does not help either when AL ministers say that corruption was institutionalised by the BNP government and that the BNP had started the casinos during their time. Ten years of being in power is too long a time for such justifications to wash with the public.

The Jubo League leaders caught in the illegal acts are not without their godfathers. And there are innumerable beneficiaries of the illegal earnings up and down the line, both in the administration and the party with an uninterrupted supply chain of illegal money. They are the ones that must be got hold of first if the current drive is to bear any fruit.

It is regrettable that the basic safety from the societal evil—which is the bounden duty of the politicians and the police to provide—has not been fully guaranteed to the people. It is said that a nation gets the leaders it deserves; but it may be worth remembering what Robert Kennedy once said about criminals and policemen: "Every society gets the criminals it deserves. What is equally true is that every community gets the law enforcement it insists on." We do not deserve the former and certainly wish to have the kind of law enforcement that can earn the respect of the people.

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Police raided the Arambagh Kriya Sangha and three other clubs in the Motijheel area of Dhaka on September 22, 2019.

PHOTO: RASHED SHUMON

has the potential to destroy the nation from within. All major institutions of the state, from the public universities to public banks to other government agencies and departments, are vying to outdo one another in that respect. What impression will one get, for example, from the report that the University Grants Commission (UGC) has initiated an investigation into the alleged corruption of the vice-chancellors of 14 public universities? In two of these, students are agitating for the removal of the VCs. These corruption charges against the VCs have

to allow them to do so.

Equally affected by the cancer of corruption are the law enforcing agencies. We are not surprised by their prior inaction in the casino case, which was either out of ignorance—which is hard to believe—or because of their own complicity—which quite seems to be the case (given the circumstances surrounding the operations of the casinos). One wonders why the police had to wait for intelligence reports and instructions from the highest quarters before taking action. Is it not the duty of the police to

Eliminating child labour

A lot achieved but more needs to be done

ANY social problem has to be addressed by both the government and the society at large, more so when it involves an issue as important as child labour. The redeeming feature is that there has been good progress in ending child labour in Bangladesh. Over the last ten years, the number of child labourers in the country has decreased from 7.9 million to 3.45 million, according to the BBS data. While that is the positive side, what is of grave concern is that reduction in the number of children engaged in hazardous work has been only marginal. It is worth noting that child labour has decreased in the rural areas and fewer children are working as house help. But the fact that there are nearly four million children engaged in working to supplement their parents' income is a discouraging picture.

Admittedly, child labour is a daunting issue in Bangladesh particularly, and eradicating it has to take into consideration the causative factors that compel parents to employ their children when they should be actually going to school. And hazardous work, regrettably, pays more than the more sedentary work (if there can be any work sedentary at all for children).

Admittedly too, the problem needs a step-by-step approach to see the end of the phenomenon. The government is signatory to the international conventions on the rights of children and has formulated the National Child Labour Elimination Policy that puts forward a well-defined six-point strategy. However, the reality is that children under the age of 14 are working for an average of 64 hours a week, and children as young as 6 employed full-time and others are working up to 100-110 hours a week. On average, the working children earned less than USD 2 a day. That is according to a survey conducted not very long ago. For any strategy to bear fruit, it has to be enforced. And awareness and affordable, if not free, school are two factors that the government must push vigorously on a priority basis.

SHAMSUL BARI

THE United Nations observes September 28 as the International Day for Universal Access to Information, informally known as the International Right to Know Day. It is one of the 165 annual international days declared by the UN to raise public awareness about global problems, to remember and commemorate past events, and to celebrate culture, nature and world heritage.

Not all international days are, of course, marked with the same dedication everywhere. In Bangladesh, we observe the International Mother Language Day on February 21 more elaborately than any other country. But we do not observe most other international days with the same passion. So why pay attention to this particular day?

This day honours the right of citizens to information, a right which came into prominence after the end of Cold War and the emergence of new democracies in the early 1990s. In the nearly 130 countries which have the Right to Information (RTI) laws—including Bangladesh since 2009—this has particular relevance.

As citizens of a democratic state, we are the owners of all powers of the state. The RTI law is a concrete demonstration of that. It provides the citizens with a legal basis to play an oversight role and scrutinise the work of the government and all other public authorities. They do so by asking for information, documents or data from them, without having to give a reason. The idea is to make governance more open and accountable to the people.

By accessing such information, citizens get to know how public offices go about doing their jobs. They learn if public officials abide by the laws, rules and policies that exist. And, when the information reveals wrongdoings, they may seek corrective measures. Of course, this is an ideal which may never be achieved fully, but that is no reason not to strive for it.

This day gives us an opportunity to take stock of the state of affairs of the RTI regime in our country. It is a day for a deeper reflection on the law. In Bangladesh, we have reasons to be both happy and concerned about the performance of the RTI law on its 10th birthday. It is remarkable that a law which has challenged our secretive official culture has survived all these years. We have embarked on an encouraging beginning; no mean achievement given the revolutionary nature of the law. But to reap the harvest, we have a long way

UNIVERSAL ACCESS TO INFORMATION DAY

Time to move up the ladder to maximise RTI effects

to go. If any particular group of people deserves credit for having set us on this path, it is our most disadvantaged and marginalised communities. When the overwhelming majority of the population remained unaware of, or uninterested in, the law, and when very little use of it was being made by the middle and educated classes, members of these communities came forward to put it to use. RTI helped them access benefits under the government's safety-net programmes. These communities came to know about the RTI law and its use thanks to

benefits but for transparency in governance and accountability-seeking purposes, which are the basic objectives of the law. Though this type of use has been limited so far, public officials dealing with the RTI requests are getting better at responding. Here too, NGOs have helped by generating more RTI requests, and the efforts of the Information Commission over the years in training public officials have borne fruit. We know that governments all over the world are normally not very keen to promote the law for well-known reasons. But so far, our government has provided

Citizens often complain that the Information Commission does not treat RTI applicants and government officials equally at the complaint hearings. The commission should encourage citizens and not discourage them. As we observe the day today, there should be frank exchanges between the two sides on the matter.

The commission too has concerns about the way some RTI activists have used the law, apparently to embarrass public officials or malign them or for other illicit goals. Anything that harms the application of the law harms us all. The law is meant to be beneficial for all citizens, including public officials. Without a proper understanding of the mutual interests of both sides in a fair application of the law, its benefits will not reach everybody.

How should we assess the progress of the law so far in Bangladesh? Using the football league analogy, we could perhaps say that after ten years, RTI in Bangladesh is still caught in the Third Division. To move up to the Second Division, we must move away from using the law primarily for private and micro-political goals to matters of public interest and macro-political goals. For the former, much of the information can be made available online, as is the case in many countries already. They include those on government services, licenses, policies, budgets, tenders, etc. However, for information relating to accountability-seeking purposes, such as government performance and decision-making, there is no alternative to formal written requests. Unless we learn to use the RTI Act for such purposes, we shall not enjoy the real benefits of the law, nor shall we move up the ladder.

And to move up to the First Division, we will have to learn to use the law for political mobilisation and public oversight on more sensitive governance issues. For that to happen, we would need citizens who already have some power—scholars and academics, professional groups like journalists, lawyers, doctors, engineers, teachers, as well as political workers—to make use of the law. So far, most of these people are either not fully aware of the law or are reluctant to use it. The government too should take note that if we are unable to show better results in this regard, we shall not be able to show success on a key requirement of Goal 16, of the UN's Sustainable Development Goals (SDGs), which relates to peoples' access to information.

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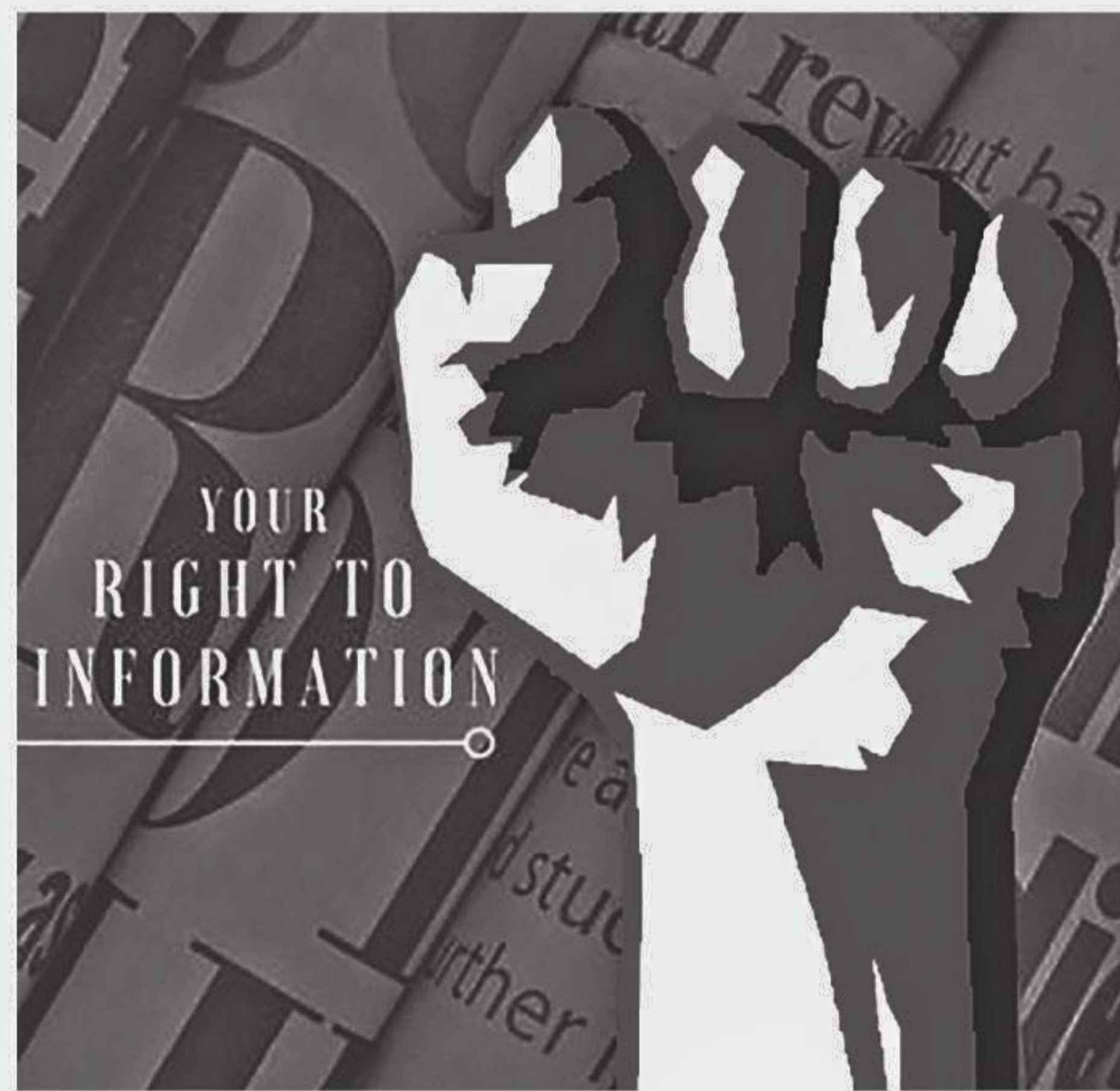


ILLUSTRATION: NAHELA NOWSHIN

a number of NGOs. These organisations made sure that illiteracy and lack of access to power did not hold the communities back. And without their requests for information, in those early days, even the authorities would not have known about the existence of the law, despite the trainings/briefings they received from NGOs and the Information Commission. The latter must be commended for its efforts as well.

So where do we go from here? We should graduate to the next station in this path—using it not only for access to

the necessary support to the RTI system and, equally significantly, has not blocked its way.

As funding for NGOs in this area is unstable, the government should consider making funds available to them to carry on the good work. The government should also ensure that the Information Commissioners are selected objectively. Without independent-minded commissioners, the Information Commission cannot earn the respect of the citizens, which is essential for the success of this law.

LETTERS TO THE EDITOR

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Promote sustainable tourism

Since 1980, the World Tourism Organization (UNWTO) has celebrated the World Tourism Day on September 28. This is an important day as it highlights the importance of travelling, which is getting increasingly popular in Bangladesh. Bangladesh has many tourist destinations and, if properly promoted and essential services are ensured for the tourists, these can be a steady source of revenue for the government. The country is well known for its natural beauty and rich diversity. It boasts many rivers and archaeological sites which can also be targeted by the tourism ministry. But while doing so, we need to remember that preserving the environment and local culture is very important, otherwise this growth won't be sustainable.

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