

# Government's genuine commitment alone can stop money laundering



AMIR KHASRU

**S**OMETIMES the people of Bangladesh tend to forget a horrible incident because it gets overshadowed by even worse incidents that

happen one after the other. The result is that our reactions to all these events gets dulled.

The current government came to power by declaring war against corruption. There is no need to analyse its implementation. From the beginning of 2019, the policymakers of the ruling party announced a campaign to catch the corrupt and money launderers. The casino scandal began to unfold in September of that year. It saw the arrest of some low-level leaders of the ruling party and some people who were sheltered by prominent names. Hundreds of crores were smuggled by that circle, and all the sordid details came to light. Many believed that tougher steps would finally be taken this time! However, in a short time, all that hype died down and no one noticed.

But the questions remain. For instance, how much money was recovered? Moreover, where did all this money end up? According to the media reports, there were several big names involved (behind the scenes), who are they? How were illegal activities like these casino operations going on for so long under the noses of the law enforcement agencies? Were the statements made by the policymakers in the parliament during the casino scandal just a matter of uttering some words, or did something change because of it? No answer was given to the public.

Then, as usual, everything calmed down. Suddenly, the Kuwaiti

government dug up the massive illegal financial activities of Shahidul Islam Papul, a ruling party MP, in late 2020 and January 2021, and he was arrested and imprisoned. In January this year, it was revealed that PK Haldar, the managing director of a bank and financial institution, had smuggled thousands of crores of taka from banks and financial institutions abroad.

Most notably, a culture of impunity or dispensation has been established in Bangladesh with the help of political affiliation, involvement, or circle of influence, where nothing will happen if the perpetrator belongs in that circle, as the general public believes. The entire administration, including law enforcers, also took advantage of this. A notion has also been established that the law is always for the general public, not for those born into society's "extraordinary" class.

No matter which government comes to power, they always declare that they are against corruption in their speeches and statements and immediately announce strict anti-corruption measures. Even after the fall of the dictator General Ershad, the three alliances made such an announcement.

Money laundering is a significant topic of discussion in Bangladesh at present. However, this isn't something new. According to the US-based Global Financial Integrity (GFI), an average of USD 7.53 billion, or more than Tk 64,000 crore, is laundered out of Bangladesh every year—and that is only trade-based money laundering. No one has an accurate estimate of how much money in total is being laundered from Bangladesh every year. However, analysts believe that the overall amount of money laundered is many times more than what is laundered through just trade. According to UNCTAD, about 36 percent of Bangladesh's revenue is smuggled abroad every year. According to another GFI report, around USD 11.53 billion was laundered from Bangladesh in

2015 alone. Although at least five state institutions are working to prevent money laundering in Bangladesh, no accurate information on money laundering can be found from them. But there is some information available on money laundering—for example, many people know about the scandals surrounding the "Begumpara" in Canada and "second homes" in Malaysia.

In late 2020, information was provided by a Canadian state organisation that 28 Bangladeshis had homes in Begumpara, Canada. On November 16, 2020, Foreign

was obtained due to agreements with various international organisations. It is still unknown what happened to the court order. Meanwhile, the Malaysian authorities have given a list of 36 Bangladeshis, including 15 politicians, who made Malaysia their second home, to the Anti-Corruption Commission.

Nevertheless, on June 7 this year, the finance minister told parliament, "If you know the names of the money launderers, give them to us. It will be easier to take action against money launderers if the money launderers cooperate with that information." This statement is not surprising.

*A notion has also been established that the law is always for the general public, not for those born into society's "extraordinary" class.*



Minister AK Abdul Momen told the media, "Initially, we have found some truth. Of the 28 incidents, most were government employees. It was thought the number of politicians would be more. However, it turned out that there are only four politicians and the rest are government employees and others." In this regard, the High Court, on November 22, 2020, issued instructions to the Anti-Corruption Commission (ACC) and other concerned agencies to find out who the government officials were. However, the ACC informed the court that their names could not be disclosed even if the information

In the same vein, on June 9 this year, the foreign secretary told the media that as there were no laws, it was not within the jurisdiction of the foreign ministry to collect information on the money laundered to Bangladesh through embassies.

On June 15, the chairman of the Anti-Corruption Commission said that money launderers could not be caught due to a lack of specific information.

On June 12, the health minister told the media that money from other sectors, not health, had gone to Canada. At present, five state institutions including the ACC are

working to prevent money laundering. However, there is a lack of coordination among these organisations. And there is no official instruction to specify work or outline for coordination among these organisations.

Many people talk about good governance in the banking sector—former adviser to the caretaker government Dr Mirza Azizul Islam told the media on July 6, "There is a lack of good governance in the banking sector. Those who are not supposed to get loans in illegal cooperation with the people inside the bank are getting loans. Eventually, money is smuggled abroad or laundered. There is currently no penalty for snatching bank money; they get rewarded." Good governance in the banking sector can only be ensured when the government actually keeps its promise on fighting corruption. However, as long as the government does not show genuine commitment, money laundering will not stop. The situation is such that what is being said on preventing money laundering is nothing more than empty words. There is no one to stop the smuggling of people's money abroad and that is what's most unfortunate for the country and its ordinary people.

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## Combating Covid-19 and ensuring no one is left behind

ARMIDA SALSIAH ALISJAHBANA, KANNI WIGNARAJA, and BAMBANG SUSANTONO

**I**F the world wants to beat back the Covid-19 pandemic and ensure no one is left behind in the recovery, two issues thrown into sharp relief by the pandemic need attention: digitalisation and regional cooperation.

**Ensuring the digital transformation reaches all in Asia Pacific is one of the greatest challenges we face**

Even before Covid-19, the digital revolution was transforming how people and businesses work. As the pandemic unfolded, the accelerated adoption of digital technologies helped governments, education, private enterprise and people keep activities going amid social distancing, lockdowns and other containment measures. High-speed internet connectivity and financial technology hold immense promise for deepening financial inclusion, and keeping local economies alive, even in times of crisis. Yet many poor households, women and vulnerable groups have been unable to afford or access the benefits of digitalisation.

Digital divides within and between countries in the region threaten to exacerbate existing gaps in economic and social development. We need more equitable access to digital technologies to drive innovation and create new business models.

**Regional cooperation must refocus on the Sustainable Development Goals**



A worker handles boxes of Covid-19 vaccines, delivered as part of the COVAX equitable vaccine distribution programme, at Ivato International Airport, in Antananarivo, Madagascar, May 8, 2021.

PHOTO: AFP

(SDGs)

Regional cooperation plays a critical role in managing the transition out of the current crisis, and a renewed focus on environmental and social dimensions of cooperation is essential. Working together can also help countries achieve digital transformation for all, including through joint efforts to develop and expand digital infrastructure, and legal and regulatory reforms that make these services more accessible.

The pandemic has exposed the inadequacy of the region's health, education and social protection systems, making life even more difficult for the poorest and socially excluded, and deepening inequalities within communities and countries, particularly for women. The crisis has shown the value of building universal social protection systems for all members of society—from infancy to old age—which can be bolstered to provide additional relief in times

of crisis. There have also been huge disparities in the ability of countries to insulate themselves from the pandemic and roll out vaccines. This is widening development gaps. A renewed focus on people, their well-being and capabilities is needed through regional cooperation.

In recovering from the Covid-19 pandemic, environmental sustainability needs to become much more central to economic, social and global value chain integration efforts. By building low-carbon economies, including through a new focus on industry and tourism sectors to generate green jobs, we can help create a more resilient region. While governments recognise the potential to pursue more environmentally sustainable development as part of recovery, much more needs to be done if we are to achieve the goals of the Paris Agreement on Climate Change and protect our planet's natural capital and biodiversity.

**Meeting the needs of people and planet**

These issues, highlighted in a recent joint report by our three organisations, warrant greater emphasis as countries meet this week to review implementation of the SDGs at the United Nations High-level Political Forum. Policymakers have necessarily focused on containing the pandemic and meeting peoples' immediate needs. Tangible action on the multiple interconnected dimensions of the SDGs poses difficult policy and fiscal

choices. Regional collaboration around financing can help countries raise and expand resources to meet the SDGs. Key priorities include cooperation on tax, through common standards, and efforts to address tax havens and avoidance. In addition, countries in the region can work together to design incentives to align private investment with the SDGs and expand the use of sustainability-focused instruments that tap regional and global capital markets.

Another form of international cooperation is worth noting. Governments, multilateral organisations, development banks, philanthropic organisations and the private sector have joined forces in unprecedented efforts to fight the pandemic, such as through the Covid-19 Vaccines Global Access (COVAX) initiative. Science, technology and innovation enabled by such partnerships will continue to drive countries' efforts to recover and build resilience.

Today, what begins as highly local can soon become a global phenomenon. A reinvigorated multilateralism can and must respond faster to take on new challenges and expand provision of public goods. Together, our organisations will seek to nurture such cooperation to achieve the SDGs.

Armida Salsiah Alisjahbana is the Executive Secretary, Economic and Social Commission for Asia and the Pacific. Kanni Wignaraja is the Assistant Secretary-General, United Nations Development Programme. Bambang Susantono is the Vice-President, Asian Development Bank.

### QUOTABLE Quote



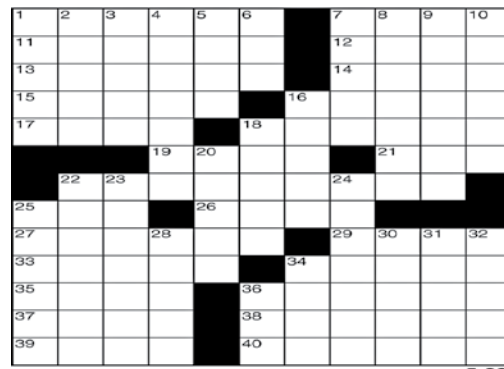
TRUMAN CAPOTE (1924–1984) American novelist

*Failure is the condiment that gives success its flavor.*

### CROSSWORD BY THOMAS JOSEPH

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|------------------------------|------------------------------|--------------------------|
| <b>ACROSS</b>                | 26 Bassoon's cousin          | 5 Ninny                  |
| 1 Shipwreck settings         | 27 Burger toppers            | 6 Junior, to senior      |
| 7 Baseball's "Georgia Peach" | 29 "Pygmalion" writer        | 7 Explorer John          |
| 11 Boxing combo              | 33 Singer Rogers             | 8 Rust, e.g.             |
| 12 Car bar                   | 34 Sculpting medium          | 9 Reformer Amelia        |
| 13 Try hard                  | 35 Falco of TV               | 10 Outwitted             |
| 14 Life stories              | 36 Safe haven                | 16 One of the Muppets    |
| 15 Pollute                   | 37 Bird on a Canadian dollar | 18 Tries finger painting |
| 16 "Waiting for —"           | Down                         | 20 Heavy wood            |
| 17 Went fast                 | 38 Tickled                   | 22 Unspecified woman     |
| 18 Tries fingerpainting      | 39 Post                      | 23 2 cents' worth        |
| 19 Noggin                    | 40 Some runners              | 24 Piquant               |
| 21 Last letter, in London    |                              | 25 Hicks                 |
| 22 Joke shop purchase        | <b>DOWN</b>                  | 28 Tipped                |
| 23 2 cents' worth            | 1 Goes for                   | 30 Congress half         |
| 24 Piquant                   | 2 Available                  | 31 Fury                  |
| 25 Puppy sound               | 3 Eagle's home               | 32 Hoe targets           |
|                              | 4 Wait                       | 34 Big truck             |
|                              |                              | 36 Farm male             |

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### BEETLE BAILEY



### BY MORT WALKER



### BABY BLUES



### BY KIRKMAN & SCOTT

