

Why don't we just get rid of the central bank!

We have already thrown all its rules out the window

IN a gross violation of its own rules – and not for the first time – the Bangladesh Bank (BB) has decided to allow an alleged money launderer, an alleged criminal, to reschedule defaulted loan of Tk 199 crore taken from Bangladesh Commerce Bank Ltd (BCBL) through forged documents. Furthermore, it gave permission to the bank that allowed this alleged money launderer, Shahjahan Bablu, to commit his alleged crime, to waive interest worth Tk 71 crore on the defaulted loan.

The BB's rules don't allow banks to reschedule any defaulted loans secured through forgery. And as per the investigations of several organisations, including the Bangladesh Financial Intelligence Unit (BFIU), Shahjahan Bablu defrauded BCBL out of Tk 199 crore (plus interest) through fake export bills. In addition, BCBL opened letters of credit (L/Cs) through five foreign banks that didn't have licences from the central banks of the host countries as of 2019 when the investigations were carried out. In fact, these banks are globally known as shell banks and the Financial Action Task Force (FATF), a global anti-money laundering body, strictly prohibits any transactions with such entities.

The fact that BCBL went along with this raises a very serious question: Are those who approved the loan at BCBL just incompetent when it comes banking norms, or were they in on it? And why did BCBL in November last year reschedule the defaulted loan and waive interest on it instead of pursuing legal action against the swindler as per law, that too, without informing the central bank – which later discovered the anomaly during an inspection. Does that not show criminal intent on part of BCBL? And why did BCBL suspend three of its high officials over their alleged involvement in the scam, only to withdraw their suspension? Were they found innocent through an investigation? Shouldn't the regulators be investigating them?

All these irregularities are happening because Bangladesh's financial sector has no regulations anymore. Even though the BB initially had taken a strong stance against the scam – rejecting BCBL's plea to reschedule the defaulted loan – it later backtracked after facing immense pressure from influential quarters, according to bank sources. Who are these people that decide what the rules are whenever they want? And why don't we just appoint them in place of the BB – and save some public fund in the process – since they have already replaced it in reality?

We condemn the BB for covering at the face of these "influential quarters" that openly support criminal activities. And for also failing to hold Shahjahan Bablu and those who were involved with him – directly or indirectly – in scamming depositors, whose funds it was in reality that BCBL gave to him. We are shocked by the blatant lawlessness that has gripped our financial sector, and worry that this will lead to a total breakdown of the financial system, the economy, and the country's legal system – if it hasn't already.

The lawlessness of law enforcers

Despite strong laws, why is torture still their go-to practice?

IT is unfortunate that interrogation by law enforcement in the imagination of the public has become synonymous with torture and harassment. Can one really blame the public for this impression, given the regularity with which incidents of torture, including custodial deaths, take place in the country, the gruesome nature of the torture, and the culture of impunity enjoyed by law enforcers?

Only earlier this year, Wazir Mia – who died in police custody after being picked up on charges of stealing cows – was allegedly hung upside down from the ceiling and beaten mercilessly. Rabiul Islam, detained by the police on suspicion of being a gambler at a Baishakhi Mela, was reportedly beaten by five policemen till he fell to the ground and lost consciousness, leading to his death. If people can be treated so callously for mere suspicions of petty crimes, one shudders to think what happens when police take people to "remand" for serious crimes and get "confessions" out of them.

According to legal experts and human rights activists, investigations in the country rely heavily on extracting confessions from the accused rather than circumstantial evidence, and law enforcers often resort to physical violence and torture to extract confessional statements. What is most upsetting – and what fuels this unacceptable and unlawful practice – is the fact that law enforcers simply get away with it, even though Bangladesh enacted the Torture and Custodial Prevention Act in 2013 and the High Court Division of the Supreme Court laid down specific and detailed directions for law enforcement officers to ensure the arrestee's rights under the Constitution in 2016. Almost a decade since the law was enacted, only 24 cases have been tracked as having been filed for custodial deaths, and there has been judgment in only one case. Those who have filed cases report facing harassment and intimidation during the investigation and trial process, with the being result that many simply stop pursuing the case at one point; yet others reported not being able – or having the courage or financial means – to file a case to begin with.

When this is the grim reality for cases involving custodial deaths, what remedy can victims, especially petty criminals from poor and marginalised communities, hope for when they are tortured by law enforcement? It would not be an overstatement to say: None.

It is clear at this point that no number of laws and High Court directives, and no international commitments under human rights mechanisms, are going to deter our law enforcement from resorting to torture of arrestees and suspects, unless there is political commitment at the top. The government's systematic failure to hold errant law enforcers accountable has ushered in an era of lawlessness among law enforcement, which is deteriorating public trust in these essential public institutions.

Smugglers should not be rewarded



A CLOSER LOOK

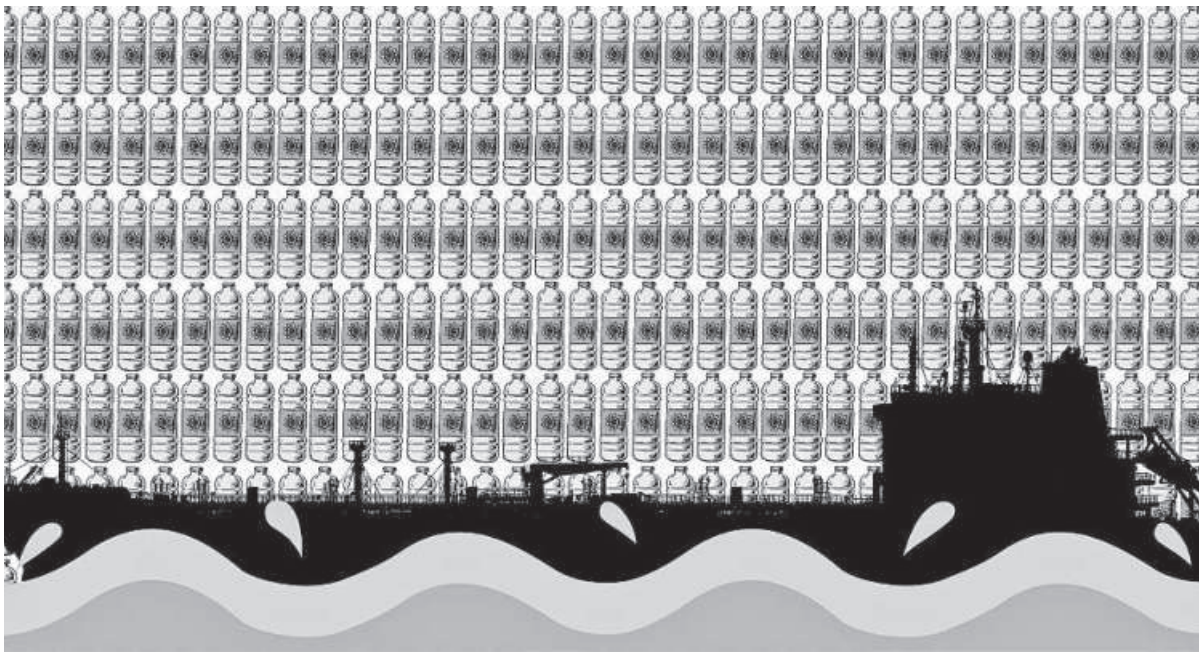
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BANGLADESH'S struggle with smuggling is not a new phenomenon – gold, drugs, humans, money, fuel, and now edible oil. In February, a lighter vessel, Tanisha Enterprise, was seized on the Karnaphuli river by Chattogram zone river police, which was carrying 11,000 litres of smuggled unrefined edible oil for sale in the open market. The value of the seized edible oil is estimated to be around Tk 8.80 lakh. The unrefined edible oil had been transferred to the lighter vessel from a mother vessel at the outer anchorage, which was carrying shipment for an edible oil company. Twelve people had been arrested during the drive for failing to produce any valid documents. The lighter vessel belonged to Harunur Rashid, a Jubo League leader in Ward-39 EPZ area of Chattogram, who also happens to be one of the leaders of the smuggling syndicate and its mastermind, as reported by the media. Although he was initially implicated in the case, no action has somehow been taken against him, and he is walking the streets and even attending political events as if he was a responsible, law-abiding citizen.

This incident has once again brought to the fore the problem of smuggling of imported goods from the ports. In December last year, in Pashur river, Mongla, another such drive exposed the smuggling of diesel from a mother vessel. The coast guard seized 2,760 litres of diesel in a trawler and held some of the smugglers. Unfortunately, it was not the first time oil was being smuggled. The harbour authorities of the Mongla port had informed the media that every month 80 to 90 local and foreign ships arrive at the port with goods and commodities from abroad, and leveraging this opportunity, a strong syndicate of criminals smuggles goods and commodities from the ships.

The same thing happened in Chattogram port. And there as well, on a regular basis, imported goods and commodities are smuggled from ships. What is baffling is that, although these are "known" facts, the authorities have done little to catch the smugglers and dismantle the syndicates. Perhaps that is because the smugglers are powerful people operating under the patronage of influential quarters. Take the case of



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VISUAL: STAR

The business syndicates are being accused of hoarding edible oil to manipulate its prices, and police have seized thousands of litres of edible oil in multiple drives.

Harunur Rashid, for example. Although the ship belonged to him and was being operated by him, he was not arrested in the case. According to reports, he got bail.

This not the first time that smuggled goods have been seized from Tanisha Enterprise. In August last year, in the estuary of the Karnaphuli river, 13,000

litres of unrefined palm oil had been seized from the same vessel by officials of the Coast Guard East Zone. Later, when the case was handed over to customs, no action was taken. Apart from this, Harun stands accused in at least four cases filed with the Patenga and EPZ police stations – this daily reported citing police sources.

impediment in the supply chain, which is likely to push prices further up. Moreover, when goods are brought into the country through customs, the NBR is able to generate revenue from them in the form of applicable taxes and customs duty. And through the VAT imposed on goods, revenue is increased. By selling smuggled goods in the open market, the smugglers are depriving the nation of revenue, and also creating an alternative supply chain which is outside the scope of the mainstream economy.

Unfortunately, the authorities seem to have lost sight of these facts, which is why they are allowing smuggling syndicates to operate without fear. In view of the repeated smuggling cases, the possibility of the various authorities – including the port authorities, coast guards, police, etc. – also being culpable cannot be ruled out.

The government should hold them accountable for their failure in stopping the smuggling and nabbing the criminals. Special drives should be conducted immediately to arrest the criminals. If political patronage is involved, then the patrons should also be brought to heel for their involvement. These smuggling syndicates should immediately be dismantled, before further wound is inflicted on the national economy.

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Now, the questions is, if Harun is such a big shot criminal, donned with so many cases, how is he allowed to get away with his crimes scot-free? Why is he not behind bars, or being interrogated to unveil the bigger picture about the smuggling syndicate he operates?

Moreover, the Directorate General of Shipping issued licence for Tanisha Enterprise as a sand barge. Then why are food items, oil and other goods being shipped using Tanisha? Did they not check its license? Perhaps they did, but let it continue its operations because of the political patronage its owner enjoys.

And this is only one aspect of it. Selling of smuggled goods in the open market is a different kind of problem altogether. Take the case of edible oil, for example. The market for commodities, especially edible oil, has been volatile for the last few months due to the ongoing international crises. And the common people are having to bear the brunt of

Making the Padma Bridge towards Green Bangladesh



POLITICS OF CLIMATE CHANGE

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SALEEMUL HUQ

THIS past week, the entire country has been rightly celebrating the successful completion and inauguration of the historic Padma Bridge, which links the south-western part of Bangladesh to its northern and eastern regions with prospects of unhindered transport between the two major regions of the country.

However, while the prospects for economic progress are certainly most welcome, it may also be a good time to reflect on what kind of economic progress we should be promoting for the south-western part of Bangladesh. If it is merely a repeat of the kind of environment-degrading development that we have seen elsewhere over the last decades, then we may not be able to preserve the Sundarbans, which is the world's largest mangrove forest and a Unesco world heritage site – and our responsibility.

Fortunately, however, the Forest Department of Bangladesh has recently completed a very thorough Strategic Environmental Assessment (SEA) of the Sundarbans and the south-western region of the country that has unearthed some excellent recommendations on how the development of the region can be carried out with a Nature-based Solutions (NbS) approach. Such



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PHOTO: REUTERS

a development strategy will enable the region to grow without destroying the ecosystems that we are dependent on.

I will highlight just a few of the initial steps that would be needed to put such an eco-friendly development pathway in place.

The first step would be to set up a high-powered political body for the development of the region with the

Khulna division and the Mongla port at the centre of the planning. Both Mongla port and Khulna have the potential to become engines of green development, given the implementation of appropriate plans and investments.

The fourth development pathway to be devised is to find the right balance between agriculture, aquaculture, polders, and floodplains. This is quite a complicated challenge regarding which we have indeed made many mistakes in the past, but Bangladesh is now in a position to learn from its mistakes and make more nuanced and local planning decisions and by involving local communities in the planning process.

One of the newer aspects of our planning for this particular region is that it is perhaps the most vulnerable part of the country due to impacts of climate change. This is already apparent in the intrusion of salinity into both drinking and irrigation water in the region. Hence, adaptation to climate change for the people of the south-western region must be of very high priority if we want to avoid the otherwise inevitable climate migration that may occur.

Another new aspect worth developing is the potential of the Blue economy in our coastal waters, which has hardly been explored until now.

In conclusion, we are looking at two diverging development pathways ahead of us: A business-as-usual pathway (which will not take the environment into account and will simply exploit nature) and another more environment-friendly development pathway that will preserve nature while enabling a Green Bangladesh to emerge from the south-western region of the country.