

The Daily Star

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Food crisis again in the spotlight

FAO warning sums up a troubling time marked by a rise in food insecurity, poverty

In its latest report, the UN's Food and Agriculture Organization (FAO) has warned that Bangladesh is suffering from "severe localised food insecurity" owing to a number of factors including economic constraints, floods, high prices of major food items, etc. Poverty has risen too, it said, meaning that people's ability to buy food, even if it's available, has taken a severe hit. Having lived through such sobering assessments and forecasts for the better part of a year, we are hardly surprised by the FAO report. There is nothing remarkable except perhaps the recurring nature of these problems, and their seemingly inexhaustible capacity to exacerbate one another. One thing is evident, though: Unless we change how we are approaching these problems, their effects will continue to be felt long after any end to the Russia-Ukraine war, despite what state officials tell us.

A food crisis is, of course, the most pressing concern right now. It's important to expand the definition of food crisis to include factors other than nonavailability of food – such as an artificial crisis caused by exorbitant prices, and people's inability to buy. Bangladesh, from that perspective, is already having a crisis, with the poor hit particularly hard, as various studies suggest. It will be easy, and justified to some extent, to blame the government for all these, but it will be unfair to think the blame lies with it only. Perhaps a more accurate portrayal is one in which the government is both an architect and a victim of the present crisis, as it is allowing pre-existing governance issues or "legacy issues", as some experts called it, to mar its response to external challenges like the impacts of climate change and the war.

In case of the food crisis, one may ask: Why are we still paying "wartime prices" when global prices are falling? That was the subject of a recent report that showed that consumers in Bangladesh are having to pay as before despite steadily declining global prices, as imports of some major food commodities, including wheat and sugar, have slowed over the last few months. According to the FAO's price index, global food prices eased further in November. But because of falling imports and lack of efforts to adjust domestic prices, citizens continue to suffer. The government can blame the prevailing dollar and gas crises, as well as harvest setbacks caused by flooding, but it must look inward to know what made us so vulnerable to external shocks in the first place. Why is there still no functional monitoring system to check market manipulations? Where's the urgency to minimise people's sufferings?

To address the lingering food insecurity, the government must remove barriers to maximising food production, normalise food imports, prevent wastage in domestic food supply chains, punish greedy intermediaries and orchestrators of crisis, and most importantly, take steps to improve people's purchasing ability. It must address poor governance in the economic sector, which made us vulnerable in the first place.

Is Bangladesh Railway beyond hope?

Why are all of its projects running behind schedule?

We have no words to express our frustration about the continued poor performance of Bangladesh Railway (BR). The state-run organisation has not only failed to complete a majority of its projects on time, but is also running on losses year after year. According to our latest report, all of the 35 ongoing projects undertaken by the BR to expand its services are running behind schedule. This has, once again, exposed its inefficiency in implementing projects, and raised questions about its capability of executing such a large number of projects simultaneously.

Among the 35 projects, the deadlines for 25 have already been extended from one year to 11 years, while 11 of them saw cost escalations. The cost of one such project has even risen by a whopping 873.76 percent! Now, after several revisions, the combined costs of all these projects have risen by Tk 32,008 crore, meaning that while the initial cost of the 35 projects was Tk 1,08,020 crore, it went up to Tk 1,40,028 crore after revisions now. It's hard to justify such a huge cost increase. Had the BR done its job efficiently, without allowing corruption and irregularities to frequently get in its way, the money thus saved could be a great source of comfort at this time of economic turmoil.

Over the past few years, *The Daily Star* repeatedly published reports about the BR's lacklustre performance in project implementation, identifying a number of reasons for such a disastrous situation. Reportedly, corruption and irregularities of the project implementing authorities, poor feasibility studies and problems over land acquisition are some of the major reasons. Earlier this year, a report by the Implementation Monitoring and Evaluation Division (IMED) also found delays in material supply from abroad, frequent changes in project designs, changes in work scope, complications over appointing consultants and frequent changes of project directors as the key reasons for the time and cost overruns. But, unfortunately, no amount of reporting or revelation about its inefficiency and weaknesses could wake the institution up from its deep slumber, and take measures to rectify its mistakes and enhance its efficiency.

The result is, the railways ministry is the lowest performer in terms of project implementation among the five ministries that received the highest development fund allocations in the past decade from the government. According to an IMED report, the ministry could not even achieve the average ADP implementation rate twice in the last six fiscal years. Furthermore, it has incurred Tk 13,492.70 crore in losses between FY 2008-09 and FY 2019-20.

This situation is totally unacceptable. We urge the government to hold the BR accountable for its chronic incompetence and inefficiency as well as repeated failures in improving its services. It must prevent the wastage of valuable public money in the name of implementing development projects. The transport agency needs a complete overhaul to stop it from becoming a burden on the government and taxpaying citizens.

Destroying the economy to save the thieves



THE OVERTON WINDOW

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ERESH OMAR JAMAL

When the Awami League came to power in 2009, the amount of defaulted loans stood at Tk 22,481 crore. During its tenure in the government, that amount increased to a mammoth Tk 134,396 crore as of September 2022. This happened despite the government repeatedly providing scope for defaulters to reschedule their loans and allowing for the real amount of defaulted loans to be understated through accounting manipulation which, if calculated properly, might amount to more than Tk 2 lakh crore, according to Selim Raihan, executive director of the South Asian Network on Economic Modelling (Sanem).

Even the judiciary, which has not always had a less than stellar record in holding the executive branch accountable, has repeatedly expressed its disappointment at how different government institutions have failed to hold those responsible for the rising non-performing loans (NPLs) and financial scams to account. The High Court, for example, reprimanded the Anti Corruption Commission (ACC) on November 9 for its failure to complete the investigation of any of the 61 cases filed seven years ago over the misappropriation of more than Tk 4,000 crore from BASIC Bank branches. The court also chastised the commission for not prosecuting and arresting the main perpetrators, i.e. former chairman of the bank Sheikh Abdul Hye Bachchu, his associates, and the bank's board of directors.

The commission had filed cases against 153 junior officers in 2015 over a series of defalcations that nearly bankrupted the once profitable bank. But the bank's former chairman escaped prosecution in all of the cases, despite him being involved in the scams, as per the investigations of the Bangladesh Bank and the Office of the Comptroller and Auditor General (CAG). Similarly, the court also said that the fleeing of PK Halder, another major embezzler, from the country, even after the court slapped a travel ban, spoke of an unholy entente between different agencies to save the perpetrators of such crimes.

It has also been reported that bankers, including top officials of the Bangladesh Bank, have helped many perpetrators of embezzlement and other forms of corruption to benefit from such malpractices. The High Court, in fact, had ordered the ACC to take actions against 249 Bangladesh Bank officials, including three former deputy governors and six executive directors, involved in a number of financial scams worth Tk 3,700 crore, but to no avail.

On November 27, a High Court bench, while hearing a bail petition of a former official of Shahjalal Islami Bank Limited, which extended a loan of Tk 110 crore to the Bismillah Group, observed that the ACC was preoccupied with catching petty criminals instead of the big ones. In most cases related to embezzlement and shady loans, the ACC had failed to bring the perpetrators to justice – the owners of

Bismillah Group, which took about Tk 1,200 crore from five banks, for example.

Recently, the *New Age* reported that the Chattogram-based S Alam Group had taken more than Tk 30,000 crore from the Islami Bank Bangladesh Ltd (IBBL), which the business group controls, despite the group only being entitled to borrow a maximum of Tk 215 crore from the bank as per the existing rules. According to a Bangladesh

central bank's decision to remove its observer allowed scamsters to take loans, ignoring banking norms. If we deeply analyse the other financial scams that have occurred over the last decade, nearly all of them have the same story. And these stories draw a pattern.

The pattern seems to be, as the High Court observed, that an unholy nexus of powerful people has been aiding and abetting financial criminals



ILLUSTRATION: BIPOLO CHAKROBORTY

Bank audit report, the group used its influence in the bank's board and management to obtain the loan mostly through unethical mechanisms. The *New Age* report also quoted a senior Bangladesh Bank official as saying that the central bank did not allow its officials to conduct inspections freely into banks controlled by the group for unknown reasons. Nor did it approve their inspection reports and take action based on them.

Despite being one of the most profitable banks in Bangladesh in the past decade, Islami Bank had an observer on its board the whole time it was doing well financially. Usually, the central bank appoints such observers in banks whose financial health is poor – the observer is then withdrawn once the bank's financial health improves. But, as this daily reported on December 1, the opposite happened in the case of Islami Bank. The Bangladesh Bank observer in Islami Bank was withdrawn in March 2020 without any explanation and, ever since then, the bank has been caught up in all sorts of irregularities and chaos. Was that a coincidence?

According to Mustafizur Rahman, distinguished fellow at the Centre for Policy Dialogue (CPD), the

– some of them powerful individuals or groups themselves – to commit crimes that are ruining the financial health of our banks and is pushing the overall financial sector into the abyss. And this has been going on for so long that, at this point, it has become quite clear to everyone – except for the finance minister, it seems.

But the finance minister himself should have been aware of this – firstly, because it is his job, and secondly, because his predecessor himself had admitted in parliament that what was happening in the financial sector was plain and simply "dacoity." And that these dacoits could not be held accountable because they were being backed by his own party members.

Unfortunately, within the government at present, no other official seems to have the courage to admit what the former finance minister did – certainly not the current finance minister, who apparently seems unaware of what is going on in our financial sector. As for the government, it seems to be hell-bent on pursuing the policy of saving the perpetrators which, if it continues down its current trajectory, will ultimately end up destroying our economy.

Will things ever turn for the better for Harijans?



Mintu Deshwara is the Sylhet correspondent for *The Daily Star*.

MINTU DESHWARA

Recently, I visited Kulaura railway junction in Moulvibazar to talk to a railway official about the progress in the Bangladesh-India rail link project there. A colleague somewhat forced me to go to a nearby restaurant with him. It was quite crowded when we got there. We were trying to figure out why there was such a crowd when I discovered a small girl sitting on the ground, eating, in a dirty alleyway beside the restaurant. The scene rendered me speechless.

There was a lot of chatter inside the restaurant. I overheard some people say they didn't want to eat there because Harijans came to that restaurant to eat.

Then I met Tinku Lal Basfar, a resident of Harijan Palli, who also happened to be the girl's uncle. He told me that his niece, Bira, a first-grader, wants to drop out of school because she feels isolated from her peers. She is treated differently, considered an "untouchable," because she belongs to a lower caste Hindu community, more commonly known as the Harijans.

Every day, on their way home from school, her friends go to this restaurant for snacks. She tags along with them, donning the same uniform as they do. But while her friends are allowed into the restaurant, she's not. What she's

allowed to do is sit in an alley outside the restaurant – where its workers dump the garbage – and eat. If she asks for a drink of water, she is served in a dirty cup. Bira often wonders why she is treated this way, but can't figure out the answers to the questions that cloud her young mind.

Bira's friends also ask her why she's made to sit in a dirty place outside the restaurant, made to eat on a dirty plate. Some of them even tell her that's because her people are "cleaners."

Little Bira feels distraught by all of this. Sometimes she even asks her mother about it, but her mother has no answers. The reality, as painful as it might be to digest, is that Bira's mother, Daliya, is employed as a cleaner in the city. That is her job 365 days a year. Her "unpleasant" profession has now become a barrier to her child's education.

This is how it has been for generations of Daliyas and Biras – being subjected to humiliation and discrimination, because their job is to keep our cities clean. Has anyone ever wondered what would happen if, refusing to be treated with such indignity, they decided to stop doing their job? What would befall our cities, then?

We brag about development and

growth in our per capita income, but have they truly reached all corners of Bangladesh? Why are people like the Basfars made to feel such indignity? Why are they still treated as "untouchables"? Why is there no ray of hope for them when they think of their children's future?

We may be making progress on

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several indicators, but when it comes to treating every job and honest labour with respect, our society lags far behind. The humiliation that Bira faced exposes our narrow-mindedness, our lack of humanity.

I visited Daliya Basfar's house. Her family told me how the city used to be greener, how there was more space. Powerful people pushed them into a corner, marginalising them over time, encroaching their colonies further and further.

Article 27 of our constitution states,

"All citizens are equal before law and are entitled to equal protection of law." Section 28 (1) says, "The state shall not discriminate against any citizen on (the) grounds only of religion, race, caste, sex or place of birth." But the sad reality is this protection exists only on paper. It's not only Harijans – the sufferings of people from minority communities, people stricken with poverty are compounding day by day, all across the country. Equality is yet to be a reality in our society.

"There is no justice for us, anywhere," Bira's uncle Tinku Lal Basfar told me.

It would be fair to expect that, 51 years after independence, Bangladesh would be rid of all injustice, discrimination, exploitation and deprivation to build an equal and humane society. It would be fair to expect that children like Bira could eat at any restaurant she chose to, with her friends and classmates, and not be made to sit outside. It would be fair to expect that she would not be subjected to any discrimination based on her background and community. We have to move forward, united, and not leave anyone behind.

I hope Daliya and her family get justice. What has happened cannot be changed, but the government can stand with the Harijan community and help establish their rights as equal members of our society. The owner of that restaurant in Kulaura can be more empathic to those less privileged. The government can make efforts to fill up the gulf between it and the minority, marginalised communities in the country, and be more understanding of their plight.

Translated by Azmin Azran.