The Daily Star
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Ragging is nothing but abuse

UGC must hurry up with an anti-ragging policy

We are dismayed that despite all the reports in the media about the cruel ragging in public universities – a practice that can only be described as abuse – no policy has been formulated yet to ban it. Academics and rights activists have for long been demanding an anti-ragging policy with a clear definition of the term "ragging" so that offenders can be given strict punishment. So why has the University Grants Commission (UGC) still not been able to come up with this much-needed policy?

The extent of the physical and mental abuse in the name of ragging has come to the limelight, once again, after a female student in her first year was tortured by some women BCL leaders and activists in a residential hall of Islamic University in Kushtia because she stayed at the hall without their "permission". A recent report in this paper has found that it is mainly pro ruling party students who are very active in "ragging" freshers at different campuses, although "regular" students in some universities have kept up this cruel tradition of initiation, too. Ragging, considered for far too long a frivolous and harmless activity, includes all kinds of psychological and physical torture. The consequences of such abuse are, of course, devastating for victims and may cause post-traumatic stress disorder, depression, dropout and, in the worst cases, suicide. Despite knowing how harmful this practice is, why is it still being allowed?

The problem of ragging, however, is largely related to the way the residential halls have been practically "taken over" by ruling party cadres. Moreover, with the seating crisis in public university dorms, BCL members "arrange" seats for freshers in common rooms and guest rooms when they can't get seats. These are also the places where the entrants are tortured in the name of ragging. In most cases, victims are too afraid to complain to the authorities, fearing retaliation; in the few cases that complaints are filed, they inevitably fall on deaf ears. The power and implicit impunity of the BCL render the hall authorities virtually disempowered to put a stop to this senseless abuse.

An anti-ragging policy, though much needed, can only eliminate this practice if it is properly enforced by the university authorities. The UGC, the apex body of all the affiliated public, private, and international universities in Bangladesh, must play a more active role in ensuring compliance of the university authorities in establishing safe campuses where critical thought and learning are prioritised over ruthless exercise of power. We urge it to finalise a policy, after consultation with relevant stakeholders, without any more delay, and engage with the government to ensure its strict enforcement.

The dumpster that once was a river

MMC must take action now to stop the trashing of a lifeline

We are alarmed that the once mighty Old Brahmaputra River has been allowed to turn into a dumping zone, without any concern about how such reckless trashing of a vital waterbody would affect the environment, the community at large and people's livelihoods which depend upon it. According to a report by this daily, some powerful quarters in the locality have been dumping concrete waste and storing construction materials near the river at Mymensingh city's Kachari Ferry Ghat area for months. Locals allege that the Mymensingh City Corporation (MCC) and local Water Development Board (WDB) have refused to take any initiative against those partaking in such illegal activities, despite repeated reminders and memorandums submitted to the Mymensingh deputy commissioner and MCC mayor urging them to take action. The question, as always, is: why do our authorities care so little about the relentless attack on our rivers?

Across the country, our rivers have become dumping zones for industrial and plastic waste, leading to clogging and the suffocation of aquatic life. Rivers are contaminated with harmful chemicals and heavy metals, positing a significant risk to the health of locals, to say nothing of the loss of income of the fisher communities for whom the rivers once used to be the source of sustenance. A recent study by the Rivers and Delta Research Centre (RDRC) confirmed that at least 56 major rivers in the country are dying a slow but painful death due to extreme pollution, with little to no concrete measures taken to save them, despite rivers being granted the legal status of "living entities" four years ago.

If the countless reports – and subsequent editorials we have written – on river pollution are any indication, the blame for the current tragic state of our lifelines falls squarely on the authorities. And let's be honest: no number of editorials, laws, policies or court orders can protect our rivers from the apathy of the authorities, unless we start holding those who are supposed to monitor and stop the encroachers and polluters accountable for their ostensible failure to do so.

In this regard, it is inspiring to see the locals of Mymensingh mobilising to convince the authorities to do their part to save the Brahmaputra. Earlier this year, the same forum had raised concerns about dumping of industrial and household waste into the Old Brahmaputra River at Kalibari Puran Gudaraghat. Despite promises at the time that action will be taken, we are frustrated to note that nothing has changed for the better.

If the concrete waste and other construction materials aren't cleaned up immediately, it will mix with the river water once monsoon begins. We join the locals of Mymensingh in demanding swift action from MMC and WDB. Should they fail to do their job – once again – legal action should be taken against them.

What's driving the govt's U-turn on banking sector reform?

THE OVERTON WINDOW

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ERESH OMAR JAMAL

On March 1, Moody's, one of the big three global rating agencies, revised its outlook for Bangladesh's banking sector from "stable" to "negative." It also mentioned Bangladesh among the list of countries that will have a worsening state of banking operations in 2023, which is particularly concerning, given that the sector's health was already on a deteriorating trend.

Moody's explained that an increase in asset risks and tightening of the liquidity situation in Bangladesh is what prompted it to make this decision.

We already know that the Bangladesh Bank approved emergency loans for Islamic Bank Bangladesh, Social Islami Bank Limited, First Security Islami Bank, Global Islami Bank, and Union Bank worth Tk 14,790 crore in December last year. Such emergency funds are usually taken during extraordinary circumstances. And the Shariah-based banks, which do not borrow money by offering interest, had to borrow from the Bangladesh Bank at 8.75 percent interest as their cash reserve ratio (CRR) fell short of the central bank-stipulated rate for an acute liquidity crisis.

VISUAL: STAR

Islami Bank, which is currently under investigation by the central bank for gross irregularities over the disbursement of loans amounting to Tk 7,246 crore among nine companies, took the highest amount from the emergency fund. Reports about the investigation apparently led to a confidence crisis among depositors of the five banks, all of which have Chattogram-based business conglomerate S Alam Group well-represented in their boards.

By now, it is relatively well-known what has been happening at these banks. The massive irregularities surrounding them sums up, to an extent, the sorry state of our banking sector as a whole. The sharp rise in defaulted loans, scams, irregularities, mismanagement, lack of good governance, and the regulator's willingness to bend the rules for some – supposedly under pressure from influential quarters – at the cost of many have made it one of the most troubled sectors in the country that, in turn, has exposed the economy to unnecessary risks.

The downgrading by Moody's will only add to our economic woes. As confidence of investors and foreign institutions in the sector further erodes, it will become harder for Bangladesh to attract foreign investment – which is already one of the lowest in Asia – and make obtaining loans costlier for businesses and banks operating in the country. This may result in stressed assets for banks to rise, as businesses (to which banks have large exposure) are facing slowing external demand due to inflation in many of their key markets and rising costs due to higher import prices.

The downgrade also reflects the government's decreased capacity to provide the same unconditional – and often questionable – support for banks because of its worsening external position. This comes at a time when systemwide loan-loss reserves as a proportion of non-performing loans (NPLs) is hovering at a pretty low level of 56 percent as of September last year, which is inadequate to provide sufficient buffers against rising loan losses.

Moody's, of course, has also put Bangladesh's years-long Ba3 rating under review. According to experts, should the country's sovereign rating get downgraded too, it would set our economy back by decades. The government, which has adamantly refused to reform the banking sector, is now under quite a lot of pressure, including from the International Monetary Fund (IMF), which, having granted us a $4.7 billion loan package, has expressed serious concerns about the continuing growth of bad debts and asked the government to implement various reforms. Recently, a spokesperson for the Bangladesh Bank told *Nikkei Asia* that efforts towards institutional reform of the whole sector were already underway and "amendment to the banking and financial laws" were also in the pipeline.

Even though the spokesperson did not specify any particular law, on March 29, this newspaper reported that the cabinet had cleared the draft Bank Company (Amendment) Act, 2023, which would initiate major consequences for habitual loan defaulters and restrict the influence of families on banks' boards. Interestingly, it was the Awami League government that had increased the influence of families in banks' decision-making in the first place, to the great detriment of the sector.

So, it seems like the government, which had refused to listen to domestic calls for reforms, is now giving in to foreign pressure. But will it go through with it?

On March 15, it was reported that, according to the latest Bangladesh Bank data, default loan rescheduling and interest waivers had increased at an unusual rate. Lenders had waived off some Tk 5,064 crore loan interests while rescheduling loans in 2022, which was Tk 3,209 crore higher than the previous year. Additionally, banks rescheduled loans worth Tk 27,279 crore in 2022, which was more than double the amount from the year before.

The benefit of the loan waiver, according to a central bank official quoted in the report, had apparently gone to large groups, instead of going to small borrowers (which would have truly benefited our economy). Meanwhile, the managing director of a private bank said this was "not the actual amount of defaulted loans" in the sector, which was still being "hidden in various ways."

Given this reality, one must ask: how does the government expect to implement proper corrective measures without bringing in full transparency? The question also remains whether the government will truly use the bank law amendment to go after habitual defaulters, who are closely connected to certain influential and political circles. As it frequently happens with all other laws in Bangladesh, it is possible that this might also fall by the wayside in the implementation stage.

However, given that more and more banks have recently started to suffer from a severe liquidity crisis, it is possible that the day of reckoning is not too far away when the government will be left with only two options: either implement serious reforms, or allow the banking sector to usher in a major crisis for the country.

If we cannot hit climate targets, then what?

RMG NOTES

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MOSTAFIZ UDDIN

A business owner I know is 100 percent committed to sustainability and to doing the right thing by the planet. The same owner spent many years preparing to develop science-based targets (SBTs). All seemed to be going according to plan until they took a closer look at some of the targets. At that point, it became apparent that the targets were simply unattainable, provided that the business wished to continue growing. As a consequence, they chose not to set SBTs and are now in the process of reconsidering how best to approach this pressing issue.

I've been thinking about this subject a lot lately. Recently, I watched an interesting debate unfold on social media. One person was arguing that companies need to consider "degrowth" or "no growth" business strategies. Degrowth is a radical economic theory that broadly means shrinking rather than growing economies to use less of the world's dwindling resources. A second person was saying that this is simply not realistic, because it would essentially be tantamount to financial suicide. For instance, if a major global retailer announced a degrowth strategy, investors would likely pull out of it while shareholders would become extremely nervous.

To me, the degrowth movement seems to be gaining traction as concerns about the climate grow. Even organisations as prestigious as the World Economic Forum are openly talking about degrowth strategies. But a company adopting such a strategy could face financial ruin – and then what?

Also, which major fashion retailer would be the first to adopt "degrowth" as a strategy? Or would they have to all do it at once in order for it to be effective?

On the one hand, I see a scenario where SBTs are, in some circumstances, extremely difficult – if not impossible – to achieve without making decisions that could affect the long-term financial ability of a company. This could be for many reasons. In some cases, a company might be involved in the sourcing of raw materials with very high environmental footprints. In other circumstances, a company could be sourcing from a country where the national grid has been slow to shift to renewable energy, and so their Scope 3 (supply chain) emissions remain stubbornly high. If there is no adequate alternative sourcing destination, what is that business supposed to do?

Meanwhile, I see many of the world's largest fashion retailers struggling to get Scope 3 emissions under control. In fact, the only time Scope 3 emissions have fallen by any significant extent during the past decade was during the pandemic. But this was inevitable because supply chains were shut down for extended periods at that time.

In the meantime, major fashion retailers report in their annual results that carbon emissions continued to increase. We have seen this with a number of major reports in recent weeks from NGOs and also the UN Fashion Charter, the signatories to which are all struggling to reduce supply chain emissions despite having made commitments to do so.

There is no escaping the fact that producing clothes involves many different steps – from the sourcing of raw materials, wet processing, to production and shipping. There are limits to what can be achieved, even for the most committed sustainability proponent. What happens when you have done all that you can, but your emissions continue to go in the wrong direction?

Big retailers are under enormous pressure to publicly commit to climate goals and reduce supply chain emissions. At the same time, I cannot help but think that they are setting themselves up for failure with some of the targets. I see fashion retailers coming under fire for setting targets that look unrealistic. At the same time, businesses are criticised for not setting targets, being accused of not showing enough ambition.

As a business owner myself, I know how hard it is to make genuine environmental strides. I have invested heavily in various ways to reduce the carbon footprint of my factory. Some investments make a difference quite quickly, but after a while, one experiences diminishing returns in terms of environmental gains. There is no escaping the fact that producing clothes involves many different steps – from the sourcing of raw materials, wet processing, to production, shipping and so on. What I am saying is that there are limits to what can be achieved, even for the most committed sustainability proponent. What then? What happens when you have done all that you can, but your emissions continue to go in the wrong direction?

I cannot speak for other industries, but I think it is hugely important that the fashion industry has an open debate about this issue. Too often, I see the debate around climate change become a finger-pointing exercise, which is a shame because this vital issue requires robust debate involving all industry stakeholders.

Big fashion brands come in for a lot of criticism, and there is so much talk of greenwashing at the moment. On climate, however, I firmly believe there is a genuine desire in some of fashion's most senior people to do right by the planet. Many of these people have families and children. This issue is personal for them and they want to make a positive difference.

Sadly, they are running up against a conundrum that is proving vexing for even the brightest of the industry minds. Business growth and continuity or doing right by the planet – is this the choice we now have to make?

There has to be a third way as the alternative is too dark to contemplate. It's time for us all to sit down and decide what this third way might entail.

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