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FOUNDER EDITOR: LATE S. M. ALI

Mangroves are there for a reason

Why are we destroying our last line of defence against natural calamities?

Mangroves have always been like a mother to Bangladesh, protecting it from the periodic onslaught of natural calamities in the coast. One may recall the role played by the Sundarbans during cyclones like Sidr, Aila, and Bulbul. Even though these tropical cyclones caused significant damage to both lives and properties in the southwest, extensive devastation was prevented because the Sundarbans acted as a natural shield against them. With climate change increasing the likelihood of calamities, such mangroves have become extremely important. The question is, why are we allowing them to be destroyed then?

According to a report, far from doubling down on initiatives to save our mangroves or reforest battered coastal areas with trees, the authorities are allowing them to be ravaged under various pretexts. In Chattogram and Cox's Bazar, for example, the government has reportedly leased out around 41,000 acres of mangrove forests over the last decade to establish economic zones, tourism parks, and energy structures. Besides, in Moheshkhali and Chakaria upazilas, around 12,500 acres of mangroves were grabbed by politically influential people for shrimp farming. However, the amount of forestland grabbed is higher than what's shown in official data as encroachment continued unabated over the last two decades.

The account of how an entire forest known as "Chakaria Sundarbans" was wiped out from the south-eastern landscape – following a policy of promoting shrimp farming – makes for depressive reading. Equally depressing is the fact that the government built the Mirsarai Economic Zone over an area of 30,000 acres of mangroves, felling 5.2 million trees. More trees had to be felled for the eco-tourism park on Sonadia island. We can go on and on about how such destruction, with official seals or without, for public purposes or private, has been commonplace across the coastline. In districts bordering the Sundarbans, such attempts are routinely heard of. Forests continue to be ravaged everywhere. If you ask the relevant department, they will cite lack of resources to justify their failure to stop it. But what about official encroachment or destruction?

Who will stop government agencies from going back on the government's own commitment to end deforestation – and increase forestland by 25 percent – by 2030? We must stop this trend. As climate change continues to heighten risks for Bangladesh, we must take bold action against any attempt to destroy our forests, including the mangroves protecting our coast.

Why must people suffer for RHD failure?

Complete the Jamalpur railway overpass project without further delay

It is unacceptable that the people of Jamalpur city would have to suffer continuously because of an ill-managed project taken up years ago. According to a report by Prothom Alo, the Roads and Highways Department (RHD) started constructing a railway overpass in February 2017 to ease traffic congestion around that area. Although the project was supposed to be complete within a year and a half, it remains unfinished to this day. As a result, people's sufferings have increased manifold as they now have to face increased traffic jam due to the chaos created on the project site. Their misery is further compounded during monsoon, when parts of the area become waterlogged. In addition, local businessmen are said to be counting losses since customers tend to avoid the area often.

So, why couldn't the RHD complete this relatively small construction project – involving a 780-metre overpass – in six years? A local representative of the contracting firm in charge of construction has claimed that the slow progress was due mainly to complications in land acquisition. This may be a contributing factor, but it doesn't justify the unusually long delay, and it shouldn't certainly have been unpredictable for those who planned the project. Equally importantly, shouldn't the authorities have started physical work only after land acquisition and other preliminary tasks were done? People wouldn't have suffered unnecessarily had those tasks been timed judiciously.

Like many other development projects in the country, this one too seems to have been plagued by poor planning, mismanagement and inefficiency. The possibility of corruption cannot be ruled out either. Reportedly, the duration of the project has already been extended four times, while the budget has also doubled. And now we are told that the RHD will apply for another time extension until December. This is totally unacceptable.

We strongly protest the manner in which government agencies have normalised such costly project revisions over the last decade or so. The RHD must be held accountable for its failure, and complete the Jamalpur overpass project without further delay.

LETTERS TO THE EDITOR

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Stop child abuse

Children are subjected to harassment in various places. Many parents hit their children but don't realise the negative impact of such abuse. Strict enforcement of laws is needed to prevent violations of child rights, including child labour and trafficking. Child abuse can also be reduced if the government works to increase social awareness.

Mahmudul Haq Hasan
Student and writer

What makes Bangladesh the 'champion' of default loans?



OPEN SKY

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BIRUPAKSHA PAUL

The news of Bangladesh occupying the second-highest position in South Asia in terms of a bad loan ratio is no surprise. A World Bank report, titled "Expanding Opportunities: Toward Inclusive Growth," published in April, has positioned Bangladesh just behind Sri Lanka, whose non-performing loan (NPL) ratio is close to 12 percent, while Bangladesh's is close to 10 percent.

Sri Lanka went through a ruinous chapter in 2022. Hence, its sudden NPL ratio increase from 5 to 12 percent should be seen as an exception. But no country in South Asia redefined bad loans as leniently as Bangladesh did. Our unbelievable levels of relaxation for defaulters have helped banks to show the bad loan ratio to be low. This trend, if not checked, is enough to damage the financial stability of an economy.

As the World Development Indicators show, the average NPL ratio from 2012 to 2021 was 10.32 percent for Pakistan, 8.16 percent for Bangladesh, 7 percent for India, and 3.94 percent for Sri Lanka. Sri Lanka was the best performer in loan management in South Asia until 2022, when the country faced its worst financial crisis since its independence. So, its position in the latest WB report really should be treated as an exception.

Though Pakistan tops the list, the position should undoubtedly have been reserved for Bangladesh. Bangladesh Bank greatly relaxed the definition of NPLs, making a bad loan seem like an excellent borrowing, while Pakistan did not dilute the definition of default loans. This portrays the failure of banking governance in Bangladesh. And it has greatly eroded the future of our nation.

Our NPL situation was almost stagnant from 2012 to 2015. From 2016, it began rising and this trend continued until 2019. From 2020, due to the halting nature of the pandemic, the finance ministry started loosening the definition of default loans. This practice encouraged further eruption of NPLs. Any default loan was allowed to be a regular loan if the defaulter



ILLUSTRATION: REHNUMA PROSHOON

adjusted as low as five percent of the total liability. This was imprudent and a clear signal of mass impunity for financial wrongdoers, triggering moral hazards among new borrowers. The cap on the lending rate at 9 percent made borrowing dirt cheap, further stimulating the borrowing of big groups in business and industry.

There are mainly four reasons why the default culture in Bangladesh became emboldened: 1) The regulator's defective redefinition of default loans; 2) Signalling by authorities that defaulters have been and will always be excused (or even rewarded if need be); 3) Defaulter-friendly leadership at the central bank since 2016; and 4) The lending rate cap that introduced a money-for-cheap-policy for the super-rich, even at a time of high inflation.

Additionally, the culture of favouring looters or not punishing any of them for financial turpitude has accelerated the renaissance of default loans. And this explains how Bangladesh's default loans have

engulfed the financial architecture of the economy in a cancerous fashion.

There are currently three great threats facing our economy: 1) Increasing fiscal weakness; 2) Increasing default loans; and 3) Unstoppable money laundering. Empowered politicians may seem to be unsympathetic towards money launderers. Policymakers understand

Using window dressing, tycoons show losses and deficits – a stratagem that helps them evade taxes. But where does their money go? The best way is to transfer the funds from the country to overseas – Switzerland, Malaysia, Canada, the US, the UK, and recently the UAE. Default loans, tax evasion, and money laundering are different facets of the same problem.

how much damage this mafia-like group is incurring by dwindling our foreign exchange reserves. But the ministers seem to never be critical or disapproving of the big tax evaders or loan defaulters.

Herein lies the political economy of the unabating default culture, which the military governments initiated and nurtured for cementing their power base. Subsequently, the democratic governments continued the practice by providing the same wine in a different bottle, just to cultivate support and favour for themselves. The loan default culture seems to be an inevitable reward for the super-rich. These tycoons seek nominations before elections as part of their hidden conditionality. One cannot help but wonder if this is why the government found it more pragmatic to sweeten the definition of bad loans, rather than punishing willful looters. A myopic move by regimes in turn gave long-term confidence to loan defaulters. Now, they seem untouchable by any regime.

Hence, stripping Bangladesh of its high position in the list of nations with the worst loan ratios is not going to be an easy task.

Loan defaulting is a deeply embedded problem for Bangladesh – just like the mafia problem in Italy, drug lord hegemony in Mexico, and the gunmakers' lobby in the US. Bangladeshi defaulters are clever enough to take advantage of any global downturn, whether it affected Bangladesh or not. Their bad loans have historically gone up even when the country's growth accelerated, defying any economic rationale.

This indicates that bad loans in Bangladesh cannot be sensibly justified. They are here to stay since many businessmen-turned-politicians will always be there to help their cronies relish evading taxes, enjoy being willful defaulters, and celebrate making fortunes overseas. It's a vicious cycle that likely explains why Bangladesh is almost champion in terms of default loan ratio in South Asia, and may remain so in the future.

Forget jobs. Will AI come for our joy?



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MADIHA ATHAR KHAN

Everywhere I look online, there seems to appear a proverbial man wagging his finger at me: "How dare you not be extremely scared of the threat posed by AI?" Many of these articles read like we are already living in a post-apocalyptic world in which AI (artificial intelligence) is the dominating and superior race. While it seems undeniable (based on what the experts say) that there is cause for alarm, I wonder if it is premature to exclusively jump to the worst possible conclusions, even if it means we get to work in preventing those scenarios.

At the risk of sounding another alarm bell, what are we to make of technology that arrives not only to optimise and improve human life but also to rob humans of our sources of joy and expression? A few months ago, before ChatGPT took off, AI-generated images and artworks became a global phenomenon on social media. Certain creative AI tools have been trained on replicating specific art styles and movements, the results of which impressed users who created what they felt like were their own versions of Dali-esque nightmare paintings, or portraits as though they had been painted by Leonardo Da Vinci.

Even if AI can do the same job as some of my favourite artists and writers, I do not see it as an all-consuming threat because of

which demand for human creators disappears altogether. But that's simply the worst-case scenario avoided. Valid concerns about the ecosystems in which creative professionals exist and what that will look like as AI continues to evolve have to be addressed.

Humans have consistently demonstrated the tenacity needed to work in tandem with developing technologies and push creative boundaries. The invention of the camera, and its increasing ability over the decades to visually capture reality, understandably had an impact on the world of art. But that did not drive realistic painting, as an art style, out of fashion at all. In fact, realistic paintings continue to be revered by certain audiences for the craftsmanship, skill, technique, and labour they represent.

But, simultaneously, as the domination of realistic artworks declined, creatively inclined individuals pushed the boundaries of their imagination. The existence of photography allowed art to be much more than just a representation of reality. Art forms and styles emerged, which allowed people to stray away from the strictness and discipline of realism, but also led to works being produced specifically by taking advantage of the new tools and technologies available.

The artwork of Andy Warhol – emblematic of the Pop Art movement – in producing screen prints of Marilyn Monroe in technicolour is a great example. The current contemporary art scene also produces work that would have been difficult for us to imagine in the absence of technology during earlier generations.

But the one area which seems especially vulnerable to the explosion of AI is writing. The most recent shift in this industry took place with the proliferation of OTT platforms and the rise of increasingly formulaic, mass-produced content. Great storytelling will continue to be

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valued for the foreseeable future, but the sizable market that exists for unoriginal content (or content that can seemingly be produced by AI) is concerning. Already there are books selling well online which have been primarily "authored" by ChatGPT.

The writing industry has been underfunded and seen as an impractical choice for young people to choose as a place of employment. I write this article at the age of 27, still fully armed with the dream to continue pursuing a writing career despite having a full-time job in a different industry. Every day, I

consciously choose to hold onto that dream, which symbolises a small act of personal resistance and victory. It is that same dream and determination that prevents me from seriously worrying about the future of writing (for humans).

We face challenges today that force us to adopt a bleak outlook. But it is important that we practise openness and willingness to impact change in the face of these issues. Humans – especially those at key authoritative positions – have historically failed to respond with the foresight needed to comprehend even the most imminent dangers to the human race, particularly felt by the unmissable impacts of climate change.

So now I ask myself, what can we do right this time? I acknowledge that so much is out of my control; my interaction with AI goes merely so far as asking ChatGPT questions that I am too lazy to find the answers to on Google. But even within our little bubbles, I have seen so many individuals give in to panic and pessimism regarding various global issues over the years. As a part of the newer generations, we have so often resorted to feeling helpless in the face of unacceptable realities; a cause that has been attributed to declining mental health.

For whatever reason (and perhaps the reason is evolutionary instincts of survival), humans have a tendency to dwell on the negative – whether it's the way news is covered or how sci-fi stories are imagined. In this developing AI saga and circular conversation, we need to find a middle-ground narrative which exudes not only worries but also one in which we learn to coexist with our problems and keep working towards desirable outcomes.