

Don't let defaulters cripple NBFIs, too

Recent figures show alarming rise in defaulted loans

It is deeply upsetting how the loan crisis has been ravaging Bangladesh's non-bank financial institutions (NBFI) sector, having already done the same to the banking sector. An analysis of recent data from Bangladesh Bank reveals that, as of June, these institutions reported defaulted loans accounting for a staggering 27.65 percent of their total outstanding loans. The combined amount of soured loans in the 35 NBFIs reached Tk 19,951.17 crore, representing a year-on-year increase of 25.2 percent or Tk 4,015 crore. Perhaps even more alarming is the claim, by a central bank official, that the actual volume of bad loans is likely significantly higher.

Even excluding unreported figures, this represents a record volume of defaulted loans in the NBFI sector. It mirrors the predicament of the banking sector that also saw, according to a recent report, a record high of Tk 156,039 crore in non-performing loans as of June. And as in the case of NBFIs, there are fears that the actual volume of bad loans in the banking sector would also be much higher given the practice of misreporting and if loans that are written off or tied up in money loan courts are counted. And the fact that both sectors have been victims of almost similar systemic issues and irregularities shows how institutionalised loan-defaulting has become.

In this grim situation, it's not just the defaulters, most of whom are influential and politically backed, who are at fault. The government and the central bank – which regulates both sectors – equally share responsibility for the debacle as they have consistently patronised this culture. For years, lending irregularities and political influence have allowed questionable entities to borrow money and evade repayment, while the regulator has failed to enforce regulations and take stringent actions against habitual defaulters, scammers and money launderers. Against this backdrop, the recent conviction of PK Halder, who embezzled about Tk 3,500 crore from several NBFIs, marks a rare attempt at establishing accountability. The question, then, remains: how long must the financial sector bleed before something is done about it?

It goes without saying that the implications of the leniency being shown to habitual defaulters are profound. The stark rise in the number of weak NBFIs and struggling banks, or the country's recent credit downgrades – which will further discourage foreign investors – are just some of the more visible outcomes. We, therefore, urge the authorities to stop this rot by any means necessary. They must reaffirm their commitment to financial transparency, regulatory rigour, and ethical banking practices. If action is not taken urgently, the damage could be long-lasting.

Stop ravaging our reserve forests

Govt must not allow anyone to occupy protected forestland

Despite the government's many pledges to protect the environment, yet another reserve forest has fallen victim to encroachment. This time, grabbers have razed a section of Tulatoli Reserve Forest in Chattogram to build houses, among other structures. At this point, such incidents may have become routine, but we must ask: is our nature so dispensable in the eyes of the authorities?

According to a report by this daily, the grabbers have already cleared around 300 square feet of the forest, home to many species of plants and wildlife. Around 30 trees and a hill's chunk have thus vanished. One tiny bit of consolation is that the Forest Department has filed a case against four people. But this may do little to deter encroachers, especially when government agencies themselves try to take over reserve forests whenever possible.

One may recall how, last year, the Roads and Highways Department sought 174 acres to widen a road through the Ramgarh-Sitakunda Reserve Forest in Chattogram. Not one to be left behind, the Local Government Engineering Department also planned to build a five-kilometre road through the Ramu reserve forest, months after the government handed over 20 acres of the same forest to Bangladesh Football Federation for building a training facility. Thus, from 2011 to 2020, over 9,000 acres of Cox's Bazar's forestland was handed over to government entities, and till 2021, over 1.60 lakh individuals and organisations grabbed 2.57 lakh acres of forests across the country. It makes us wonder whether the government can really achieve its target to stop deforestation by 2030.

All this brings us to the subject of what we're sacrificing in the name of development. As concrete creeps into forestland, so do humans, and their arrival leads to the loss of habitats, meaning a death sentence for trees and wildlife. Currently, no laws of the land, not the Forest Act, not the Environment Conservation Act, not even the constitution, are being able to prevent this slaughter. We, therefore, urge the government to properly enforce the regulations in place to ensure that no one can take over our forests.

LETTERS TO THE EDITOR

letters@thedailystar.net

Why can't schools teach English properly?

English has become effectively the most advantageous language skill to have at one's disposal for education, career, travelling and even for navigating the internet. But, even after 12 years of learning English, most of the students, especially the ones in rural areas, remain incapable of using the language properly in real-life situations. This is a failure of the national education system. I urge the authorities to look into why, despite being one of the core subjects of the curriculum, students show one of the worst outcomes in English.

Sagar Ahmed
Barishal

While politics unfolds on the streets, elections hang in the air



Sharmeen S Murshid
is an election analyst and chief
executive officer of Brotee, a civil
society organisation.

SHARMEEN S MURSHID

Bangladesh is once again at a crossroads. The country needs the upcoming parliamentary election to be a free, well-participated one in order to restore its credentials and meet people's expectations. It is time to choose our representatives again and ensure a peaceful transfer of power to the next government so that we can return to the task of self-governance. Are we ready for the task, though?

At the mature age of 52 but with no stable system of electoral governance and transfer of power in sight, Bangladesh is reeling under internal turmoil, external pressures, and poor leadership.

Our politics has been tumultuous over the years. After the country's return to democracy in 1991, our political journey over the past 32 years has demonstrated behavioural patterns in ruling and opposing parties that have mired the possibilities of a healthy political culture aligned with the expectations of a "sane" society that could have been a green ground to grow and nurture democracy. Instead, it has been ruthlessly trampled upon, turning it into a wasteland where nothing but distrust and hatred can grow. Today, right before our 12th parliamentary election, we witness a fierce battle for the highest seat of governance where all decisions are made, with the major parties, unfortunately, convinced that if you cannot keep your grip on the streets, you are doomed!

Based on what we have witnessed over the last few months, it appears the streets are more important than the parliament, the kingsmen are more important than the judiciary, and groups of sycophants and loyalists are more important than voters!

Why, then, would a political party elected to power build or strengthen democratic institutions? It does not support the "street control strategy." And why would a political party in



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PHOTO: AMRAN HOSSAIN

opposition not do everything to obstruct the smooth functioning of parliament? Again, it does not comply with the street strategy. As a result, they all choose the streets to be their "seat of governance." All political parties, big or small, thus have the same political ideology. And if you cannot join or support the skirmishing sides, it does not matter for whom you vote; you may not reach the polling booth, while agents of certain political parties may make sure that you don't seem "disenfranchised." Isn't that nice? The system works. No one is left behind. This is what happened in 2018.

our business world and in the hands of business tycoons. Free market policy provides them access to our reserves. The problem of money has been solved!

As for the loyalists, opposition parties provide an additional force. They break into splinter groups headed by "tribal chieftains" who are satisfied with a few crumbs from the pie. They can also form the much-needed "trusted" opposition. That, too, is done.

And in all this, where does the Election Commission (EC) stand? With the public administration and home ministries still beyond its control and

and the existential fear of not getting to power, are tearing the political parties apart. All sides have to work to reduce fear in the others. The prognosis is the "coming of a new tragedy."

But it need not be so if they leave the streets – if the parties come to the table to talk and concede on an all-party approach, as they did in 1991 and again in 2008. We, the tired citizens of Bangladesh, are waiting for our political parties to put behind an era of hatred and violence, and embrace compassion and forgiveness, so that this nation can move forward and be free from the prison of the past.



A bus ride or a comedy show?

Shahriyer Hossain Shetu
is research assistant at the Center for Sustainable Development and English instructor at the Center for Language Studies at University of Liberal Arts Bangladesh (ULAB).

SHAHRIYER HOSSAIN SHETU

A local bus often tests one's patience. Picture this: you find yourself standing on a crowded vehicle, avoiding the sun in oppressive heat, in close proximity to a 45-year-old uncle who smells like a walking cigarette. Unfortunately, he seems quite at ease as he leans into you, adding to the challenge of maintaining your composure.

As you stand there – grappling with a cluttered mind, juggling thoughts about your studies, future career, family issues, finances and other life responsibilities – you also need to stay vigilant about your phone, wallet, earphones and, occasionally, your bag full of books. You are sweating buckets; your skincare regimen that involves using the strawberry face wash your sister recommended is of no use. Your class is scheduled to begin at 10am, and it's currently 9:59. You've been stuck in Kalyanpur traffic since 8:59.

Like many, I too am this person. Standing there for an eternity, one day it struck me that the local bus is like a stand-up comedy special full of outdated gender norms and unintentional satire on seat selection. It's almost as if the bus has its own script, suggesting that those with unique needs, like individuals with disabilities and women, should

enjoy front row seats right next to the driver's sauna – sorry, I mean engine.

Meanwhile, some of the gentlemen on board decide to rewrite the seating plan, boldly claiming women's seats as their own. It's as if they're auditioning for the lead role in *Bus: The Musical*



FILE PHOTO: STAR

while the women are left doing the Cha-Cha Slide in the aisle. The whole scene plays out like a slapstick comedy routine, with crying babies serving as the punchline to this wild extravaganza. The only thing missing is a laugh track. All aboard the bus of hilarity!

Amid all this rollicking merriment, we have the pleasure of witnessing a lean bus conductor with a flamboyant hairdo taking on the formidable task of collecting the

fares. Let me assure you, this is no walk in the park. While I can't say for sure what they are paid, I am inclined to believe they deserve a more substantial pay cheque for the sheer audacity of their mission. I fondly dub this endeavour the "slider." Watch in awe as they embark on an epic quest of traversing obstacles

wonder if they might be secretly training for a more lucrative career in a heist movie. Regardless, this extraordinary conductor deserves a standing ovation for turning the mundane task of fare collection into a high-stakes adventure of its own.

As you stumble upon your destination, you've already managed to beat the clock for tomorrow's class – a feat that even Einstein would've found baffling. I mean, seriously, folks, you're so early, you could practically time-travel to the next millennium and still be on time for class! The bus truly is a rollercoaster that defies space and time, along with being a vehicle of chuckles and eye-rolls.

But here's where the real carnival of chaos begins – getting off the bus. Imagine this: it's the grand finale of the Eid-ul-Fitr prayer, and everyone is in a post-prayer trance, moving slower than a sloth that had a serving of that precious *lachchha shemai*. You inch your way towards the exit, step by agonising step, as if you're auditioning for the role of "Slowest Human on Earth." This is how it feels to move towards that coveted bus door.

Now, the *piece de resistance*, the Everest of challenges – attempting to jump off a bus that has no time for your sloth. You'll need ninja-level skills to make this daring escape, folks, because that bus ain't stopping for anyone or anything. So, remember, when you finally take that leap from the moving beast, you're not just a passenger – you're a daredevil, a renegade, and possibly the next stunt double in the *Fast and Furious* franchise!