

JOURNAL OF THE INSTITUTE OF BANGLADESH STUDIES



Volume 38 (2015)

Rabindranath Tagore's Maturing Sense of Female Education

Chivalry in Durgeshnandini of Bankimchandra Chatterjee

The Experience of Dharma Gola (Grain Banks) in Bengal

Dishonour of Cheque: A Legal Analysis

Children Justice System of Bangladesh

Knowledge and Attitude towards Tobacco Use

Impacts of Non Performing Loan upon Bank's Profitability

Bangladesh-China Relations: The Economic Dimension

Empowering through Microfinance: Female Household

Environmental Ethics: Its Possibility and Relevance



**Institute of Bangladesh Studies
University of Rajshahi**

Journal of the Institute of Bangladesh Studies

Volume 38 (2015)

Editor
Swarochish Sarker

Executive Editor
M. Zainul Abedin

Associate Editor
Md. Kamruzzaman



Institute of Bangladesh Studies
University of Rajshahi

Journal of the Institute of Bangladesh Studies
Volume 38 (2015), Published in November 2016

© Institute of Bangladesh Studies 2016

Published by
Md. Ziaul Alam
Secretary (in Charge)
Institute of Bangladesh Studies
University of Rajshahi
Phone: (+88) 0721-750753, Fax: (+88) 0721-711185
E-mail: ibs@ru.ac.bd

Cover Design
Abu Taher Babu

Printed by
Rajshahi University Press
University of Rajshahi

Price
Tk 200.00
US \$ 10.00

ISSN 0256-503-X

Editorial Board

Editor

Swarochish Sarker

Professor and Director

Institute of Bangladesh Studies

Executive Editor

M. Zainul Abedin

Professor

Institute of Bangladesh Studies

Associate Editor

Md. Kamruzzaman

Associate Professor

Institute of Bangladesh Studies

Members

Sanat Kumar Saha

Retired Professor of Economics

University of Rajshahi

Md Nurul Hossain Chaowdhury

Retired Professor of History

University of Rajshahi

M Habibur Rahman

Retired Professor of History

University of Rajshahi

AKM Abdul Majid

Professor of Finance

University of Rajshahi

Md. Mostafa Kamal

Associate Professor

Institute of Bangladesh Studies

Mohammad Najimul Haque

Associate Professor

Institute of Bangladesh Studies

The Institute of Bangladesh Studies and the editorial board of the JIBS bear no responsibility for contributors' statement of facts or views

All communications should be addressed to:

The Editor of JIBS

Institute of Bangladesh Studies

University of Rajshahi, Rajshahi 6205, Bangladesh

Telephone: +88-0721-750985

Fax: +88-0721-711185

E-mail: jibs@ru.ac.bd; ibsru@yahoo.com

Notes to the Contributors

The Institute of Bangladesh Studies welcomes research articles on the history, geography, economics, politics, sociology, law, language, literature, linguistics, philosophy, art, archaeology, music, and culture of Bangladesh and such other areas as are significantly related to the life and society of Bangladesh for publication in its journal. The Institute of Bangladesh Studies publishes one English and one Bangla volume annually.

Articles are accepted with the understanding that they have not been published either in full or in a summary form or accepted for publication elsewhere. The editorial board has decided the following criteria in accepting articles for publication.

The article should

- based upon new facts and/or new ideas, and makes original contribution to knowledge;
- offer analyses which are rigorous, articulated and integrated;
- conform to accepted research methodology;
- contain an abstract within a limit of 100 words;
- composed in Times New Roman font;
- follow Chicago style of referencing in footnote form;
- not exceed 6000 word limit.

Two copies of printed manuscript on one side of A4 size paper should be submitted to the editor, JIBS, Institute of Bangladesh Studies, University of Rajshahi. A soft copy of submitted article should be sent to jibs@ru.ac.bd. Full contact address including the designation of contributor(s) must be provided on the title page.

Content

	Kathleen M. O'Connell	7
From Home to Global Nest: Rabindranath Tagore's Maturing Sense of Female Education		
	Md. Feroz Ibne Rahman	11
Chivalry in <i>Durgeshmandini</i> of Bankimchandra Chatterjee		
	Takami Ishizaka	27
The Experience of Dharma Gola (Grain Banks) in Bengal: A Community Mutual Help System Acting as a Safety Net		
	Sayeeda Anju	35
Dishonour of Cheque: A Legal Analysis on the Interpretations of Negotiable Instruments Act in Bangladesh		
	Nahid Ferdousi	55
Compliance of International Norms Relevant to Children Justice System of Bangladesh		
	Md. Tahidur Rahman, Dulal Chandra Roy and Papia Sultana	69
Knowledge and Attitude towards Tobacco Use in Bangladesh		
	Hosnay Nasrin	85
Impacts of Non Performing Loan upon Bank's Profitability as well as Economy of Bangladesh: A Critical Assessment		
	Md. Shariful Islam	103
Bangladesh-China Relations: The Economic Dimension		
	Tanzima Zohra Habib, Md. Siddiqur Rahman	115
Empowering through Microfinance: Female Household Heads in Bangladesh		
	Sharmin Hamid	133
Environmental Ethics: Its Possibility and Relevance in Bangladesh		

From Home to Global Nest: Rabindranath Tagore's Maturing Sense of Female Education

Kathleen M. O'Connell*

Abstract: This article focuses on Rabindranath's role in the area of womens' empowerment, particularly in the way he created new awareness through his writings and his educational experiment at Santiniketan. The first section traces the historical development of gender relations and female education that took place within the Tagore family of Jorasanko and their seminal role in the socio-cultural transformation of 19th century Bengal. It also explores how Rabindranth's growing awareness of the sufferings of women in both rural and urban Bengal has been reflected in his literary work and educational initiatives. The final section of the article discusses the development and priorities in Tagore's educational paradigm for women in his educational institution at Santiniketan.

When it comes to the figure of Rabindranath Tagore, one need not look a great distance to discover avenues of contemporary global relevance. As Satyajit Ray so aptly comments at the beginning of his detailed documentary on the Poet: Tagore left *a heritage of words, and music, and poetry... of ideas and ideals that have the power to move and inspire us*. In fact, it is rather astonishing that someone born a century and a half ago should still present to us such a perceptive, cosmopolitan and constructively relevant vision in so many areas. Tagore very early on rejected a monolithic societal model based on competition and an assumption of unlimited natural resources. Rather, among his many activities, he spent forty years of his life developing an educational paradigm centered on individual creativity, cooperative mutuality between diverse cultures, environmental conservation and social justice with an overall vision of world peace and cultural understanding. Though this vision has yet to be realized in our troubled times, it is a vision that remains vitally relevant.

* Kathleen M. O'Connell is a scholar of comparative literature and modern Bengali culture. Now retired, she formerly taught courses on Rabindranath Tagore and Satyajit Ray at the University of Toronto, Canada. Her important books are: *Rabindranath Tagore: The Poet as Educator* (Kolkata: Visva-Bharati, 2002, 2012). *Bravo Professor Shonku* [Translation from Bengali to English of three stories by Satyajit Ray] (New Delhi: Rupa & Co., 1985); *Rabindranth Tagore: Claiming a Cultural Icon* (Kolkata: Visva-Bharati, 2009); etc.

At the base of this relevance stands the exemplary and fascinating personality of Rabindranath and the choices he made during conflicted times with such artistic creativity, intellectual clarity and social conscience. In education, where my own research has focussed, Tagore's sensitive appreciation of children and the way in which they learn to relate to the ever-changing natural world and to each other still resonates with the needs felt today, as does his attempt to foster a broader type of education suited to a multi-cultural, multi-lingual and multi-ethnic world

This article focuses on Rabindranath's role in the area of womens' empowerment, particularly in the way he created new awareness through his writings and his educational experiment at Santiniketan. An understanding of the his interest in gender relations and female education must begin with an exploration of the Tagore family of Jorasanko and their seminal role in the socio-cultural transformation of 19th century Bengal. In describing the special qualities of his home, Rabindranath noted the special openness to the range of human potential and emphasis upon various freedoms that were to be found within his family-- qualities that he would assimilate and foster in his later works. Such qualities developed early in the family's history and were evident in the pre-colonial period. As Rabindranath wrote:

I was brought up in an atmosphere of aspiration, aspiration for the expansion of the human spirit. We in our home sought freedom of power in our language, freedom of imagination in our literature, freedom of soul in our religious creeds and that of mind in our social environment. Such an opportunity has given me confidence in the power of education which is one with life and which only can give us real freedom, the highest that is claimed for man, his freedom of moral communion in the human world ... I try to assert in my words and works that education has its only meaning and object in freedom – freedom from ignorance about the laws of the universe, and freedom from passion and prejudice in our communication with the human world.¹

The members of the Jorasanko Tagore family—both male and female--played an integral part in the mental revolution that was taking place in their time. Their role in helping to define a new image of the female was no exception. It can be argued that the women's movement within India had its beginnings within the Jorasanko *Thakurbari*. Dwarkanath Tagore, the grandfather of Rabindranath, along with Rammohan Roy, advocated women's education and social reform regarding women as early as 1842, following his trip to Europe. Both Rammohan

¹Rabindranath Tagore, *Ideals of Education* (Delhi:Macmillan Pocket Tagore Edition, 1988), pp. 73-74.

and Dwarkanath argued that a nation could be only as elevated as the level of its female population.

Rabindranath's father, Debendranath, though more cautious regarding social change, supported the Bethune school for women's education, and did not prohibit the participation of his daughters and other female members of the family in various forms of education and social work. He even sanctioned theatrical performances by the women of the family within the confines of Jorasanko. As Sibanth Shastri noted in his *History of the Brahma Samaj*, Debendranath:

... subjected his large household to strict domestic discipline.....yet he had a judicious regard for the individual tastes and inclinations of his children, and left them room to develop their individualities. Though personally not much in favour of the idea of female emancipation, for instance, he did not assert his authority when his second son Satyendranath took his own wife to a levee in the Governor General's House, nor did he prevent the grown-up girls from taking part in domestic theatrical performances, where many others than family friends used to be present.²

While almost nothing has been written by or about Rabindranath's mother, Sarada Devi, even by her many children, we can gather from anecdotal accounts and Debendranath's *Autobiography* that she played a strong role in the family.³ According to Prasanta Paul, since Debendranath was frequently away from home, he created a special financial account for Sarada Devi—something that was highly unusual for the times. She also handled the accounts of her daughters and their husbands who lived in Jorasanko, thus giving her a good deal of control over their activities.⁴

Among the women, Rabindranath's older sister, Swarnakumari was one of the most distinguished literary figures of her time. Novelist, poet, playwright, songwriter, journalist and social worker,⁵ Swarnakumari wrote many books on a

² Sibanth Shastri, *History of the Brahma Samaj*, pp. 124-27. Shastri was a contemporary of Rabindranath's, had been initiated by Keshab Sen and helped to found the Sadharan Brahma Samaj.

³ In 1834 Debendranath was married to Sarada Devi Chaudhuri (1826-1875) from Jessore; he was seventeen, she approximately eight. Little has been written about Sarada Devi. It is known that her formative years were spent at Jorasanko in the company of her mother-in-law, Digambari, and grandmother-in-law, Alakasundari, both devoted Vaishnavas. The couple had fifteen children; Rabindranath was the fourteenth and youngest to survive as a brother born after him died in early childhood.

⁴ Paul, Prasanta Kumar Paul. *Rabijibani*, vol. I (Calcutta: Bhurjipatra, 1982), p. 25.

⁵ See Usha Chakraborty, *Condition of Bengali Women Around the Second Half of the Nineteenth Century* (Calcutta: Haralal Bardhan Press, 1963), pp. 127-28, 139. Also Meredith

variety of topics and is considered a pioneer of the Bengali historical and romantic novel. In her role as editor of *Bharati* from 1885-1905 and 1909-1915, articles on and by women were encouraged, as well as popular articles on science which would give non-English speaking Bengali women access to scientific ideas. Moreover, her vision was a broad and egalitarian one. She founded a Ladies Theosophical Society in 1882, and in 1886 she helped form the Sakhi Samiti, an educational organization that brought together women of different social and religious groups—Hindu, Muslim, Christian—with the goal to educating widows and destitute women and making them self-supporting.⁶ Swarnakumari also participated in the political arena and was among the first group of women who attended the annual session of the Indian National Congress in 1890.

Swarnakumari's daughter, Sarala Devi—who did not marry until the age of thirty-three—actively participated in politics during Gandhi's Non-Cooperation Movement. Sarala was the first in the Tagore family to have an occupation and salary after she accepted a highly paid appointment at Hyderabad's Girls School in 1895.⁷ Although she did not choose to keep the position for long, taking it at all went against the general model for female uplift that was embedded in the ideals of the Bengal Renaissance. Such a paradigm sanctioned female education in so far as it helped nurture a woman in matters of the home and the world so that she could become a more congenial companion for her husband and better guide for her children in nation building. Accepted activities for the *nabin* or 'new' woman as opposed to the *prachin* or 'traditional' woman included writing, social uplift, developing women's organizations and the arts. Work outside the home for wages was a controversial area, and the medical profession was one of the few areas where figures such as Kadambini Ganguly were able to receive economic recompense.⁸

Borthwick, *The Changing Role of Women in Bengal; 1849-1905* (Princeton: Princeton University Press, 1984), pp. 285, 372, 375.

⁶ See *Women Writing in India*, I, ed. by Susie Tharu and K Lalita (Delhi: Oxford University Press, 1993), pp.237-8; Ghulam Murshid, *Reluctant Debutante* (Rajshahi: Sahitya Samsad Rajshahi University), p. 40.

⁷ The rest of the family opposed her taking a paid position outside the house, but she persuaded her parents Janakinath Ghosal and Swarnakumari Devi to let her, Later Debendranath reluctantly accepted. She gave up the position shortly after because of an attack by a young man. See *Reluctant Debutant*, 104-5.

⁸⁸ See Geraldine Forbes, *Women in Colonial India; Essays on Politics, Medicine and Historiography* (New Delhi: Chronicle Books, 2005), p. 118. Forbes writes: 'While Indian men had to agree initially to allow their female relatives to attend these training programs, graduates practiced medicine away from family control and could become financially independent. Professionally they had considerable autonomy but they were

Among the male members of the Tagore family, Rabindranath's brother Satyendranath stands out as one of the most progressive members of the family, and his wife, Gnanadanandini, became a role model for modern female behaviour. Satyendranath persuaded his father to allow Gnanadanandini to follow him to Ahmedabad, when he became Assistant Magistrate there, and in 1877 he sent her and the children to England with a British family, where she learned English and some French during a visit to Paris. In doing so, Gnanadanandini broke many taboos: leaving the *zenana*, appearing in mixed company that included foreigners, crossing the prohibited 'black waters' and travelling on her own. Not only did Gnanadanandini redesign Bengali female dress to make it more appropriate for travelling beyond the *antapur*, she contributed articles on female education and social reform to various journals.

Rabindranath, who would visit Gnanadanandini in England, thus grew up in a household where the norms concerning women were changing rather rapidly and where women were beginning to assert their individuality. He made his first trip to England in 1878, at the age of 17, and some of his earliest statements regarding the need for more social freedom and independence for Bengali women come in a series of letters back to his family. After attending a party where British men and women mixed freely, Tagore wrote a letter contrasting the free mixing that occurred between men and women in England and the isolation of Bengali women, who were confined to *purdah* and separated from the outside world. Wrote Rabindranath:

It is only natural that men and women should seek amusement together. Women are a part of the human race and God has created them as part of society. To consider the enjoyment of free mixing between people to be a cardinal sin, to be unsociable and to turn it into a sensational matter is not only abnormal, it is unsocial, and therefore in a sense uncivilized. Men are engrossed in all manner of amusement in the outside world, while women are like their privately owned tamed animals, chained docilely to the walls of the innermost chambers of the houses.⁹

In response to criticism of this letter, which had been published in *Bharati*, then edited by his older brother Dwijendranath, Tagore wrote:

always answerable to English and Indian men who held positions in the Indian Medical Service. However, there is little to suggest that professional autonomy went hand in hand with either personal freedom or familial independence. Furthermore, their professional positions prevented them from openly criticizing the government just as these positions mandated personal respectability.'

⁹ Rabindranath Tagore, *Letters from a Sojourner in Europe*, ed. Supriya Roy (Kolkata:Visva-Bharati, 2008), p. 88.

The Editor has said that keeping women in purdah is not an outcome of the selfishness of men, it is but a natural outcome of the demands that the duties of householding place on one. This is a very old excuse provided by those against liberation of women; but I feel that it need not be pointed out that to consider it normal to enter into purdah, surrounded by walls for the rest of one's lifetime, severing all contacts with the rest of the world, is in itself very abnormal.¹⁰

Championing the Rights of Rural Women

When Tagore returned from England he was put in charge of the family estates in East Bengal. There, for the first time, Rabindranath had an extended exposure to rural society and to the sufferings of rural people in general, and rural women in particular. As a result, he began devising educational facilities and medical initiatives. This was the period when many of his short stories were written and we find him portraying the plight of orphans and widows such as Ratan in the 'Postmaster' and Kusum in 'Ghater Katha' ('The Tale of the Ghat') or the abuses of the dowry system and child-wives as illustrated by the abuse of Nirupama in 'Dena Poana' ('Profit and Loss'), as well as the repression of female learning portrayed through the character of Uma in *Khata* ('Exercise Book'). Rabindranath's most radical short story 'Stripatra' ('A Wife's Letter') came later. Here the transformation of its main female character Mrinal—an upper caste woman—is portrayed, from submissive wife to autonomous individual. In the end, Mrinal chooses to leave the *antapur*, its restrictiveness—and, as she puts it 'the shelter beneath her husband's feet'—not because of personal mistreatment, but rather because of the callous treatment of another female in the joint family that led to her suicide, as well as an oppressive atmosphere that inhibited personal development.

Exploration of the Female Psyche in Tagore's Novels and Essays

Rabindranath continued his exploration of the female psyche in his dramas and fictional writings. The publication of his novel *Gora*—which was serialized in the Bengali monthly *Prabasi* from 1907-1909—was significant for its delineation of young female characters and the manner in which they interacted with the society around them. Such characters as Lolita, Sucharita and Anandamoyi are shown in the process of shaping new identities and personal autonomy as they develop alternate ways of interaction with men and society and negotiate inter-religious and inter-racial relationships. The conceptualization of such vital characters signalled the potential for a new identity that Rabindranath upheld for the female students at

¹⁰ Ibid. 100.

Santiniketan. The central female characters of *Gora* transcend the stereotypes of their sex, caste and race to participate in a broader social vision, becoming role models for a new generation of Bengali women. As Tagore's perception regarding female empowerment progressed, one finds that the portrayal of women changes from a position of victim (such as the young widows and orphans in his earlier stories) to one of a social dissenter.

Another example of such a character would be Damini in *Chaturanga*. Damini, one of Tagore's strongest female characters, rejects the patriarchal and religious norms that would oppress her as a widow and charts her own course with single-minded autonomy and intelligence. The level of education of female characters increases in his later works and such female characters as Labanya in *Shesher Kabita* and Ela in *Char Adhyay* have university degrees. They also exhibit a mature self-awareness and outlook on their society and relations with men. As well, they tend to have a more secular outlook. Rabindranath also created strong role models in some of his dramatic characters such as Chitrangada in the play *Chita*.

Women's Education in Santiniketan

When Rabindranath started his school in Santiniketan in 1901, various paradigms of education from European to traditional models were being debated, and as I have argued elsewhere, perhaps one of the most influential models for his own educational experiment was what he called the 'living university' of Jorasanko, where the rich cultural and intellectual exchange permitted a type of organic and 'subconscious learning'. He keenly understood that most learning occurs outside the boundaries of what is labelled as 'formal education', and that no single model of education is adequate to encompass the multiple levels of consciousness. With a combination of poet's intuition and rational appraisal, he set about improvising a type of education that fostered a connection with nature, and the types of freedom and creative expression that he had experienced within the Jorasanko household. Through education—formal and informal—and group participation in the Santiniketan activities, he wanted to foster ever-widening forms of spiritual, intellectual, moral and artistic. Such a vision encouraged freedom of physical movement ... and the freedoms of self-sufficiency and social equality that would ultimately lead to Indian autonomy. These considerations also included freedom for women.

The Santiniketan school was situated in a beautiful natural setting and used an ashram model, where the children were especially close to their teachers and participated fully in the life of the school. Rabindranath had wanted to include girls from the beginnings of the school, but it did not prove practical until 1909.

The first six girls—who had close associations with the ashram—were boarded at "Dehali" where they were looked after by Ajit Chakravarti's mother and Mohit Chandra Sen's wife, Susheela. What made the experiment so innovative was that the girls were not put in separate classes but rather joined with the boys in classes, sports and *mandir* services. Further impetus for the women's program came when Rathindranath was married to the talented Pratima Devi in 1910 and she began taking a prominent role in all facets of the ashram activities, particularly in drama and the arts.¹¹

Unfortunately, this phase of women's education—which involved boarding at Santiniketan—was interrupted by several events that forced a temporary suspension of the girl's boarding school. However, it did not signal an end to women's education because the daughters, grand-daughters and nieces of the teachers filled the places of the former students, and the classes and activities continued though not in such an integrated manner. Other activities were continued through the women's groups that formed...the *mahila sabhas*.

Tagore began laying the foundation for the next phase of women's education with his essay *Strisiksa* ('Female Education'), which was initially published in the journal *Sabuj Patra* in 1915 and later translated as 'The Education of Women'. The essay states in no uncertain terms that there should be equality in education:

Whatever is worth knowing, is knowledge.[writes Tagore] It should be known equally by men and women—not for the sake of practical utility, but for the sake of knowing...the desire to know is the law of human nature.¹²

This was not to say, however, that there should be no distinction in education:

Knowledge has two departments:[he continued] one, pure knowledge; the other, utilitarian knowledge. In the field of pure knowledge, there is no distinction between men and women; distinction exists in the sphere of practical utility. Women should acquire pure knowledge for becoming a mature being, and utilitarian knowledge for becoming true women.¹³

With the foundation of Visva-Bharati in 1921, women's education was formally adopted within the university. A residence known as Nari-Bhavan was set up with a few girls, and it soon attracted girls from all over the country. Nari Bibhag, as the section was later called, came to consist of 30 girl students, of whom 12 were borders, the rest billeted with their guardians.¹⁴

¹¹ Pratima Devi was a young widow, the daughter of Binayani Devi, who was a sister of Abanindranath and Gaganendranath Tagore.

¹² Rabindranath Tagore, *Siksha*, vol I (Calcutta: Visva-Bharati, 1972), p. 181.

¹³ Ibid. 183.

¹⁴ Initially, the residents were boarded in three small houses until a permanent hostel,

Academically, the Visva-Bharati curriculum was the same for boys and girls, and it was carried out in a coeducational manner. Additional arrangements were made for the teaching of domestic science. The girls received special classes in cooking and kitchen work from an American nurse, Gretchen Green, who was attached to Sriniketan. The girls were also expected to supervise the young children of Sishu Bibhag and to attend to them if they were sick. Along with the general social and cultural activities of the institution, the girls organized their own clubs, societies and organizations. To foster the holistic well-rounded education that Rabindranath believed in, girls were encouraged to participate in physical education as well. They engaged in games, sports, cycling, hikes and excursions, and even the athletics of self-defense such as lathi play and ju-jitsu. In Sriniketan, Dhirananda Roy, a former student, organized the Brati-Balakas/Brati-Balikas (literally boys and girls who have taken a vow), a group patterned after the boy scouts/girl guides and the American 4-H movement. Snehalata Sen, Superintendent of Nari Bhavan, was responsible for the Brati Balakas. Co-educational initiatives helped village children develop various practical skills including preventative medicine and helped facilitate the reduction of caste prejudices through group participation. In order to facilitate the education of rural women, there were night classes and craft groups as well as opportunities for Distance education.

Importance of the Arts

The importance of female participation in dance, music and drama in terms of developing a sense of creative autonomy has been documented in biographical reports by those who have studied at Santiniketan. As early as 1909, Rabindranath began a drama program involving the women students. They were at first reluctant to participate, but he solved the problem with a play called "Lakshmi's Test" which was directed by Pratima Devi and involved only female characters. In a reverse situation, the boys sat behind 'purdah' screens to watch the play since the girls did not want to perform directly in front of a male audience.¹⁵ In time, acting, singing, dancing and coeducational staging of the plays became widely accepted. In 1922, when Tagore's drama *Varshmangal* was staged in Calcutta, it was the first time that

Shi Bhavana (later Sri Sadan) was completed by 1929, with an accommodation for 80 girls, 7 of whom were non-Bengali. By 1940, there were 160 girls, out of a total of 400 students. Of these, 33 were studying at Kala Bhavan, and 61 at Patha Bhavan. See Himangshu Bhusan Mukherjee *Education for Fulness*, pp. 237-8, 376.

¹⁵ Amita Sen *Santiniketane Asramkanya* (Calcutta: Tagore Research Institute, 1987), p. 13.

Santiniketan students, male and female had appeared on the public stage. The Kala Bhavan courses were especially popular, and women proved adept at expanding the areas of *alpana*, batik and embroidery.

Conclusion

In conclusion, it has been seen how Rabindranath assimilated and carried forth the Tagore family ideals that had centred on freedom and full development of human potential, including female potential. Rabindranath's role included exposing the plight of women and arguing for their autonomy through his letters, short stories, and essays. Through his novels, he was able to construct fresh and vital female role images to inspire a new generation of Bengali women. Later, by his act of admitting females into his Santiniketan school, he became an innovative pioneer in coeducation. Not satisfied with imitating existing educational models, Tagore set out to create an alternative paradigm of learning that was based on the education of the whole personality, be it male or female. At Visva-Bharati, the academic curriculum for girls and boys was virtually identical and it became a model for other schools and universities within India. Participation in the arts placed an especially important role in allowing women to express their personalities in a creative manner and to transmit these values to their society as a whole. The courses offered at Visva-Bharat—particularly in the arts—provided the basis for female graduates to enter into careers as teachers, artists, and so on. It is hard to overestimate the social change and personal transformation that resulted through Rabindranath's writings and his encouragement of women's participation in academic achievement, sports, dance and creative expression.¹⁶

¹⁶ This article was first delivered as a paper in a conference, 'Santiniketan to Smithsonian: A Tribute to Tagore,' held at the Smithsonian Institute, Washington, D.C., May 28-29, 2011.

Chivalry in *Durgeshnandini* of Bankimchandra Chatterjee

Md. Feroz Ibne Rahman*

Abstract: Sprung from generosity and sense of right in man, chivalry may be defined as the moral and social law and custom of the noble and gentle class in Western Europe during the later Middle Ages, and the results of that in action. With the introduction of novel, Bankimchandra introduced the idea of chivalry in Indian literature. This paper gauges the depth of chivalric ideals and codes imbedded in *Durgeshnandini* by identifying the chivalric code, exploring its origin, and discovering it in the novel; and concludes that the chivalric traits presented in *Durgeshnandini* are not purely European in character.

1. Introduction

With the decline of Roman power, the countries of Northern Europe were left almost destitute of a national government. Then the rights of the people from lower classes of society were at the mercy of every assailant. Some checks were found; firstly in the rivalry of the chiefs themselves, whose mutual jealousy made them restraints upon one another; secondly, in the influence of the Church, which was pledged to interpose for the protection of the weak; and lastly, in the generosity and sense of right which reside naturally in man. Bulfinch declares that chivalry sprang from this last source, and it framed an ideal of the heroic character, combining strength and valour, justice, modesty, loyalty to superiors, courtesy to equals, compassion to weakness, and devotedness to the Church.¹

When the genre of novel was first introduced in Bengali literature, Bankimchandra Chatterjee's *Durgeshnandini* claimed the prestige of the first full-fledged novel in Bengali.² And in the form of romance, the novel harbored

* MPhil Fellow, 2015-2016 Session, Institute of Bangladesh Studies, University of Rajshahi, Bangladesh.

¹ Thomas Bulfinch, *Bulfinch's Mythology: The Age of Chivalry or Legends of King Arthur* (Boston: J. E. Tiltson And Company, 1865), 14. www.searchengine.org.uk/ebooks/19/65.pdf (accessed April 1, 2016)

² Sukumar Sen, *History of Bengali Literature* (New Delhi: Sahitya Akademi, 1971),

the ideals of European chivalry to a great extent. This paper is an attempt to gauge the depth of chivalric ideals and codes imbedded in *Durgeshnandini* by identifying the chivalric code, exploring its origin, and discovering it in the novel; with the focus on (a) courage in fight, (b) self-belief, (c) temperance, (d) morality and loyalty, (e) protection of the weak, and (f) treatment of women as its basic tenets.

2. Definition of Chivalry and Its Codes

Chivalry is associated first and foremost with the estate of knighthood and with fighting on horseback. The word knight, though Germanic in origin, carries the same meaning as the French 'chivalier', a knight, and both are connected with 'cheval', a horse. 'Chevalerie', the nearest contemporary approximation to 'chivalry', carries with it resonances of skill in the art of horsemanship.

With the traditional meaning, Sir Walter Scott acknowledges the peculiar meaning given to the word in modern Europe, as applied to the order of knighthood, and the laws, rules, and customs, by which it was governed.³ Scott clarifies the true character of chivalry with its unique blend with passions such as devotion and love.⁴ F. Warre Cornish says that the three principal factors of chivalry were war, religion, and love of ladies.⁵

Chivalry, then, may be defined as the moral and social law and custom of the noble and gentle class in Western Europe during the later Middle Ages, and the results of that law and custom in action. It began to dawn in the end of the 10th, and beginning of the 11th century. It has no single origin as a separate institution. We can only take a point of departure where we find it already differentiated from the chaos of customs and sentiments which accompanied its early growth, and which assume form and order, and therefore authority, in the course of the 11th century.⁶ The system of chivalry had a strong influence on public opinion; and its institutions did much good. Its effects are rather to be sought in the general feeling of respect to the female sex, in the rules of forbearance and decorum in society.

For the purposes of this paper chivalry may be taken to mean a body of sentiment and practice, of law and custom prevailing among the dominant classes in Europe between the 11th and the 16th centuries; and which was so far

³ Walter Scott, *Essays on Chivalry, Romance, and Drama* (London: Frederick Warne & Co, 1887), 2. <https://ia902608.us.archive.org/32/items/essaysonchivalr03scotgoog/essaysonchivalr03scotgoog.pdf> (accessed 28 March, 2016)

⁴ *Ibid*, 4.

⁵ F. Warre Cornish, *Chivalry*, (London: Swan Sonnenschein & Co., Lim, 1901), 13. <https://ia902302.us.archive.org/20/items/chivalry00warriala/chivalry00warriala.pdf> (accessed April 1, 2016)

⁶ *Ibid*, 21.

universal that a large portion of its usages is common to all the nations of Western Europe.

The Knights' Code of Chivalry was part of the culture of the middle ages. A code of chivalry was documented in the anonymous French epic *The Song of Roland*.⁷ Composed between 1098 and 1100, the epic details the betrayal of Count Roland, a loyal defender of his liege Lord Charlemagne, at the hand of Ganelon, and his death in the Pyrenees Mountains at the hands of the Saracens. The Knights' Code of Chivalry as described in *The Song of Roland* includes a number of characteristics like the fear of God and his Church, serving the liege lord, protection of the weak and defenseless, to support the helpless, refraining from random offence, living by a code of honour, abstaining from accepting monetary reward, fighting for general welfare, obedience to authority, guarding the honour of fellow knights, avoiding any unfairness, keeping faith in troubles, speaking the truth, finishing any task that he started, showing respect to women, and not turning away from any challenge or opponent.

Leon Gautier in his book titled *Chivalry* has given 'the ten commandments of code of Chivalry', according to which the knight will believe and observe the teachings of the Church and defend it, respect and defend the weak, practice patriotism, show bravery, fight for religion, obey the authority, speak the truth and keep promises, uphold justice, and be generous.⁸

So it is observed that the chivalric honour code developed out of three major areas of influence:

- a) A strong warrior ethic emphasizing such qualities as bravery, skill in the use of weapons, and loyalty to comrades in arms. A good and decent knight was expected to suppress his natural urge to cheat and employ underhanded tactics to win a fight.
- b) The high social position of the knights (most of them, at least) associating personal virtues with the powers of large landholders.
- c) Religious idealism leading the knights to fight for a just cause. It became a tenet of the chivalric code to fight a just war on behalf of God.

Knights, when knighted, had to take a vow. In the vow, they promised to defend the weak, be courteous to all women, be loyal to their king, and serve God at all times.⁹ Knights were expected to be humble before others, especially their superiors. The code of chivalry demanded that a knight show mercy to a vanquished enemy. This code remained the standard for chivalry and proper

⁷ <http://legacy.fordham.edu/halsall/basis/roland-ohag.asp> (accessed April 20, 2016).

⁸ Leon Gautier, *Chivalry*, trans Henry Frith (London: George Routledge and Sons, 1891), 26 <https://ia600304.us.archive.org/27/items/chivalry00fritgoog/chivalry00fritgoog.pdf> (accessed 28 March, 2016)

⁹ <http://www.medieval-life-and-times.info/medieval-knights/knighthood-ceremony.htm> (accessed April 20, 2016).

behavior amongst the nobility for centuries. The whole code of chivalry was contained in the following four words: loyalty, largesse, moderation, and courtesy. Honour crowned them all.

3. Chivalry in *Durgeshnandini*

Durgeshnandini was first published in 1865. Critics have been unanimous in their opinion that Bankimchandra's model was evidently European fiction.¹⁰ Ramgati Nayaratna states that Bankim modeled his novel after English literature; and his style was unprecedented in Bengali literature.¹¹ The work is described as 'itibrittamulak upanyas', which means a novel based on history.¹² And this very description strengthens the novel's ties with European tradition, as it brings Sir Walter Scott in the foreground. After the publication of *Durgeshnandini*, Bankim was charged with writing a novel in the fashion of Scott's *Ivanhoe*. Bankimchandra is reported to have said that he had not read Scott's *Ivanhoe* before he wrote *Durgeshnandini*.¹³ Sri Aurobindo, too, in his writing, has strongly protested against this comparison.¹⁴

But it is undeniable that *Durgeshnandini* is steeped in chivalric ideal. One of the possible explanations behind the existence of heroic chivalry in literature is that people always and everywhere secretly wish that they lived in a more perfect world. There the strong would not prey on the weak, because the latter would be protected by the ever present champions of goodness and law and order. This, combined with the European influences, may be the reason behind the abundance of chivalric code in the characters of *Durgeshnandini*.

Set against a backdrop of political upheaval and enmity, love is generated and heightened in the novel. Jagat Singha, son of Akbar's general Man Singha, is initially successful in containing the Pathan insurgency in Bengal. During these campaigns, Jagat Singha and Tilottama, Virendra Singha's daughter, fall dramatically in love. With the fall of Fort Mandaran, Virendra Singha is executed; while Jagat Singha is seriously wounded and taken prisoner. Though courted patiently by the deserving Osman, the Pathan General, Aesha, the daughter of Katlu Khan, the Pathan leader, is drawn to Jagat Singha, while she nurses him back to health. Bimala, Virendra Singha's second wife, takes revenge by murdering Katlu Khan. On his deathbed, Katlu Khan offers truce and the

¹⁰ Jayanta Kumar Das Gupta, *A Critical Study of the Life and Novels of Bankimchandra* (Calcutta: The Calcutta University, 1937), 31.

¹¹ Ibid.

¹² Bankimchandra Chatterjee, *Durgeshnandini* eds. Brajendranath Banerjee and Sajanikanta Das, Bankim Centennial Edition, (Calcutta: Bangiya Sahitya Parishad, 1938)

¹³ Das Gupta, 32.

¹⁴ Aurobindo, "Bankim Chatterjee" in *The Harmony of Virtue* (Pondichery: Sri Aurobindo Ashram, 2009), 92 www.aurobindo.ru/workings/sa/03/the_harmony_of_virtue_e.pdf (accessed 14 April, 2016)

conflict is resolved in a treaty. Tilottama and Jagat Singha are married at the end of the novel; and Aesha is seen late at night by a window, triumphing over her temptation to commit suicide.

3.1 Courage

For a knight, fight is essential. In his *Essay on Chivalry*, Walter Scott claimed that the natural and proper element of a knight was war. When there were no wars, they fought in tournaments, or challenged others to express their skill. Besides these dangerous amusements, a knight had frequent opportunities to exercise himself in the use of arms to support the oppressed and to put down injustice.¹⁵

In *Durgeshnandini*, in the counsel of Raja Man Singha, he offers to send a small force to keep Katlu Khan in check, until the reinforcement joins them. When the question arises that who will take the risk, the Raja reinforces what it means to be a soldier in the army:

"Maharaj," answered the Mogal, "what officer will court certain destruction?"

Man Singha scowled. "What?" said he, "breathes there not one among so many Rajputs and Mogals who can look on death with scorn?"

Immediately a few Mogals and Rajputs started up, and expressed their readiness to go.¹⁶

They are ready to 'look on death with scorn', risking their lives. They want to, because it is expected of them by the chivalric code of the warrior. It is this which nudged Jagat Singha to volunteer to spy on the enemy. This courage prompted Virendra Singha to declare that he will fight and defeat the enemy, should they come his way; though he had only thousand soldiers at his disposal.¹⁷ The code of chivalry demanded that a knight lived by courage.

Jagat Singha goes to spy on the enemy with only a hundred men. He dares to move about in the enemy infested territory alone to meet Bimala. In the last chapter of Book I, when Jagat Singha is captured, the way he fights is quite illuminating. The description of the fight explains the importance of courage in a fight to a knightly soldier:

This added fresh fuel to the expiring fire; the prince leapt forward like a flame and cutting off the man's head, placed it beneath his feet. Then flourishing his weapon in the air, he called out,

"Ye Javanas! see how a Rajpoot dies."

His sword played like lightning. Perceiving that regular fighting was no longer possible, he determined to die after slaying as many of the enemy as possible. With this view, he dived into the thick of the hostile force, and

¹⁵ Scott, 42-45.

¹⁶ Bankim Chandra Chatterjee, *Durgesa Nandini or The Chieftain's Daughter*, trns. Charu Chandra Mookerjee (Calcutta: H. M. Mookerjee & Co., 1880), 16.

¹⁷ Ibid, 23.

with both hands holding his sword with an iron grasp, began to deal incessant blows, without in the least heeding his own safety. One—two—three,—every blow either prostrated or mutilated a Pathan. Blows now began to pour in upon him like hail. His arms grew fainter and fainter from bleeding; his head became dizzy; his eyes grew dim; his ears could hear only an indistinct noise.¹⁸

He fights ignoring the odds, with full knowledge of the likely outcome. He is injured, dripping blood. The room is full of enemies. When called to surrender, he retorts by killing that very man. The death he seeks is an honourable death, taking with him as many as he can. It is not possible for him to surrender or remain passive as it is not permitted in the code of chivalry to show lack of courage.

A supreme example of courage is seen in chapter IV, Part II. When brought before Katlu Khan for trial, Virendra Singha shows no sign of fear. Even when threatened with death, he laughs at Katlu Khan:

"Listen, miscreant," exclaimed Katlu Khan in a rage, "Listen, varlet, you shall meet your deserts. You could hope for your life; but you are mad. Your pride has undone you."

"Katlu Khan," said Virendra laughing scornfully, "when I came before you, I never expected mercy at your hands; and what's the earthly need of a life saved through the mercy of an enemy like you? If you could rest satisfied with only taking my life, I would gladly lay it down, wishing you well. But you have stained me and mine; my life of life you have—"¹⁹

He is not afraid of his own death; he only grieves over his daughter's lost innocence. When Katlu Khan asks for his last wish, he tells him to carry on with the execution quickly. When in the scaffold he meets Bimala, he tells her not to make him cry, as the Pathans will misinterpret that these are tears of fear. He meets his death valiantly.

Bankim also infuses the female characters with courage. Aesha is ready to defy his father. Challenged by Osman, she admits her love for Jagat Singha, she does not evade the question. The way she faces Osman in Jagat Singha's cell, is an example of great courage in a female character. Bimala becomes ready to avenge the death of Virendra Singha, his death steels her courage into action.

3.2 Self-belief

Courage is born of confidence, confidence is born of skill. If a warrior is skilled enough in his business, he becomes confident to be successful in any enterprise. And this confidence nudges him to take courageous decisions. A chivalrous knight is courageous because he has belief in his self. The code of chivalry demands that a knight will not shy away from any task. A great example of self-

¹⁸ Ibid, 97.

¹⁹ Ibid, 112.

belief is shown by Jagat Singha when he stood in Man Singha's presence discussing the future actions of the army to check the Pathans:

The officers were silent. At length Yasovantha Singha, a Rajput warrior and favorite of the Raja, solicited his permission to be placed in command. The Raja now began to eye them round with satisfaction. Prince Jagat Singha had been standing courting his glance, and as the Raja's gaze fell on him, he humbly said,

"Maharaj, under your favor, with the help of five thousand, I can engage to drive away Katlu Khan to the other side of the *Subarnarekha*."

Man Singha was struck dumb; the officers began to whisper to one another. "My son," said he after a while, "I know you are the pride of the Rajput race, but, child, you are rash."

Jagat Singha supplicated with clasped hands,

"Sire, if instead of redeeming my word, I waste the Emperor's troops, let me meet with condign punishment."²⁰

Jagat Singha is confident of his military skill. He believes that it is possible to finish the task with five thousand soldiers. It is clear to him that taking only five thousand soldiers is dangerous, as other offers are to engage fifteen thousand and ten thousand soldiers respectively. But he refrains from giving into the common sway and weighs his options. And when he is doubted and chastised as rash, it does not spawn a rage or any fit of disobedience in him. Rather he calmly announces that he will readily meet any punishment deemed fit in case of his failure.

Jagat Singha is well aware of his strength and abilities. He knows very well that to engage an army of fifty thousand with his five thousand is impractical. When the enemy troop is too large, he refrains from attacking; not because he is afraid, because he knows his limitations:

In such a case, when he saw that the Pathans had gone out of sight, he kept cautiously following them, and then plundered them of their provisions, horses, cannon, etc. If, on the contrary, the party turned out to be small, he remained quiet in his ambush so long as they did not come up to the desired spot,—then when the opportunity came, with loud cries, he fell on the foe, like a famishing tiger, and cut him to pieces.²¹

And when after his initial success Man Singha offers to send reinforcement, he shows gratitude, but not over-enthusiasm:

On receiving news of the redress, the country, previously so much harassed, had met with at the hands of Jagat Singha, Man Singha wrote his son the following letter:—

"Luminary of the Race! I am convinced that the Imperial domains will be rid of the Pathans by you. To back your efforts, I send you ten thousand soldiers more."

The Prince wrote in reply:—

²⁰ Ibid, 17-18.

²¹ Ibid, 35.

"As you like it, Sire. If more troops come, so much the better; else, by your blessings, with the five thousand I shall redeem my Kshetriya-like word."²²

The tone of Jagat Singha's reply is difficult to miss. Though polite in words, he is oozing confidence. He shows no excitement at the prospect of commanding a greater army as he feels no need for it. He sounds almost unhappy, because he has given word, as a knight, to drive Katlu Khan away with only five thousand. A reinforcement is not exactly in keeping with his commitment. He believes, he is more than capable to complete the task by himself, without additional support from his father.

The last example of self-belief comes from Osman when he talks to Jagat Singha about the peace treaty. Osman tries to make him see reason behind the peace offering, and while doing so, he expresses his belief that it will be impossible to subjugate the Pathans:

Did not Akbar conquer the country before? But how long did it pay him tribute? And if he succeed in taking it again, it can but end in a like result. He may once more send his forces, and once more conquer the province; but again will the Pathans be free. The Pathans are not Bengalis, mind; they never have bowed down the knee to any one, they never will, so long as a single Pathan breathes. That is certain. Where then is the necessity of deluging the earth with the blood of Rajputs and Pathans?²³

The certainty with which Osman speaks is born of self-belief. He knows his race and his self. He does not brag, one can identify his tone with Jagat Singha's one in correspondence with Man Singha, with the same level of polite confidence. And these two traits, courage and self-belief, led a chivalric knight to practise temperance, another chivalric code.

3.3 Temperance

Bankim portrays the chivalric ideal of temperance in his major characters in *Durgeshmandini*. Jagat Singha, Osman, and Aesha live by the ideas of humbleness and temperance. A good example of this in the novel is the duel between Jagat Singha and Osman, the Pathan General. Osman arranges a duel between himself and Jagat Singha over Aesha:

With these words Osman attacked the Prince with his sword, without even allowing him time to reply. The Prince was compelled to draw his sword hastily, and defend himself. Osman made repeated attempts on the life of the Prince, but the latter did not attempt to strike his antagonist, he only maintained the defensive. Both were masters of their weapons, and the fight continued for a long time, without resulting in the defeat of one or the other. But the blows of the Pathan made sorry work of the Prince's body, which was drenched with blood; Osman on the contrary was untouched, as the

²² Ibid, 36.

²³ Ibid, 152.

Prince had not aimed at him a single blow. Finding himself gradually enfeebled by loss of blood, and knowing death to be certain in such an unequal encounter, the Prince cried out imploringly,

"Desist, Osman, desist, I say;—I acknowledge myself vanquished."²⁴

Jagat Singha is holding back his warrior instinct, never striking Osman. A warrior of Jagat Singha's skill and training must have needed supreme control over his own will to fight back. The Prince presents a great example of temperance by refusing to fight Osman:

The Prince flung away his sword at a distance, and said,

"I will never fight. You have served me in my misfortune; and I will not fight with you."

Transported by rage, Osman dealt a kick at the Prince's chest.

"Thus!" exclaimed he, "thus do I fight with a warrior who fears to fight."

The Prince's patience became exhausted. Hastily recovering his rejected weapon, he leaped forward, like a lion bitten by a jackal, and attacked the Pathan. The latter was ill fitted to bear the force of that tremendous onslaught; and he measured his length on the ground, borne down by the staltwart body of the Prince. The Prince got up upon the breast of his enemy, and wresting his sword from his hand and holding his own over his throat, said,

"How now? Has your craving for fight been satisfied."

"Not while I live," returned Osman.

"Your life I can end this moment," said the Prince.

"Do so;—or else your mortal enemy will live," said Osman.

"Let him," replied the Prince; "the Rajput scorns to fear it. I would have killed you; but you spared my life, and so do I."

He then bound together the hands and feet of Osman, and one by one deprived him of all his weapons.

"Now betake yourself to your home in peace," said he, after releasing him.

"Being a *Yavan*, you durst kick the person of a Rajput Prince, and it is only for this guilt of yours that I have reduced you to this plight; otherwise the Rajputs are never so ungrateful as to lay their hands on the persons of their benefactors."²⁵

It should be noted here that Jagat Singha attacked Osman neither for Aesha's love, nor for the personal mistreatment at the hands of Osman during the fight. Being kicked by a 'Yavan' is something intolerable to a Rajput and this spurs him into action. Before that he was in complete control over his own self.

Another character that shows great temperance is Aesha. She has fallen in love with Jagat Singh while nursing him back to health after his capture. But she never let her feelings come out as she was well aware of the situation. Jagat Singh was drawn to Tilottama, she knew. She, a Muslim Princess, cannot hope to have a happy ending with a Hindu Prince. Only being taunted by Osman makes

²⁴ Ibid, 188

²⁵ Ibid, 188-89.

her reveal the truth. Even when she writes to Jagat Singh, she shows that she is not short of temperance:

That I did not see you was not owing to any fear I felt in regard to my endurance. Pray, do not charge Aesha with want of endurance; the thought will give me pain. Osman, you know, has kindled a fire in his bosom; and I did not see you, lest I should thereby give him pain. That you should feel pain at my refusal, I could not think. As for my own pain, my happiness and misery I have resigned to the hands of God. If I had had to give you farewell personally, I would have borne that pain easily; that I could not see you, I have borne like a woman of stone.²⁶

And in the last scene, after returning from the wedding of Jagat Singh and Tilottama, she stands at the window for a long time considering suicide, yet decides against it:

Sitting at the window, Aesha reflected long. She took out a ring from her finger. The gem which graced it was the home of poison. Once she thought, "I can at once quench my thirst for good, by sucking this gem." Again she thought,

"And is it for this that God has sent me into the world? If I am not equal to this trial, why was I born a woman? And what would Jagat Singha say, on hearing it?" She thereupon put on the ring. On some thought or other, she again took it out.

"It is beyond the power of a woman to resist this temptation; I'll cast it away."

Saying this, she threw the ring into the waters of the moat.²⁷

It was very natural for Aesha to succumb to the temptation to end the pain by committing suicide. In the context of the novel it was quite possible, as it seemed the expected action of the female characters. She admits that she is tempted to end the miseries of her life by sucking the poison, but resists. Yet again she admits the possibility of future temptation, and throws away the ring to avoid that. This fight against the natural urge and taking a more moderate course of action is an act of highest temperance that is expected of any character abiding by the chivalric code.

3.4 Morality and Loyalty

These acts of temperance are generated by a strong moral code. Though from different backgrounds, Jagat Singha and Osman are guided by their own morality in their actions. It is best described in Osman, the Pathan General:

Osman was a person of whom the Pathans might justly be proud. He had entered war as a profession and accordingly did not hesitate to do anything which promised to bring martial success. But when the exigencies of war were at an end, he never allowed the least unnecessary outrage to be

²⁶ Ibid, 191.

²⁷ Ibid, 204.

committed on the vanquished. Had not Katlu Khan himself reduced Bimala and Tilottama to that pass, they would never have been captives through Osman's hands. It was through his kindness that Bimala succeeded in seeing her husband before his death. When afterwards Osman came to learn that she was the wife of Virendra Singha, his kind heart at once melted.²⁸

The description of Osman is important. Man with a moral code, he does only what needs to be done. As war is his business, he never shied away from anything necessary to win. But with the war over, he never inflicted unnecessary punishment on the defeated. The care he takes of Jagat Singha during his recovery may be taken into account. Aesha acknowledges that:

"Osman," said Aesha, a gentle laugh illumining her countenance, "Nature has made me a woman, and as such it is my first of duties to tend the sick. It would indeed be a great sin in me to neglect it, but I can claim no merit for doing my duty. But how does it touch you? That you are daily watching and striving hard for the recovery of one who is your mortal foe, who is your opponent in the field, ever bent on humbling your pride—of one reduced to this pass by your own hands;—that you are doing all this for such an one can but rebound to your credit."²⁹

And when Osman defends his course of action as one of practicality, the narrator's description of him shows his moral character to the full extent:

No doubt these considerations weighed with Osman in determining his present conduct, but there was something more. It is the way with some men to give themselves out as hard-hearted, fearing to be convicted of the taint of the 'milk of human kindness,' and they do good with a perpetual sneer at kindness, as an effeminate quality. When pressed for explanation, they seek refuge in such expressions as, "O, sir, content you, herein I serve my turn." Aesha well knew Osman was one of this class.³⁰

He offers to free Bimala as she once saved him from the snatchers. And when Jagat Singha learns about the fate of Bimala and Tilottama, Osman feels compelled to apologize. He even clarifies his position in Virendra Singha's death to Jagat Singha:

"What does he say?" he asked Osman. "Is the Brahmin telling a fib?"

"After trying him," replied Osman seriously, "the Nabab has executed him as a rebel."

The Prince's eyes flashed fire.

"May I take the liberty, Sir, to ask one thing more?" he asked Osman. "Was it done with your consent?"

"No; it was against my advice," replied Osman.³¹

Jagat Singha is also driven by moral code in his actions. When Bimala invites him into the castle, he refuses saying that it is unbecoming of a Rajput to go

²⁸ Ibid, 119.

²⁹ Ibid, 106.

³⁰ Ibid, 106-7.

³¹ Ibid, 143-44.

anywhere without being invited by the master. When Aesha offers to arrange for his freedom, he refuses on the ground that it will jeopardize her position and reputation with her father. As he is indebted to her, he cannot let that happen. For similar reasons, he is not willing to fight Osman. He forgives Katlu Khan before he dies. Osman trusts Jagat Singha when he offers him to present a peace treaty to his father and then come back to the Pathans, knowing that he, a Rajput prince, will not break his word. Though it may be said that he practises his morality to a level that sounds almost cruel:

Osman opened and read the letter. It contained simply the following lines:—

"Ill-fated woman! I will not forget your request. But if you really loved your husband, you must follow him, and thereby wipe out the stain that has attached itself to your name.

Jagat Singha."

"Prince!" said Osman after reading the note, "you are very cruel."³²

Jagat Singha thinks that Bimala should die, as it is the expected behavior of a Rajput widow. He decides to forget Tilottama as he suspects her being corrupted by Katlu Khan. His morality nudges him to take such decision, and he seeks help from above so that he can abide by it.

Loyalty is another chivalric trait that has been touched upon in *Durgeshmandini*. According to the chivalric code, it is expected of a knight that he will be loyal to his liege lord and his cause. We find European knights attached to a court and loyal to its ruler. Similarly here we find the characters loyal to their superiors.

The death of Katlu Khan at Bimala's hand is an event that can be considered in this respect. When Virendra Singha dies, Bimala promises to avenge his death:

"Bimala!" he went on; "Farewell!—Do you follow me straight way."

"No;—after a little delay." Here she proceeded in an inaudible tone. "First I will avenge my wrong."

Virendra's countenance brightened up like an expiring flame.

"By your own hands?" enquired he.

"By this very hand"—said she, pointing her right hand with a finger of the left. "Here I cast away gold from my arms. What further the need of it?" She thereupon flung away her bracelets and other ornaments at a distance and proceeded, "No more shall these arms of mine bear any ornaments;—but sharp steel must now supply their place."

"You will certainly succeed," said Virendra joyfully. "May Heaven help you."³³

Bimala's promise to continue Virendra Singha's fight brightens him up even prior to his own demise. Disregarding his own life, Virendra is happy at the prospect of Katlu Khan's death. Only Katlu Khan's death can let Virendra rest in

³² Ibid, 150.

³³ Ibid, 115-16.

peace. And Bimala feels obligated to avenge his death; because being his wife, she is loyal to him. Her declaration after killing Katlu Khan bears enough proof of her loyalty:

Laying one hand on Katlu's shoulder, Bimala said,

"Your slave's at your feet, lord." Her other hand held the dagger.

Katlu Khan drew Bimala to her breast, and embraced her deeply. The next moment he shrieked out frightfully, cast her away at a distance, and sank in the bed. Bimala had sent her sharp dagger to the hilt into Katlu's breast.

"Vile murderess! damned wretch!" exclaimed he; his throat gurgled he spoke.

"No murderess, no wretch, but the widowed wife of Virendra Singha!" said Bimala, and off she went.³³

Tilottama also shows loyalty to her father when she chastises Bimala for her extravagance. Tilottama reminds Bimala that in her position it is indecent to adorn herself. Her request to fling off the ornaments means that her loyalty towards her father does not permit her to let it pass:

"What more danger can possibly befall us?"—said Tilottama.

"Tilottama," said Bimala rather calmly, "why do you at once despair? Still we have life—still we have innocence. So long as we have life—so long we will keep our innocence intact."

"Why then, mother?" Tilottama then said, "Fling off those ornaments; they are an eye-sore to see."³⁴

The discussion between Osman and Jagat Singha over the peace offering also brings the instance of Jagat Singha's loyalty in the foreground. He agreed to go to Man Singha to place the peace offering, and to return to captivity after that; but when requested to convince Man Singha to accept the treaty, he refuses:

Os. "Kindly promise one thing more and you oblige us completely. Promise that you will bring forward the terms offered by us, when you see the Maharaja."

"Worthy general" replied the Prince, "excuse me, Sir, I cannot promise this. The Emperor has appointed us to subjugate the Pathans; and to subjugate them is our only duty; he has not appointed us to conclude peace, and peace we shall never conclude. Nor will I ever propose such a thing."³⁵

Jagat Singha is a Mughal General, and his loyalty lies with the Mughals. In no way he is going to do anything that may place his loyalty in jeopardy. A chivalric warrior, Jagat Singha places loyalty over his freedom.

3.5 Protection of the Weak

In European code of chivalry, protection of the weak was of great importance. The knight's mission was to defend all weaknesses. The knight was bound to

³⁴ Ibid, 158.

³⁵ Ibid, p. 154

defend in this world all that was defenseless, and particularly the women and children, widows and orphans.³⁶ Bankimchandra took this trait of chivalry to be of great importance while creating his chivalric characters. Both Jagat Singha and Osman are kind and protective of those in need, and they treat women with utmost respect and—in case of their love—devotion.

The introduction of Jagat Singha presents him as protective and respectful towards women. In the temple, when he realizes that there are people within, he calls out:

"Whoever you may be, here," again said he, "listen. Here I sit at the door armed. Do not break my rest, or do it at your own peril, if you should happen to belong to the stronger sex. But if you be women, never fear; so long as sword and buckler are in the hands of a Rajput, not a hair of your head shall come to grief."³⁷

'If you be women' is the phrase to consider here. If they are women, he is their protector. The women are weak, they need to be protected, and a chivalric hero always protects the weak, women. He reassures the ladies, once the conversation starts, that "But rest content that so long as I am here, no danger shall befall the weaker sex."³⁸ Then again, during the conversation, Jagat Singha repeatedly assures to conduct them home safely, while speaking to them with reverence and courtesy:

"If you needs must go home afoot at this hour of night," replied the young man, "I will convoy you. The sky has become clear, and I would by this time have set out for my quarters; but it is only because I have not the heart to leave a beauty like your companion, without a guard, that I am still here."³⁹

The chivalric knight is putting away his own errand to protect the ladies, the 'beauty', as they are in need of protection. When Jagat Singha meets Bimala after a fortnight, again he offers to accompany him, and Bimala is appreciative of that; as it is expected of a noble warrior.

Aesha is also found protecting the weak. She nurses Jagat Singha when he is weak in health. She is not acquainted with Tilottama, but she takes care of her without any hesitation or considering her religion and caste. She sends her to her own quarters, and then sends her to Abhiram Swami's hut, granting her freedom. When she finds Jagat Singha in distress, she wishes to free him. Though not a knight, she naturally engages herself in knightly duties.

3.6 Treatment of Women

Scott and Cornish stated in their writings that love is a major element of chivalry. A knight is expected to devote his actions towards a lady of his choice. The knightly characters in the novel, Jagat Singha and Osman, both have their love

³⁶ Gautier, 40.

³⁷ Chatterjee, 3.

³⁸ Ibid.

³⁹ Ibid, 7-8.

interest. Jagat Singha has accepted Tilottama as the love of his life already. He declares:

"Ah! whom shall I forget?" replied the Prince, his nether lip showing a smile significant of his mental disquiet, "whom shall I forget? The image of your companion has engraven itself deep on my mind at first sight; this heart can never get rid of it, without being reduced to ashes. People call me stone-hearted; you know what is engraved on stone perishes with the stone itself. What do you speak of fight, Bimale? Ever since I saw your companion, in fight only I have been engaged. Whether in the field or in camp, I have never for a moment been able to forget that countenance. When the Pathan had raised his sword to cut off my head, my first thought was that if I then fell, I should never see her again—that our first sight was destined to be our last. Bimale, where shall I go to see your companion?"⁴⁰

A knight to the core, even when he is in captivity, Jagat Singha continues his courteous behaviour towards Aesha. He offers to repay her kindness in his better days. When Osman appears in the cell in presence of Aesha, Jagat Singha fears that she may have to undergo suffering on his account:

On seeing Osman, the Prince became greatly apprehensive for the sake of Aesha, who might come by disgrace or reproof at the hands of Osman or of Katlu Khan himself; and that this was more than probable, the angry tone in which Osman had made the taunt, rendered clearly manifest.⁴¹

Now, though Osman is seen here taunting Aesha, and not behaving to her in the way of a proper knight, it can be blamed on his jealousy. Otherwise he also treats women with great respect. The first time we encounter Osman, he is seen engaged in conversation with Bimala, and he shows no disrespect to her. Even when he asks her for the keys, he is ever courteous:

"Fair one," replied Osman with a smile, "you have nothing to be afraid of, except your side-glance. I have no very great fear even of that. But I have a suit to you."

Bimala felt curious, and fastened her look on Osman Khan's face.

"Pray, kindly oblige me," said Osman, "by giving me the key which is tied up in the corner of your sheet. I should hesitate to insult you by laying my hands on your person."⁴²

He does not want to disrespect Bimala by touching her. Even though he ties and gags her, he asks for her forgiveness, and releases the gag in the first opportunity. When Bimala and Tilottama are captured in their chamber, Osman orders not to harm them in any way. When he learns that Bimala is Virendra's wife, and she saved him from the snatchers, his treatment grows more respectful. And he idolizes Aesha as her lady love, just as any other chivalrous knight.

⁴⁰ Ibid, 70.

⁴¹ Ibid, 174.

⁴² Ibid, 83.

4. Conclusion

Chivalry is a European code of life. With the introduction of novel in Indian literature Bankimchandra introduced the idea of chivalry. But applying it in the Indian context had not been easy for him. The chivalric traits presented in *Durgeshnandini* in different characters are not purely European in character, and it is due to the cultural differences between the two continents. For example, in *Durgeshnandini*, neither Jagat Singha nor Osman shows any extreme behaviour regarding religion. They are infidels in each other's eyes, yet very tolerant of themselves. Jagat Singha even refuses to fight Osman, though it is not proper for a chivalric knight to avoid any challenge from an equal. Moreover, Jagat Singha's behaviour with Tilottama in the cell does not comply with the European chivalric code. The way he addresses Tilottama in the cell and behaves coldly with her is really unexpected from any knight abiding by the European chivalric code, for he will in any situation show respect and adoration to his lady. And most importantly, Bankimchandra has invested the female characters in the novel with chivalric qualities. Both Bimala and Aesha display chivalric traits in their characters and actions. And it was not in practice in European literature. In such cases it may be assumed that Bankimchandra has Indianized the ideal of chivalry for Indian literature.

Study of chivalry in *Durgeshnandini* presents an interesting task as it is the first instance of using European ideals in Bangla literature. And Bankimchandra himself has made multiple changes in different editions of the novel to bring finesse to it.⁴³ What he believed to be inconsistent with the Bengali culture, he changed. But at the same time, he maintained the chivalric code in his characters, even though it seemed unnatural to the readers and critics. But it is certain that Bankimchandra's introduction of the chivalric ideal from the European romance literature underwent Indianized moderation to suit a culture that was not familiar with it.

⁴³ Swarochish Sarker, "Bankimchandrer Pathsampadana: 'Durgeshnandini'r Udaharan", *Bangladesher Koshgrantha O Shabdasantan* (Dhaka: Bangla Academy, 2010), 103-44.

The Experience of Dharma Gola (Grain Banks) in Bengal: A Community Mutual Help System Acting as a Safety Net

Takami Ishizaka*

Abstract: Development of safety nets is the one of the most important issues in developing countries. This study analyses grain banks, which are a kind of a mutual help organization that acts as safety nets for people. In Bangladesh, grain banks, also called dharma gola, are found in historical contexts. Using a literature study and interviews in villages, this study found that grain banks play roles not only in food security but also in rural finance. Thus, dharma gola play important roles as safety nets in the communities of Bengal.

Keywords: Grain Bank, Mutual Help, Safety Net.

1. Introduction

Some people descend into poverty due to shocks like disasters and health problems. Once they become poor, they do not have enough assets, such as property or savings, to cope with shocks, and they become more vulnerable to shocks. For poverty alleviation, safety nets are important to protect people from shocks and prevent descent into poverty.

The safety nets consist of three forms of 'help', which are 'public help' by governments, for example, social insurance, welfare, and official assistance; 'self-help' by households or individuals, for example, through savings, labour, and income; and 'mutual help' by communities, informal finance, donations, and so on. This study focuses on mutual help, and selects a community-based activity in the form of grain banks, which are widely observed around the world.¹

* Research Fellow, Asian Research Center for Social Well-being and Development, Nihon Fukushi University, Japan.

¹ In Japan, the first grain bank, called *miyake*, was established in 3 BC to make provisions for famine, and was managed by the government of ancient Japan. In 1665, *Sha-so* (social stores) were established in the Edo period, and were managed by communities as a security system (Takeda Hisayoshi. (2007). '*Nihon ni okeru kyodtai to seikatu hosho seido no henka (1)*': The change of community and life security system in Japan (1). *Momoyama gakuin daigaku keizai ronshu*, 48(4): 7–26), (Takeda Hisayoshi.

In Bangladesh, grain banks, called *dharma gola*, are found in history from the Middle Ages. In the late 1890s to the 1920s, some philanthropic *Zamindars* (landowners) started grain banks for their tenants. Thereafter, grain banks appeared in the co-operative movement in the 1930s–1960s. In the context of peasant movements in the 1940s, *dharma gola* were formed by communist leaders. After independence, some non-governmental organisations (NGOs) conducted grain bank programs as development schemes.

2. Literature Review

2.1 Dharma Gola in Bengal

The *dharma gola* is found in some contexts in history. During the Middle Ages, the system of *dharma gola* was developed. ‘The farmers used to contribute a share of their harvest to *dharma gola* for use by the community people in times of need’.²

In 1892, the philanthropist *Zamindar* Rai Parbati Sankar Chaudhuri started *dharma gola* for his tenants to fight deprivation caused by famine and scarcity in Joyganj Thakurgaon, Dinajpur.³ The system of *dharma gola* required members to pay annual fees to join the system and they had to deposit as much paddy (rice in the husk) as they could. When a member had trouble sourcing food, he/she could borrow paddy and repay the same amount of paddy, plus some amount of paddy as interest, during the next harvest. The activity became popular among peasants, and other *dharma gola* were set up in the district. In 1914, the activity was registered as a co-operative grain bank.⁴

2.2 Dharma Gola in the Co-operative Movement

In Gosaba, an island in the Sundarbans that is now part of India, the *Zamindar* Sir Daniel Hamilton introduced the co-operative system in India. He observed that his tenants were suffering from debt and to prevent getting into debt with moneylenders, he developed the *dharma gola* during India’s co-operative movement. Each household of the village gave as much paddy as it could spare

(2008). ‘*Nihon ni okerru kyodtai toseikatu hoshō seido no henka (4)*: The change of community and life security system in Japan (4). *Momoyama gakuin daigaku keizai ronsyu*, 50(1): 29–49.

² N.I. Khan (1978), *Social Welfare Services in Bangladesh*, Department of Social Welfare.

³ http://www.banglapedia.org/httpdocs/HT/C_0401.HTM.

⁴ Haris Chandra Sinha (1930), *Co-operation in Bengal*, *The Visva-Bharati Quarterly*, 8, 99–106.

and the paddy was lent to members to be repaid at a rate of 25% interest. Thus, the capital of the bank increased and became available immediately in the event of famine or floods.⁵

Rabindranath Tagore was influenced by Hamilton's activities. In 1928, a central co-operative bank branch was established in Santiniketan, where Tagore had the Sriniketan Institute of Rural Reconstruction (SIRR). For co-operative activities, several kinds of societies were registered: 226 credit societies, 69 irrigation societies, and 12 health societies. In addition, Tagore started *dharma gola* under the supervision of the SIRR.⁶ In an interview⁷ conducted as part of this study about the membership of the *dharma gola*, a former schoolteacher said:

In our community, the *dharma gola* was established in 1928, and 28 households from the community participated. Our *gulu* (Tagore) came to see it. There were more than 40 *gola* in this village. Some members borrowed grain for scarcity of food. I borrowed paddy and sold it to obtain capital for investment in cultivation. It functioned well, but in the end, it did not work for political reasons. In 1978, we decided to close *gola* and sold all the stock (83-year-old former schoolteacher).



Figure 1: Former *dharma gola* in Sri Niketon, now used as a store
Source: Photo by researcher, March 2013

⁵ *Modern Review* (1932), Vol.52.

⁶ Visva-Bharati Annual Report (1928), *Visva-Bharati Quarterly*, Vol. 7, 1929–1930.

⁷ The interview was conducted in Sriniketan on 15 March 2013.

The *dharma gola* no longer exists. However, the first *dharma gola*, which was built by Tagore, is kept as a store to symbolise one of his great works (see Figure 1).

In the 1930s, grain banks were operated by some co-operatives in other areas of India, Mysore, Bihar, and Orissa.⁸ According to Dubey, in India, co-operatives are one of important economic programmes for the scheduled tribes, a constitutional term for indigenous people, and grain *dharma gola* are one of the important co-operative institutions.⁹

In 1960, a new rural co-operative organisation in Comilla, the Pakistan Academy of Rural Development, started 'in-kind savings' for its 21 member groups, and members were asked to deposit one quarter of their harvested paddies. In 1960, they collected 530 maunds of paddy and sold it for 7,090 rupees.¹⁰

In 1961, the system was improved to become a village *gola* programme. Each village co-operative managed its own *dharma gola* with agreement from the central association. Villages could take loans in cash from the central association of up to 60% of the harvest-time value of grain. At the same time, to eradicate starvation, a food bank was established, and 22 groups joined it. The members deposited paddy, rice, and wheat. Members facing starvation could take grain as food loans and repay it in the form of grain in the next harvest with interest.¹¹

The co-operative societies developed saving schemes with grain as in-kind savings. They started saving programs with cash in 1961. From a start of 59 societies, the numbers of participants in the cash savings scheme increased year by year. By 1964, 4,910 members from 152 societies had joined the cash savings scheme. On the other hand, the numbers of participants in the in-kind savings scheme decreased. From a peak of 29 societies in 1961, the number fell to 10 societies in 1964.¹²

⁸ Eleanor Margaret Hough (1967), *The Co-operative Movement in India*, Oxford University Press.

⁹ Sumati Narain Dubey (1973), *Administration of Social Welfare Programmes in India*. Tata Institute of Social Sciences Series. Vol. 27. Somaiya Publications.

¹⁰ Henry W. Fairchild and Shamsul Haq (1961), *A new rural co-operative system for Comilla thana. Rural Co-operative pilot experiment first annual report 1961*. Pakistan Academy of Rural Development. Comilla.

¹¹ Henry W. Fairchild and M.Z. Hussain (1962), *A new rural co-operative system for Comilla thana. Rural Co-operative pilot experiment July 1962*. Pakistan Academy of Rural Development. Comilla.

¹² A. Aziz Khan (1966), *A new rural co-operative system for Comilla thana. Rural Co-operative pilot experiment May 1966*. Pakistan Academy of Rural Development.

2.3 Dharma Gola in the Peasant Movement

In the co-operative movement, some philanthropist *Zamindars* took initiatives to establish *dharma gola*. On the other hand, in some places, *dharma gola* were formed out of resistance of peasants to landowners.

In the 1940s, during the peasant movement, *dharma gola* were re-formed by communist leaders of *Kisan Sabha* in Dinajipur, under a campaign to grow more food. They established a food committee and collected paddy and rice from peasants and small landowners.¹³ As a self-help movement, the *dharma gola* became popular among farmers and spread to several districts, including Jossuer, Malda, Jalpaiguri, and Bankura.¹⁴

3. Grain Banks and Development

3.1 Grain Banks in Communities

An NGO, Caritas, revived *dharma gola* in the late 1970s in the Rajshahi division of Bangladesh. It took the form of a food security programme for indigenous people, called *rokkha gola* (protection store), which continued until the late 1990s, but the overall programme has since been disbanded. Nonetheless, at least three groups continue to manage the programme by themselves. One of them has increased its assets through its activities and purchased some land. Another NGO has revived *rokkha gola* in Rajshahi.¹⁵

A community has started a *dharma gola* by itself, separate to a government or NGO programme in northern part of Bangladesh.¹⁶ The idea came from outside after one of the community members observed grain bank activity in another village. They started in 1975 with 45 households in the village, and thereafter, the number of participating households increased to 65. Every household kept *musthi chaul* (one grab of rice) every day and deposited 2 kg of rice at a monthly meeting. In addition, in the harvest season, each household contributed *Amon* paddy of 5 kg a year. The community members can borrow rice or paddy without interest and sell their surplus on the market. At one time, the grain bank's account balance was more than 100,000 taka. The grain bank

Comilla.

¹³ Sunil Sen (1972), *Agrarian Struggle in Bengal 1946–47*, People's Publishing House.

¹⁴ Asok Majumdar (1993), *Peasant Protest in Indian Politics: Tebhaga Movement in Bengal*. NIB Publishers.

¹⁵ From an interview at Caritas Rajshahi branch, June 2011.

¹⁶ This experience is from an interview conducted in Niamatpur, Naogaon, Bangladesh, on 23 December 2012.

invested its money to rent a pond for starting cultivation. However, it got into trouble with other owners of the pond regarding tenant rights and ended up losing its balance in court costs. The disappointment from the setback caused them to discontinue their activities, and the grain bank closed in 2006.

In India, the government has a Village Grain Banks scheme, launched in 1996–1997. This scheme focuses on remote and backward tribal areas. An initial allocation was made of 1 million tonnes of food grain and 660 million rupees in cash to meet transport costs. In 2002, there were 184 grain banks functioning, which were managed by communities themselves. In the last season, 12,363 families took loans from the grain banks.¹⁷

3.2 Savings clubs among women with *musthi chaul* (one grab of rice)

In *dharma gola* activities, members mainly collect paddy during the harvest season. Some collect *musthi chaul* (one grab of rice) weekly or monthly as well as the seasonal paddy. *Musthi chaul* is an in-kind type of savings in the household, by which women keep a grab of rice when cooking rice. This custom is observed in many Bangladeshi households.

Some women's groups have their own savings activities using *musthi chaul*. In Rajshahi city, a women's producer organisation collects *musthi chaul* monthly and sells it to fund its activities.¹⁸ In Naogaon, a Christian women's group collects *musthi chaul* and sells it to provide the capital for loans to its members.¹⁹ These kinds of activities are found in many places.

4. System and Functions of Dharma Gola

Figure 2 shows system of *dharma gola*, summarized from the literature and interviews. *Dharma gola* has two important functions: consumption smoothing and rural finance.

When households have problems with lack of food, people can avoid malnutrition or getting into debt by borrowing grain from the *dharma gola*. In addition, they can borrow money from the fund, which is made from selling the surplus grain of the *dharma gola*. By this system, members' consumption ability is kept smooth, and needs can be met without debt.

¹⁷ Tenth Five-Year Plan 2002–07, Volume II: Sectoral Policies and Programmes, Planning Commission, Government of India, December 2002.

¹⁸ Ishizaka field notes, October 2010.

¹⁹ Ishizaka field notes, June 2011.

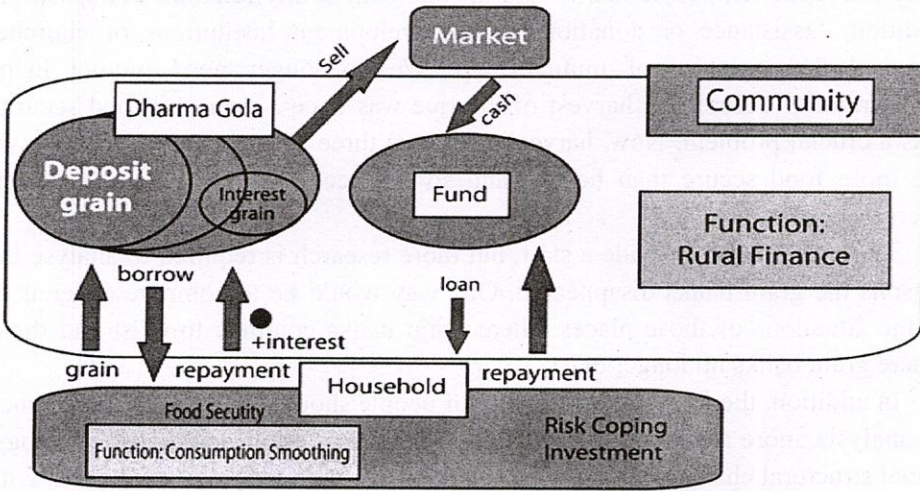


Figure 2: System and functions of *dharma gola*

Source: Researcher

It is difficult for small-scale farmers and peasants in rural areas to have and operate bank accounts. Some have difficulty depositing cash in bank accounts, and thus, are excluded from formal financial institutions. Instead of cash deposits, *dharma gola* enables its members to save by depositing grain if they have sufficient supplies in the harvest season, and thereby, *dharma gola* plays the role of rural finance. Thus, *dharma gola* could be regarded as a mutual help system in the community acting as a safety net

4. Conclusion

The historical and developmental context shows that *dharma gola* played an important role in acting as a safety net for people. However, it seems that *dharma gola* activities have repeatedly emerged and disappeared in communities. If we are to utilize *dharma gola* for development today, to make the programmes sustainable, we have to understand in detail why these activities kept disappearing. The reasons for the emergence of the projects are clear. However, it is not clear why grain banks disappeared. To consider the sustainability of grain banks, this issue requires analysis.

From the interviews,²⁰ some of the reasons are mentioned, as follows. 'By wars or rebellions, people had to migrate and community relations collapsed.' In addition, 'assistance or donations from development institutions or churches changed the structure of mutual help. We no longer need mutual help.' Furthermore, 'before, the harvest of the rice was once a year and food security was a crucial problem. Now, harvesting occurs three times a year. Currently, we are more food secure than before, and so the necessity for *dharma gola* has decreased.'

These comments provide a start, but more research is required to analyse the reasons the grain banks disappeared. One way would be to compare differences in the situations of those places where grain banks continue to exist and those where grain banks no longer exist.

In addition, the food security reality of people should be researched. For such an analysis, more research is required in such sectors as, agricultural technology, social structural change, network analysis, and health indicators. For deep fit with the culture and social structure of communities, we suggest that action research is undertaken and that community members participate in the analysis and design of grain banks.

²⁰ Ishizaka field notes, 2011–2012.

Dishonour of Cheque: A Legal Analysis on the Interpretations of Negotiable Instruments Act in Bangladesh

Sayeeda Anju*

Abstract: Cheque dishonour cases are common phenomena in legal arena which impose strong punishment by the Negotiable Instruments Act, 1881(NI Act). When a cheque is dishonoured, the Act allows 60 days to the drawer as a safety valve. If he fails to make provision for the payment of the cheque money within the given time after once it was dishonoured, he will be liable under both civil and criminal law. Next one month is appropriate time for taking action against the drawer of the cheque. Cheque may be dishonoured by the bank for insufficiency of funds or for expiration of period or for both. There may be other reasons found by the court while dealing cases which are subject to further discussions. The special law of limitation mentioned in the NI Act has been discussed in different phases through different manners in the case laws. Several terms like, blank cheque, account payee or not negotiable, notice etc. in the NI Act and words used by the Bank like, memo, bounce etc. have been explored by the courts at different times in different cases. Procedural duality regarding remedy is mentionable features of the cheque dishonour cases. Some statutory amendments with regard to notice and appeal have been made and yet more amendments are required to clarify some of the points raised by the Banks and by the Courts.

1. Introduction

The Negotiable Instruments Act 1881 (NI Act) has been adapted to legalize papers alternative to money.¹ Cheque is one among the three paper based payment modalities acknowledged by the NI Act 1881.² The law includes the

* Associate Professor, Department of Law, University of Rajshahi, Rajshahi.

¹ The NI Act was amended in 1897, 1914, 1919, 1920, 1921, 1930, 1934, 1947 in British period and in 1948, 1957(with retrospective effect from 14th October, 1955) and 1963 in Pakistan period and thereafter in 1973, 1994, 2000 and 2006 in Bangladesh period

² According to section 13 (1) A of Negotiable Instruments Act 1881 “negotiable instrument” means a promissory note, bill of exchange or cheque payable either to order or to bearer

method of issuing as well as using a cheque. For example- amount of payment written in a cheque must be in both courtesy amount (amount in figures) and legal amount (amount in words). An endorsed cheque must be presented in a certain bank for collection within a prescribed period.³ A cheque may be dishonoured in case of violation of the relevant rules. In this article the author makes an attempt to elucidate the provisions of, and cases relating to cheque dishonour. The article discusses the provisions of NI Act regarding cheque dishonour and amendments made in Bangladesh. It also refers to interpretations made by the judiciary from time to time while implementing the Act which creates new jurisprudence in solving different problems. The author discusses procedural duality in relation to dishonour of cheques. Laws governing liability of parties to foreign cheques and cheque dishonour offences by companies are not included in this article. The article based on primary source. The information used in the article has been collected from paying visit to different banks personally. Observations, gathered through conversation with bankers, lawyers and judges, are taken into consideration. The author refers provisions of NI Act and case laws reported in different volumes whenever necessary.

2. Dishonour of Cheque: Laws and Practices

An instrument is dishonoured when presentment is excused and the amount is not paid. Of the three instruments of NI Act- bill of exchange, cheque and a promissory note, the first two may be dishonoured whereas the last one cannot be dishonoured. A bill of exchange may be dishonoured either because of non-acceptance or because of non-payment. A cheque if returned because of insufficient funds or because of a stop payment order it is treated as dishonoured. A dishonoured cheque is also termed as a bad cheque, hot cheque, worthless cheque, rubber cheque, bounced cheque, cold cheque, bogus cheque, false cheque, dry cheque etc.⁴ If the cheque is excused to pay by the drawee showing the reason that it is not presented within the proper time is also a dishonour. That may be termed as dishonoured for expiry of time. The NI Act has prescribed six months from the date of endorsing of a cheque as valid period for encashing. If it is a special cheque and if the cheque contains the date of validity, that cheque must be cashed within the prescribed period. A cheque is not invalid by a reason only that it is anti-dated or post-dated. Section 21C of the NI Act approved anti-dated or post-dated cheques valid to cash. The condition is that the anti-dating or post-dating does not involve any illegal or fraudulent purpose or transaction.⁵ If a cheque is involved in any illegal or fraudulent purpose or transaction, that cheque

³ Within six month for public cheque as section 138 of NI Act. Whereas within three months for Government cheques, See, Ministry of Finance, Bangladesh, *Government Treasury Rules*, S.R.O.Number-85

⁴ Md Bashir Ullah, *Effect of Cheque Dishonouring* Journal, 63 DLR 2011 HD10

⁵ See, section 21 C of the Negotiable Instruments Act 1881

is always invalid whether correctly dated or anti dated or post dated. So the provision inserted in the section, however, does not carry any value.

The Act stated that a suit upon an instrument which has been dishonoured, the Court will, on proof of the protest, presume the fact of dishonour unless and until such fact is disproved.⁶ The court always takes the explanation given by the drawer about delivering a signed cheque from his or her account into consideration. In "*Abdul Alim vs Biswajit Dey and another*"⁷ case the court observed that since the accused did not deny his signature, he must discharge the onus as he had signed the cheque which is dishonoured later on. It is the duty of the drawer to assure that the cheque be honoured. To enjoy money through encashing the cheque is a legitimate claim that can be enforced judicially. In the case of "*Sheikh Mashuk Rahman vs State and another*,"⁸ it is found that payment of dues of computer accessories was paid by cheques which were dishonoured later on due to insufficiency of fund. Complainant served legal notice upon the accused by post but was not paid and therefore filed the case under NI Act. In this case, the argument of the accused petitioner was that the liability is arisen out of business transaction and that the dispute between the parties could be decided out of the court as per the agreement that they have made for business purpose, and the dispute is civil in nature. The argument was also that the respective agreement contains a clause to resolve the dispute or misunderstanding, if any, by arbitration; thus the case cannot be tried by a criminal court. Hence the case is not liable to continue under NI Act. The court said neither the availability of civil nor any other alternative forum would stand as a bar in launching a prosecution under section 138 of the NI Act. Mere presence of the arbitration clause cannot be treated as bar. The court observed that the imposed liability under section 138 of the NI Act is a strict liability. Thus the drawer cannot render his/her liability to anyone.

2.1. Practical Scenario of Cheque Dishonour

Every negotiable instrument needs to be made or drawn for lawful consideration according to the NI Act. Cheque must be drawn for discharging debt or liability. It has to be a legally enforceable debt or other liability and the debts must be alive at the time when the cheque was issued and dishonoured. Cheque are often used for exchanging bribe, cheques for clearing bribe are not judicially enforceable if dishonoured. Because, these cheques are not issued to discharge lawful debt. Yet cheques are frequently issued with a view to paying bribes for getting undue advantages or securing jobs, promotions, transfer, manpower migration and so on. These cheques are dishonoured as the intention of the drawer, is not to pay. In most of the cases, blank cheques are being issued.

⁶ Section 119 of the NI Act 'Presumption on proof of protest'

⁷ 59 DLR 2007 HD 236

⁸ 62 DLR 2010 HD 28

If a drawer issues a blank cheque without mentioning the date and amount and sends it with a letter requesting the payee to present it before the bank after a certain period of time and if the payee makes a material change, it cannot be enforced even though it was issued for a legal liability. When the drawer issues a complete written cheque any alteration without the consent of the drawer makes the cheque invalid. Most of the agencies in Bangladesh keep or demand blank cheque as security. It is presumed that the holder of a cheque has received the valid cheque for the discharge, in whole or in part, of any debt or other liability. The effect of these presumptions is to place the evidential burden on the drawer in order to prove that the cheque was not received by the payee towards the discharge of any liability. Because both sections 138 and 139 of NI Act require that the court will presume the liability of the drawer of the cheques for the amounts for which the cheques are drawn. Even when the cheque is issued blank and later filled by someone else the liability goes to the drawer.

Cheque is used as security money or a guarantee by the guarantors and usually these cheques are taken as blank. Often the guarantors may not have money in account. Sometimes the account is also opened being influenced by the beneficiary. For example- when a person wants to join a pharmaceutical company as a representative he needs to show guarantor with his or her endorsed blank cheque. Usually it is needed for the security of price of the product that the representative gets. Sometimes the job seeker makes his guarantor open a bank account and places a blank cheque before the company as the security. These blank cheques are filled by the company whenever necessary in case of termination of job contract or other reasons. As a matter of fact, no transaction is made on that very account as the only reason to open the account is to issue the blank cheque. As a result the cheque is dishonoured due to insufficiency of fund. Though the jobseeker makes the drawer do everything, all liability goes to the guarantor.⁹

If the blank cheque collected as security does not carry value, the onus renders on the shoulders of the endorser who has no idea about the punishment of NI Act. To get a clear view of these types of cases, the overall case study of the account may be needed to find out the intention of the cheque issue. Giving security is a valid liability but it should not be unlimited. Hence security cheques must not be a blank one in terms of amount as well as in terms of date. When the proceeding starts of cheque dishonour cases usually the Magistrates asks the complainants that whether the amount is filled by the drawer or not. If it is found that the payee filled the cheque amount caption, the case becomes weak. Sometimes the clever payees do not admit or hide the matter of blank cheque and claims that the drawer filled the cheque. Although the courts face these problems,

⁹ The idea of example is developed by conversation with advocate who practises as panel lawyer of a bank.

they do not suggest anything for controlling the practice of blank cheques. Even the banks demand blank cheques from the borrower against loan. Therefore, blank cheques are in use every now and then. Justice Siddiqur Rahman Miah stated in "*Zahed Hossain case*"¹⁰ that increasing credit facilities and individual borrowing of loan have widened the range of scope of the NI Act than ever before. He stated that now the court have been facing intricate problems in this sphere and more new problems are coming regarding avoiding repayment of loan money because often borrowers adopt illegal tactics not to repay the loan money. Cheque dishonour cases mostly depend on the intention of the drawers. If the drawer does not intend to create any hazard, cheques, even issued as blank, are honoured. If the intention is not to clear the payment, the amount kept in the account is insufficient and the cheque, as an aftermath, is dishonoured.

2.2. Dishonour of E-Cheque

The electronic cheques (e-cheques) are those which are initiated electronically modeled on paper cheques. It uses digital signatures for signing and endorsing and requires the use of digital certificates to authenticate the payer of encashing the amount from the account. E-cheques are delivered through internet. In order to deposit e-cheques the payee simply connects to the bank and uploads the e-cheque to his bank account. On receipt of the cheque after verifying the signature and balance, the payees account is credited accordingly. There is no possibility for e-cheque dishonour because the risk is taken care of by the accounting server which seems to assure that the cheque would be honoured. E-cheque is smarter but not introduced in the country yet, only paper based cheques are usually used in Bangladesh which may be subject to dishonour. Apparently it is seen that e-cheque cannot be dishonoured but hacking or other problems may make it unsafe and password or other difficulties are also factors for using e-cheques, these issues demand another discussion.

3. Provisions of Cheque Dishonour of NI Act

Dealing with cheque is comparatively safer from that of cash. At the same time it preserves the documentary evidence if the money is given by cheque through a bank account. It is not always as convenient as cash payment because by showing several reasons the cheque may be dishonoured by the respective bank. Provisions

¹⁰ *Zahed Hossain vs State* 61 DLR 2009 HD 386. In this case the main argument placed by the learned advocate of the petitioner that single complaint for more than one cheque (8 cheques in this case) is not permissible in law but the court held that there is no legal bar to try the offences of several transactions between same parties under one case. The court also observed, in this case, that correctness of serving legal notice under section 138 (1) (b) of the NI Act and receipt of that by the drawer of the cheque can only be adjudicated at the trial stage

relating to cheque dishonour are described in sections 138, 138A,¹¹ 140 and 141 of the NI Act. At present prevailing section 138 of the NI Act has prescribed certain conditions for which a cheque may be dishonoured. For example, The cheque should have been issued for payment of any amount of money to another person from out of that account. So if an open cheque is issued for self-collection, section 138 will not be applicable.¹² When a cheque, open or crossed, delivered to a creditor is unpaid, action can be taken against the drawer as the cheque becomes property of the drawee.

The cheque should have been presented within a period of six months from endorsement¹³ or within its validity period whichever is earlier. It is stated earlier that six months are prescribed for public cheques whereas in government cheque three months are considered as a valid period. If the cheque is a special cheque for example- traveler's cheque, the period of validity will be for a certain travel only.

When the payee gets the endorsed cheque from the account holder and submits it within the prescribed time before the bank for cash out, the bank is bound to pay the amount written in the cheque. If the bank does not find the cheque appropriate, it will dishonour it. Section 138 of NI Act describes insufficiency of funds in the account of the drawer of the cheque as a ground of cheque dishonour. The judiciary includes several other reasons for cheque dishonour. If the cheque is dishonoured by the bank, the drawee needs to issue a notice to the drawer and if drawer takes necessary steps the matter is settled. The following diagram explains the whole scenario:

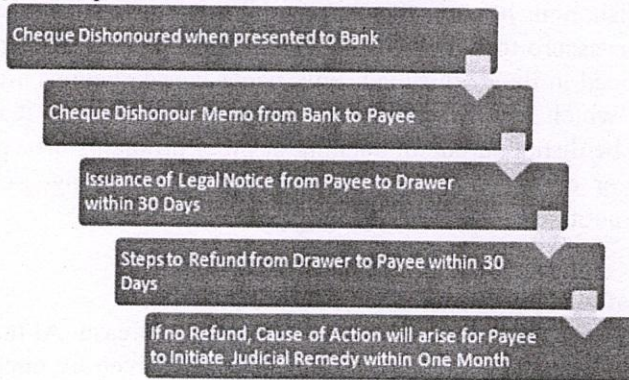


Diagram-1

(The steps showed in the diagram are elucidated later on in this article)

¹¹ Section 138A was inserted by the NI (Amendment) Act, 2006 section 3.

¹² *Khokan Bhuiyan and Others vs Md. Ahsanullah*, 60 DLR 2008 HD 377, in this case the question calls for determination is, if self endorsed cheque dishonoured whether a proceeding under section 138 of the NI Act is maintainable or not.

¹³ In the case of *MA Mazid vs Abdul Motaleb* 56 DLR 2004 HD 636 it found that the cheque was presented before bank after six months from the date of drawn therefore rejected in the court.

When the cheque is submitted before the bank to cash the written amount out, if dishonoured, the bank would inform the drawee about the reason of dishonour by providing a cheque dishonour memo. After getting the cheque dishonour memo a notice needs to be served within 30 days to the drawer about the dishonour. The drawer has another 30 days to pay the amount to the drawee. If the drawer does not take any steps then within 1 month the drawee can ask for judicial remedy.

4. Cheque Dishonour Memo/‘Cheque Return Memo’

Every bank, both public and private, maintains a dishonour slip or dishonour memo/memorandum to deal the cheque dishonour cases.¹⁴ Almost all the memo contains a number of items showing the reasons of dishonouring a cheque. The NI Act has prescribed two reasons for dishonouring a cheque namely, insufficiency of funds and stop payment agreement provided that a cheque is presented to the bank within period of validity. The title of section 138 of the NI Act, however, contains, “Dishonour of cheque for insufficiency, etc, of funds in the account”. The word ‘etc’ is interpreted by the High Court Division in “*Shah Alam(Md) vs State and another*”¹⁵ case. The Court observed that the word ‘etc’ gives indication that there may be some other reasons for dishonouring of the cheque which may also be included within the offence. In “*Khalilur Rahman*” case discussed earlier,¹⁶ case the court stated, ‘from the heading of the section it becomes clear that the legislature never intended dishonour of the cheques to be made punishable only in case of insufficiency of fund or exceeds the amount arranged to be paid since the word “etc” has also been used there by the caption of the section. So, it can be presumed that legislature contemplated various other reasons where the cheque is dishonoured.’ By the judgments it is proved that the court rejected to apply purely literal interpretation of the provision of section 138. On the other hand the banks use a memo which encloses several reasons for dishonouring a cheque. When the cheque is found not in accordance with the bank’s rule, the drawee is informed by the dishonour memo bearing with a remark of the reason or reasons of dishonour. Usually the memo contains 16, 17, or 18 items among them some selective items, which are commonly used for returning a cheque as unpaid, are discussed below.

4.1. Insufficiency of fund

The cheque will be dishonoured if the amount written in the cheque exceeds the amount present in the account of the drawer. Most of the cases cheques are dishonoured for this very reason.¹⁷ In some cases cheques are used to get relief

¹⁴ The author has collected some dishonour slips from both public and private banks.

¹⁵ 63 DLR 2011 HD 140.

¹⁶ 57 DLR 2005 HD 603 Criminal Revision No. 714 of 2001.

¹⁷ *Nurun Nabi vs Abu Taher Khan* 62 DLR 2010 HD 317, *Raj Kumar Khetan vs Mercantile Bank Limited & another* 18 MLR 2013 HD 322 also in 64 DLR 2012 HD 272.

from creditors without considering whether the account has sufficient amount or not. Sometimes it may be intentional and sometimes accidental. Whatever may be the reason, if the amount in the cheque is more than the account has, cheque dishonour memo can be issued by the bank to initiate legal proceeding.

4.2. Exceeds amount arranged to be paid from the account

According to section 138 of the NI Act if the cheque exceeds the amount arranged to be paid from the drawer's account by an agreement made between the drawer and the bank, the bank can refuse to pay. In some cases the banks usually communicate with the drawer of the cheque over phone and ask him/her about payment.¹⁸ The payment depends upon clients' consent. If a signed cheque is refused payment due to the violation that very bank-client agreement, the holder or payee is supposed to get cheque dishonour memo. Usually the bank put remarks on 'instruction from the issuer' as a reason to remain unpaid.¹⁹

4.3. Stop Payment Order

Although NI Act does not mention about stop payment order as a reason for dishonour the High Court Division in the judgment of *Shah Alam(Md) vs State and another*²⁰ stated that 'stop payment instruction' cannot exonerate the drawer of a cheque from the criminal liability under section 138 of NI Act. A petition of complaint for dishonour of a cheque on the ground of stop payment order is maintainable under section 138 of the said Act. The court also observed that this type of order cannot exculpate him/her from criminal liability. Sometimes cheques may be stolen or lost. Then instructions may come from client about stop payment. Usually the bank referred those types of cheques to the drawers. Sometimes 'stop payment order' is demanded by the holder of the account, though the cheque is not stolen or lost, with a view to harassing the payee. In these cases, the payee can ask for cheque dishonour memo which is necessary for initiating legal proceeding against the drawer.

4.4. Positive Pay Instruction

Positive pay instruction, recent addition by Bangladesh Bank, is a form to be filled along with the cheque.²¹ If the minimum amount of the cheque is of one lac for corporate account and of five lac for personal account, filling this form is

¹⁸ The author has been informed by conversation with some banks.

¹⁹ *Shahnaj Begum vs State* 63 DLR 2011 HD 279, in this case the cheque was dishonoured by the bank for two reasons. One of them is dishonouring on the basis of stopping of payment instruction by the drawer.

²⁰ 63 DLR 2011 HD 140

²¹ Bangladesh Bank Master Circular, BIFU Circular No. 10 of Bangladesh Financial Intelligence Unit, Bangladesh Bank, dated of 28 December 2014, available at: <https://www.bd.org.bd/openpdf.php> accessed on 07.06.2016

mandatory. If the form is not duly filled up along with the cheque, the cheque will be dishonoured. This clause is not mentioned in the memo and the bank puts a mark on the miscellaneous clause in this type of reason of cheque dishonour. Though this provision is made mandatory with a circular on December 28, 2015, no proper step is taken to reduce the harassment of the drawers as they do not have clear idea about it. If the drawers are provided with the positive pay instruction form with the cheque book, they will be able to get rid of harassment.

4.5. Account Dormant or Closed

The account may be dormant or closed for several reasons. This dormancy or closing can also be one of the reasons of cheque dishonour. If after submitting the signed cheque in the bank, the account is found closed, and if after being informed by the payee or the bank the drawer has not made any attempt to pay the amount of the cheque, it ultimately prevents the payee from getting such amount. Though this reason is not mentioned in the NI Act the cheque dishonour memo provided by the banks contains such a clause.²²

4.6. Amount in Figure and Words Differ

Amount written in the cheque in figure and in words must be same to encash the cheque. Section 18 of the NI Act states that if the amount undertaken or ordered to be paid is stated differently in figures and in words, the amount stated in words shall be the amount undertaken as ordered to be paid. Although the section allows to consider the amount written in words, in practice the banks dishonour such cheques. It is a written condition in the memo for dishonouring a cheque.²³ Therefore section 18 of NI Act carries no value. Generally bank tells the payee to come back with corrections but if the payee demands cheque dishonour slip on that ground, s/he is provided with the slip.

4.7. Refer to Drawer

In "*Khalilur Rahman* case" discussed earlier,²⁴ it is found that the cheque had been returned by the bank as 'refer to drawer'. On the basis of that point the accused tried that it was not appropriate to consider the case under section 138 of the NI Act. The High Court Division of the Supreme Court held that the point 'refer to drawer' is very much appropriate to consider within the mischief of section 138 of the NI Act. The court however considered all the adduced

²² Usually this reason is mentioned at miscellaneous point of cheque dishonour memo. See *Habibur Rahman Hawlader vs State* 53 DLR 2001 AD 111 for Cheque dishonour with the remark that account was closed

²³ See clause no 2 of Cheque Dishonour Memo of Agrani Bank, clause no 2 of Cheque Dishonour Memo of Islami Bank, clause no 12 of Cheque Dishonour Memo of Dutch-Bangla Bank.

²⁴ 57 DLR (2005) HD 603 Criminal Revision No. 714 of 2001.

evidences which remained unchallenged by the accused and made judgment in favour of trial of the said case under NI Act. The court bestowed liberal interpretation of section 138 of NI Act and conferred that 'refer to drawer' as per banking parlance means returned for insufficiency of funds. The court also observed that any contrary interpretation would defeat the intention of the legislature. It seems that the different reasons mentioned in the cheque dishonour memo other than the prescribed reasons in section 138 create opportunity to raise a question to escape from the special proceedings.²⁵ The court however is always found to move with liberal interpretation.

4.8. Cheque out Dated

It is written in the dishonour slip or memo made by bank that if the cheque is out dated or post-dated, on that ground it may be dishonoured. The NI Act section 21C says, a promissory note, bill of exchange or cheque is not invalid by reason only that it is ante-dated or post-dated. That means a cheque may be dishonoured only when out dated. Although the post dated cheques are taken valid in accordance with the NI Act, the payee is not entitled to receive the cash from the bank.²⁶ As six months from signing the general cheque and three months from signing the Government cheques is the valid period to cash, a signed cheque crossing the valid period is a subject to dishonour. Section 138 is only applicable when the cheque presented in the bank within this period. It is the duty of the payee to submit it within time. If anyhow, for ignorance or for other reason, payee cannot bounce it within the valid period, remedy can be demanded under Code of Civil Procedure (CPC) 1908.

4.9. Not Presenting Crossed Cheque through Bank

The payment modality will be changed if the cheque is crossed.²⁷ It needs to include the drawing of two parallel lines on the face of the cheque with or

²⁵ Observation of the author.

²⁶ See clause no 3 of Cheque Dishonour Memo of Agrani Bank, See clause no 3 of Cheque Dishonour Memo of Islami Bank, See clauses no 9 and 10 of Cheque Dishonour Memo of Dutch-Bangla Bank

²⁷ See section 123: *Cheque crossed generally*- Where a cheque bears across its face an addition of the words "and company" or any abbreviation thereof, between two parallel transverse lines, or of two parallel transverse lines simply, either with or without the words "not negotiable", that addition shall be deemed a crossing and the cheque shall be deemed to be crossed generally. Section 123A: *Cheque crossed "account-payee"*- (1) Where a cheque crossed generally bears across its face an addition of the words "account payee" between the two parallel transverse lines constituting the general crossing, the cheque, besides being crossed generally, is said to be crossed "account payee". When a cheque is crossed "account payee": (a) it shall cease to be negotiable; and (b) it shall be the duty of the banker collecting payment of the cheque to credit the proceeds thereof

without additional words like "& CO." or "Account Payee" or "Not Negotiable" etc to cross a cheque. A crossed cheque cannot be encashed at the cash counter of a bank. It can only be credited to the payee's account.²⁸ A question was raised by learned Advocate Mr. Rokanuddin Mahmud in the case of "*Arif-uz-Zaman(Md) vs The State & ano*"²⁹ case that since section 123 A (2) (a) of the NI Act states, "it (crossed cheque) shall cease to be negotiable", hence the same cannot be brought within the mischief of section 138 of the NI Act,' so the crossed cheque cannot be dishonoured. The Appellate Division of the Supreme Court interpreted that 'any cheque' written in section 138 includes crossed cheques too. The court stated that the legislature has consciously used the word 'any cheque' and legislature very well knew about section 123A of the Act. If the intention of the legislature was to exclude a crossed cheque 'account payee' as mentioned in section 123A 2(a) then they would have definitely mentioned cheque other than crossed cheque. Thus the crossed cheque or account payee cheque may be subject to dishonour.

4. 10. Signature Mismatching

The bank can refuse to pay the cheques on which signature varies from the signature preserved in the bank. Although the NI Act has prohibited any material alternation in a cheque, it is silent about signature. However, the mismatch is treated as a ground for dishonouring a cheque.

Often it is found that the drawer fraudulently makes such a wrong signature which is not valid. Even the drawer may file a general diary in the police station claiming that the cheque is lost. He also demands that the bank take steps to stop any transaction in its account. In this case, the bank stops payment from the account and gives a cheque dishonour memo to the payee.³⁰ If the party denies its signature on the cheque, the court may call the bank for confirmation about the signature. In the "*Arif-uz-Zaman case*" stated earlier it is found that cheque is dishonoured for dissimilarity of the signature of the drawer on the cheque. The petitioner contended that the offence could not be contemplated under section

only to the account of the payee named in the cheque. 124. *Cheque crossed specially*-Where a cheque bears across its face an addition of the name of a banker, either with or without the words "not negotiable", that addition shall be deemed a crossing, and the cheque shall be deemed to be crossed specially, and to be crossed to that banker.

²⁸ It is mentionable that cheques drawn in settlement of Government dues shall always be crossed

²⁹ 18 MLR 2013 AD 251

³⁰ The author is informed through conversation with different banks that often the drawer himself makes a wrong signature willingly to harass the drawee. At the same time the drawer informs the bank not to issue payment. However these cases are rare and when the bank is asked how they could be sure, they reply that the overall dealings of the client reflect that the client is a questionable one .

138 of the NI Act but the court referred that section 138 includes the word 'etc', so that there may be several reasons for dishonouring of a cheque. The court stated that the payee shall have the liberty to file petition under section 138 of the NI Act against drawer for the reason of signature mismatching.

5. Issuance of Legal Notice

When a cheque cannot be honoured by a bank, on receipt of the cheque dishonor memo the drawee shall issue a notice in writing to the drawer within 30 days of the receipt of such information from the Bank. The term 30 days was replaced from 15 days by an amendment made in 2006.³¹ The payee can present the cheque before the bank for encashment at any time within the valid period.³² And if dishonoured, he has the right to send legal notice and need not wait for up to six months. It is a common practice in the commercial world that the drawer arranges for payment and asks the payee to present the cheque again. But in the judgment of "*Abdus Salam vs Munshi Rashed Kamal*"³³ the court did put restriction on second time bounce.³⁴ In this case the court confines the way of second chance of bouncing cheque although general commercial practice is that the drawer arranges for payment and ask the drawee to present the cheque again. It is argued that the section of NI Act does not impose any restriction of presenting several times within six month but the court said one time bouncing in the bank is enough to create cause of action for filing a cheque dishonour case. So the notice sent for the dishonoured cheque against first bouncing is valid although the date of cheque has not expired. In "*Abul Kalam Azad vs State*"³⁵ it is found that six month from signing of the cheque is not over but the drawee moved to the court. The court observed that section 138 of the NI Act contains special law of limitation which is 30 days. It starts from the date of presenting the cheque and on receipt of the information from the bank, that is, when the bank informs the payee of dishonouring of the cheque. The court also observed that although the cheque has validity for six months and one can present the cheque for encashment as many times within this six month period but it is not necessary to wait for six months. As soon as the receipt of the information from the bank about dishonour, the payee can go for litigation, and process of litigation may be started through giving notice to the drawer.

³¹ The words 'thirty days' were substituted for the words 'fifteen days' by the NI (Amendment) Act, 2006, section 2.

³² Generally people presented the cheque before the bank more than once, see, *Nizamuddin Mahmood vs Abdul Hamid Bhuiyan and another* 60 DLR 2008 AD 195.

³³ 54 DLR 234

³⁴ For criticism of the judgment see, Khaled H Chowdhury, *The bouncing cheque - a narrow interpretation* Journal 54 DLR 2002 p. 46

³⁵ 61 DLR 2009 HD 91

The Act provides a procedure for giving notice to the drawer by the amended section 138(1A) of 2006, as follows:

- (a) by delivering it to the drawer for whom the cheque is to be served; or
- (b) by sending it by registered post with acknowledgement to the drawer at his usual or last known place of abode or business in Bangladesh; or
- (c) by publication in a daily Bangla national newspaper having wide circulation.

'Notice' is one of the basic components in cheque dishonoured cases. It is found that on the point of not receiving notice for example, not getting notice, not been informed several cases³⁶ are filed before the High Court Division of the Supreme Court of Bangladesh to quash the proceeding of the cheque dishonour cases at the local court under section 561A of the Code of Cr PC.

The law imposes the duty on the payee to send notice to the drawer whereas bank as a drawee has no responsibility to render notice to its honorable client about the status of cheque drawn by him. At present, however, several banks conforms the client over telephone that the drawn cheque exceeds the amount present in the account and allows two three hours to deposit the required money so that the cheque can be cleared out. There is no practice of giving written notice to the client from the bank which can reduce the sufferings of the payees. The payees may not have the knowledge of giving the notice within 30 days. Thus if the notice is served by the bank, if needed with the cost of the payee, may be more effective.

6. Creation of Cause of Action

After receipt of notice from the payee about the dishonour of the endorsed cheque, if the drawer fails to pay the cheque amount within 30 days, the term 30 days was replaced from 15 days by an amendment made in 2006,³⁷ the cause of action for filing a complaint will arise. The payee has 30 days to inform the drawer about the fact of dishonour and the drawer has another 30 days to take necessary steps. The said time as safety valve has been given to the drawer of a cheque to take necessary steps. If the drawer of such cheque fails to make the payment of the said amount of money to the payee of the cheque, within 60 days of the receipt of the said notice only then section 138 will be applicable. According to section 141 of the NI Act to enjoy judicial remedy according to the said section, complaint needs to be made within one month and not 30 days of the date on which the cause of action arises. Cause of action only arises when the

³⁶ *Nizam Uddin Mahmood vs Abdul Hamid* 60 DLR 2008 AD 195, *Mohammad Mosharraf Hossain vs Golam Mohammad* VII ADC 2010, 179, *Shamsul Alam alias Babul vs State and another* 60 DLR 2008 HD 677, *Zahed Hossain vs State* 61 DLR 2009 HD 386, *Sayed Hasan Imam Litu vs Al- Arafah Islami Bank & another* 64 DLR 2012 HD 255

³⁷ The words 'thirty days' were substituted for the words 'fifteen days' by the NI (Amendment) Act, 2006, section 2.

notice giving and replying period is over. In the case of “*Solaiman (Md) vs State and another*”³⁸ it is found that the notice was issued and after that the case was filed before cause of action has arisen. One of the vital arguments was raised in the case that the legal notice was issued on 12-4-2007 and the case was filed on 30-4-2007 by not giving thirty days time to the petitioner for payment of the amount of the dishonoured cheques. The petitioner (drawer) asked that the case has been initiated in violation of mandatory time limits prescribed under section 138 and 141 of the Act and the continuation of the proceeding would be a sheer abuse of the process of court. The court stated that defect of pre-maturity of cause of action can be cured being pendency of the proceeding.³⁹ The NI Act has special limitation and evidence those are, the dates of endorsing and bouncing of the cheque and copy of notice.

7. Remedies against Cheque Dishonour

Two types of remedies are available against a dishonour cheque. Remedies are presented through the following chart.

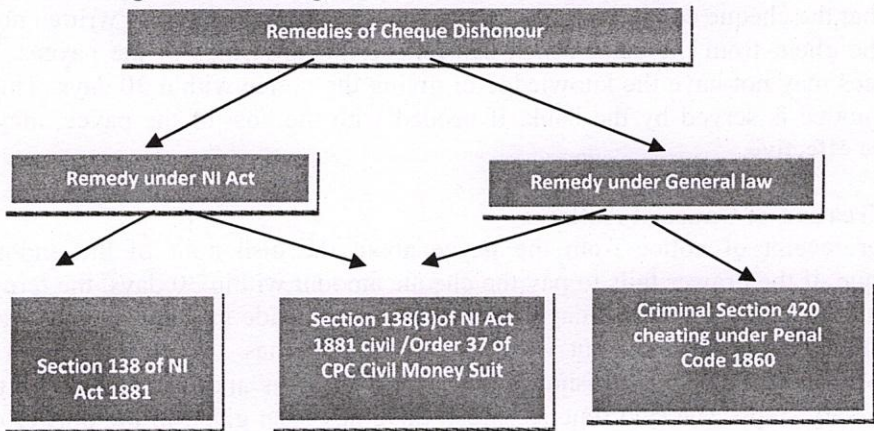


Diagram-2

According to diagram 2, section 138 of the NI Act itself contained two types of remedies for a sufferer. Remedy is also available in general law. The NI Act is a special law which will prevail over general law. The dishonour of a cheque is a serious matter for the payee and unless it is an honest error on the part of the drawer it often causes severe hardship for the payee. Filing a money suit under

³⁸ 62 DLR 2010 HD 385.

³⁹ The court referred the case *Satta Narayan Poddar vs State* 53 DLR 403 in this regard.

general law to obtain payment is a method to make the drawer pay, but this is often futile as civil remedy is not as effective as criminal sanction.⁴⁰ Penal Code under criminal banner does provide a solution but it is often difficult to prove the ingredients of the same.⁴¹ Remedies mentioned in the diagram 2 are discussed as following in detail:

7. 1. Criminal Liability under NI Act

According to section 138 criminal, liability lies upon a drawer of such a cheque which is rejected to pay by the bank as dishonour. According to section 138 of the said Act upon the completion of certain conditions if the person is found guilty, s/he will be deemed to have committed an offence and shall, without prejudice to any other provision of this Act, be punished with imprisonment for a term which may extend to one year, or with fine which may extend to thrice⁴² the amount of the cheque, or with both. According to section 138(2) where any fine is realized, any amount up to the face value of the cheque as far as is covered by the fine realized shall be paid to the holder. The rest of the amount will have to be submitted to the treasury. The court is permitted to declare both the punishment in a single judgment. The legal representatives of the deceased are usually added as party in case of the death of a drawer. Dishonour of cheque proceedings in the complaint alleging offence under section 138 cannot be initiated against legal heirs of the person who had issued the cheque. In the case of *Khalilur Rahman* discussed earlier,⁴³ after starting the proceedings the drawer of the cheque passed away then the court stated that criminal sanction that is punishment up to one year is not possible to exercise due to his death during the pendency of the case but monetary compensation must be realized from the deceased's estate.

7. 2. Civil Liability under General Law

Actually NI Act does not provide any civil liability. Rather the Act allows general civil law to continue as usual. The NI Act does not impose any bar on getting civil remedy according to section 138 (3) of the NI Act⁴⁴ notwithstanding anything contained in the same section regarding the remedy of the session court, the holder of the cheque shall retain his right to establish his claim through Civil Court if whole or any part of the value of the cheque remains unrealized.

⁴⁰ Khaled H Chowdhury, p. 46.

⁴¹ Ibid.

⁴² The word 'thrice' was substituted, for the word 'twice' by amendment of 2000. See, Act No. XVII of 2000, section 2. By enhancing the punishment it seems the intention of the legislature was to make the NI Act a strict penal law.

⁴³ 57 DLR 2005 HD 603 Criminal Revision No. 714 of 2001.

⁴⁴ Section 138 (3) of the NI Act - Notwithstanding anything contained in sub-section (1) and (2), the holder of the cheque shall retain his right to establish his claim through civil Court if whole or any part of the value of the cheque remains unrealized.

Consequently if the bank has returned the cheques unpaid because of any valid reason such as the amount of money sending to credit of the account is insufficient or it exceeds the amount arranged, the complainants are entitled to seek remedy from both the session and the civil court of the country simultaneously. The criminal proceeding under NI Act is a special one which has special law of limitation and other benefits. Therefore it is better to proceed with NI Act. If anyhow the case cannot fulfill the conditions of the NI Act then the payee is entitled to seek civil remedy under Order 37 of the Code of Civil Procedure 1908. The payee as a plaintiff can have summary trial in a suit based on unpaid negotiable instruments which includes cheques.⁴⁵ Often accused finds way to escape the proceeding of NI Act showing several reasons, for example- in *Khalilur Rahman* case discussed earlier,⁴⁶ the accused tried to prove that as the cheque had been returned by the bank as 'refer to drawer' it was not appropriate to consider the case under section 138 of the NI Act. The court after considering the matter stated "I find no scope to say that Civil Court is the only forum to agitate the grievances of the complainant as contended by the learned Advocate for the petitioner, rather sub-section (3) of section 138 gives additional authority to the Civil Court to satisfy the complaint if any other grievances are found to be left out". So Civil Court is an additional forum for remedy and not the only forum.

7.3. Criminal Liability under General Law

The drawer of the cheque may be prosecuted under section 420 of the Penal Code, 1860 too which depends on circumstances of each case. In *Abul Khair Chandu vs State and another*⁴⁷ case the court observed that when a cheque is issued for payment of any amount of money, drawer of the cheque is under obligation to honour the same or arrange payment. If s/he does not arrange payment of the cheque money and the cheque is dishonoured, such an act may constitute an offence of cheating punishable under section 420 of the Penal Code. The recourse under section 138 of the NI Act is however better as it is faster and specially dedicated to this particular offence. But proceeding under NI Act must fulfill the conditions such as cheque must be presented to the bank within six months and notice related limitations should be followed accordingly. These are the special conditions for applying 138 of NI Act. Hence if the victim fails to cover the conditions of NI Act then the remedy available for him is the remedy of Penal Code. On the basis of evidence on record a criminal proceeding on account of cheating will be maintainable even if the provisions of NI Act are not

⁴⁵ See, Mahmudul Islam & Probir Neogi, *The Law of Civil Procedure* Vol.2 Dhaka, 2009 1st edition p.1524.

⁴⁶ 57 DLR 2005 HD 603 Criminal Revision No. 714 of 2001.

⁴⁷ 65 DLR 2013 HD 230.

applicable.⁴⁸ Punishment is up to with imprisonment of either description for a term which may extend to seven years, and shall also be liable to fine.⁴⁹

8. Forum for getting remedy or Competent Court

The competent court for trial under section 138 of the NI Act is the court not inferior to that of a Court of Sessions. Complain is filled as CR case before the cognizable Magistrate who may be the Chief Judicial Magistrate against the drawer of a dishonoured cheque. Magistrate may ask questions to complainant about the date of cheque, cheque bounce and about the notice. If the case fulfils the condition of NI Act the Magistrate court takes it to cognizance and issues summons in order to secure the attendance of the accused person to face the trial. When the accused surrenders s/he usually seeks bail from the Magistrate and usually bail is granted. Then the case record is transferred to the Court of Sessions Judge, registered and numbered as Sessions case.⁵⁰ The petitioner needs to submit a prayer for fresh bail before the Court of Sessions.⁵¹ The Sessions Judge can grant bail or can make an order of remand to take the petitioner to the custody.

Then the trial started as sessions (jari) case and in that level State becomes the complainant and the original complainant becomes the witness of the case. The overall process is a lengthy one and time consuming until the case is not ready, it is not presented before Sessions Court so that formal case cannot start. It is necessary that the Magistrate Court sends the case as early as possible to the Sessions Court which will reduce complainant's sufferings.

Sometimes making of the cheque, presenting it before the bank for payment and subsequently being dishonoured and giving notice to the drawer might not take place in the same locality. In the judgment of "*Abdul Alim vs Biswajit Dey and another*"⁵² the court said that if the relevant acts are done in different localities, any of the courts exercising jurisdiction in one of the local areas can become the place of trial for the offence under section 138 of the Act and complainant can choose any of the courts in whose jurisdiction any of the components of the said offence is done. At present, since most of the banks

⁴⁸ *Abul Khair Chandu vs State and another* 65 DLR 2013 HD 230.

⁴⁹ Section 420 of The Penal Code 1860.

⁵⁰ See, *Amir Hossain vs MA Malek and Others* 56 DLR 2004 AD 146 for proceedings of section 138 of the NI Act.

⁵¹ In *Raj Kumar Khetan vs Mercantile Bank Limited & another* 18 MLR 2013 HD 322 also in 64 DLR 2012 HD 272 case it is found that the petitioner was enlarged on bail by Magistrate but whenever the Session Court realized that there were ten cases of same nature issuing by the same person and the person is a questionable person then the court remanded the petitioner in custody. However the ultimately the petitioner has been enlarged on bail by the High Court Division of the Supreme Court of Bangladesh.

⁵² 59 DLR 2007 HD 236.

provide online service, the area of competent court to entertain cases should be relaxed.

9. Appeal of Cheque Dishonoured Cases

The appeal provisions of cheque dishonour cases are difficult in Bangladesh. It is made difficult by the amendment with insertion of section 138A. In case of appeal against any order or sentence of cheque dishonour cases, an amount not less than fifty per cent of the total amount of the dishonoured cheque must be deposited before filing the appeal in the court which awarded the sentence. The provision of deposit of 50% cheque amount was inserted by an amendment of NI Act in 2006. In the case of "*A J M Helal vs Bangladesh*"⁵³ the court observed that the requirement of 50% deposit of cheque amount at the time of filing an appeal in the court under the provisions of section 138A of the NI Act was not unconstitutional or contrary to the provisions of the Constitution. The court rather justified this provision as appropriate for filing this kind of appeals.

The requirement of 50% deposit of cheque amount at the time of filing an appeal in the court is only for drawer of the dishonoured cheque. For appeal on the side of payee, no deposit is required. The defaulter can appeal to the session court within one month of the date of judgment of the lower court.

10. Findings and Suggestions

10.1 Findings

The payee may legally sue the defaulter drawer for dishonour of cheque only if the amount mentioned in the cheque is towards discharging a debt or any other liability towards payee.

Maintaining the special limitation of timeframe is the key condition to enjoy remedy under the NI Act.

Section 21 C, which refers to the validity of anti dated, post dated or invalid cheques, does not carry any value.

Section 18 of NI Act, though insists on taking the amount in words if it differs from that of in number, is found inoperative as the bank dishonours these types of cheques.

Every bank use a distinct cheque dishonour memo prepared by their own. The items are almost same in all the memos but arranged differently.

Positive Pay Instruction is initiated by Bangladesh Bank and it is an obligation to fill the form duly along with cheque for crossing a minimum amount.

The law prescribes hard punishment for drawers of cheque dishonoured cases. At the same time it has included safety valve for drawers allowing a specific period to pay off the loan.

⁵³ 61 DLR 2009 Sp. Original 479.

50% amount of dishonoured cheque which is prerequisite for filing appeal against dishonour punishment when was challenged as unconstitutional in the court, the court justified the provision as constitutional.

10.2 Suggestions

The payees may not have the knowledge of giving the notice to the drawer within 30 days which is foremost condition of litigation. It will be better to initiate practice of giving written notice to the client from the bank about dishonouring of a cheque. If it can be ensured, notice related harassment may be reduced.

The positive payment instruction form must be provided along with the cheque book to reduce the wastage of time and the sufferings of drawer, payee as well as the bank.

An identical cheque dishonour memo should be in use in all banks keeping the clauses in a significant order.

After checking prima-facie of the case it is necessary to send the case as early as possible to the Sessions Court from the Magistrate Court to reduce the complainant's sufferings.

At present for widespread availability of online service, the area of competent court should be relaxed.

11. Conclusion

Cheque is used as a payment instrument from early period regulating by the NI Act, 1981. Cheque has a format which needs to be filled accurately for withdrawing money from the bank, otherwise it may be returned by the banks as dishonoured. A signed public cheque must be presented before the bank within six months which is valid period for honouring cheque. It may be returned unpaid if the account does not have sufficient money. It is the duty of the drawer to ensure that the payee can enjoy face value of the cheque. So for any reason if once a cheque is dishonored the drawer can receive a legal notice for taking necessary steps. But if the drawer fails to take any positive action, he or she will be liable under section 138 of the NI Act. The cheque needs to be issued for discharging lawful obligations hence even the holders of unlawful cheques always tries to prove that the cheque is for clearing lawful liability. However when the cheque is actually issued for clearing lawful liability and if because of the wrong intention of the drawer it is dishonoured the payee is entitled to get a cheque dishonour memo from the bank. The memos used by different banks are arranged differently but contains more or less same reasons for cheque dishonour. There may be one or more than one reasons for cheque dishonour forwarded by the bank putting a tick mark on the reason. After receiving bank memo the payee is issued a legal notice. The NI Act has prescribed formula for giving notice. The drawer can pay the sum even after getting notice. However if the drawer does not pay attention to the notice he will be punishable by NI Act. The defaulter may

also be punished under general civil and criminal laws of the country. The NI Act can be applicable with both general civil and criminal jurisdiction. The NI Act has special limitation period, special evidentiary procedure and special rule for trial and appeal. Some amendment related to notice giving by bank, positive payment instructions awareness as well as pre issue of forms are required. The Judicial Magistrate should send the case to the Sessions court immediately after formalities and the area of proceedings should be relaxed so that people can enjoy the benefits of online service.

Compliance of International Norms Relevant to Children Justice System of Bangladesh

Nahid Ferdousi*

Abstract: States and international organizations have continued to expand the codification of international instruments in protecting the rights of the children. The United Nations Convention on the Rights of the Child (UNCRC) 1989 and other international instruments provide a comprehensive set of legal framework to protect the rights of children within the justice delivery mechanism. As a State party of the Convention on the Rights of the Child (CRC) in 1990, Bangladesh is under a legal obligation to follow and maintain international principles to promote the child rights based justice system. Unfortunately, there were no legal procedure concerning the treatment of children in their justice system before 2012. Thereafter, the government has enacted the Children Act in 2013 on the basis of the CRC and adopted the provisions for child-friendly justice. In practice, due to the absence of Children Rules or guidelines and lack of coordination among concerned authorities; these mandates are not implemented yet. It is necessary to create an effective children justice system in Bangladesh by realization of the international instruments along with state responsibilities where children can enjoy their basic human rights.

1. Introduction

Children are the most vulnerable groups of the society need special care in handling especially in case of delinquency. Although children justice systems exist in countries throughout the world but they usually vary with the degree of harassment associated with the handling of children and the corrective measures adopted thereupon.¹ The level of variation and gravity of harassment necessitated

* Associate Professor of Law, School of Social Science Humanities and Languages, Bangladesh Open University. This paper is a revised version of the presented paper on 'Children Justice under the International Law: Legal and Ethical Responsibilities of Bangladesh' in the "World Congress on International Law" (WSIL) organized by the Indian Society of International Law (ISIL) on 09 January-11 January 2015, New Delhi, India.

¹ McShane Marilyn D. and Williams Frank P., (eds.), *Encyclopedia of Juvenile Justice*, Sage Publication, London, 2003, 119.

the promulgation of various international instruments which are used as the measuring tools of the children justice system, one of which is the Convention on the Rights of the Child (CRC) 1989, which has a binding effect upon the ratifying member States of the United Nations for adoption. It is the responsibility of every citizen to ensure that children's rights are affirmed and to improve the life of children; and to protect their rights. Therefore, the responsibility implies that State and civil society organizations ensure the full flowering of childhood and protection of children.

Bangladesh, a South Asian country having ratified the CRC in 1990² has expressed its commitment to uphold fairness and equity in the children justice system. Practically, the other countries like India are far ahead from Bangladesh in enacting children justice legislations including children courts and correctional institutes for child welfare.³ However, in Bangladesh, the first Children Act was promulgated in 1974⁴ immediately after the promulgation of the Constitution of Bangladesh and the Children Act was followed by the promulgation of Children Rules in 1976. Thereafter, the Children Act of 1974⁵ has been repealed by the Children Act 2013 which made on the basis of CRC and is aimed to protect the best interests of the children during all kind of judicial processes related to them.

The Act of 2013⁶ has introduced new provision such as Child Affairs Police Officer (CAPO),⁷ National Child Welfare Boards (NCWB), Child Development Centers (CDCs), certified institutes etc.⁸ Accordingly, the Act has established

² The Convention on the Rights of the Child (CRC) adopted by the United Nations, General Assembly, 20 November 1989, The Convention came into force on 2 September 1990 in Bangladesh. Nevertheless, after 23 years of ratification, CRC would be implemented in Bangladesh legal system.

³ N.V. Paranjape, *Criminology and Penology*, Central Law Publication, India, 2001, 530.

Further, India has ratified the CRC in December 1992 and therefore, it became expedient to re-enact the Juvenile Justice Act (1986) to meet the requirements of the standard prescribed by the CRC and all other international instrument. Finally, India has enacted the Juvenile Justice (Care and Protection of Children) Act (2000). It is amended in 2006, which have powers to make Rules, establish Juvenile Justice Boards, establish institutions, set up Special Juvenile Police Units, and develop rehabilitation and social reintegration programs.

⁴ The Children Act, 1974, (Act No. XXXIX of 1974). Since independence of Bangladesh in 1971, the first expression of concern about the protection of children came through the Children Act 1974 and the Children Rules, 1976 which was predates modern international standards on children justice.

⁵ Now repealed by the Children Act, 2013. By a subsequent Gazette notification dated 18 August 2013 the Children Act was made effective from 21 August 2013.

⁶ The Children Act, 2013 (Act No 26).

⁷ *Ibid*, section 14.

⁸ *Ibid*, section 9.

specific duties for the new appointments and officers like child-friendly police officers, probation officers etc. But the implementation of the provision needs enormous financial and logistic supports from the government and the formulation of child rules as soon as possible.

In practice, lack of knowledge regarding child rights and child psychology by the concerned personnel⁹ violating the international principles of children rights during different stages of police arrest, prosecution, trial,¹⁰ constitute the major problems of the children justice system of the country. It is essential to establish effective child friendly justice system¹¹ in Bangladesh on the basis of international norms. The development of international law depends upon the State approach, economic support and ethical responsibility.

2. International Norms Relating to Children Justice System

International norms which are actually the outputs of the international concern for children which came into existence through the "Geneva Declaration" in 1923 followed by the Universal Declaration of Human Rights (UDHR) adopted by the UN in 1948 highlighting everyone's right to a standard living, health and well being.¹² In 1959, the UN for the first time adopted a new instrument named the "Declaration of the Rights of the Child"¹³ with ten basic principles of child rights again confirmed by International Covenant on Economic, Social and Cultural Rights (ICESCR) in 1966 and after 30 years of declaring the rights came into

⁹ Neela K. Sattar, *Review and Implementation of Bangladesh Laws Relating to Children at Social Risk and Juvenile Justice in the light of the Convention on the Rights of the Child(CRC)*, Organized by the Ministry of Law Justice and Parliamentary Affairs, Government of Bangladesh with the assistance of UNICEF, Dhaka 14-15 December 1996.

¹⁰ Report of a Training Workshop on *Modern Trends of Juvenile Justice*, Juvenile Justice Roundtable, BRAC Centre for Development Management, Rajendrapur, Gazipur, April 2007.

¹¹ Child-friendly justice means a system, which recognizes the child as subject to fundamental rights and freedoms and ensures that all actions concerning the children's best interest. This system intends to cover an environment in the correctional system where a child offender would be treated as a child and her or his offence would be justified in the light of her/his age and level of maturity. In addition, trial of offenders would be in separate court and these offenders would be rehabilitated in the society instead of being punished.

¹² The Universal Declaration of Human Rights, 1948, Article 25.

¹³ The preamble states that the Universal Declaration of Human Rights, the United Nations has proclaimed that childhood is entitled to special care and assistance, convinced that the family, as the fundamental group of society and the natural environment for the growth and well-being of all its members and particularly children, should be afforded the necessary protection and assistance so that it can fully assume its responsibilities within the community.

being was the CRC in 1989 the first international instrument to turn the protection of children rights into a legal binding.¹⁴ It not only enhances children's rights worldwide but also ensures their protection from the affliction arisen by criminal, conjugal separation and adoptions proceedings.

The CRC along with considering the children as entire human beings, attempts to uphold the best interest of the child as an aspect of primary consideration.¹⁵ Beside the CRC there are three other important UN sponsored documents dealing explicitly with the standards and guidelines for the treatment of offender children. The Beijing Rules¹⁶ which conveys the best procedural safety guards for a child offender and prescribes for specialized children justice system, protection of the children and the maintenance of peaceful order in the society.¹⁷ It prohibits corporal and capital punishments and in cases of detention or any sort of confinement limits that only to extreme and exceptional cases and to be only as a last resort and for the shortest possible time.¹⁸ The Riyadh guidelines¹⁹ represent a comprehensive and proactive approach to the prevention of juvenile delinquency and their social reintegration. Like the Beijing guidelines it also puts similar restriction upon detention and emphasizes as the participation of children in policy formulation and implementation as the equal partners. The JDL Rules²⁰ specifically set out principles defining specific circumstance permitting deprivation of liberty, emphasizing such liberty be limited and applicable only as the last resort and also ensuring the dignity and welfare of children in detention. The Tokyo Rules²¹ provide for the non custodial measures

¹⁴ The CRC, Article 40 provides, 'States Parties recognize the right of every child accused of infringing the penal law shall be treated in a manner consistent with the promotion of the child's sense of dignity and worth, which takes into account the child's age and the desirability of promoting the child's reintegration in society'.

¹⁵ The basic rights of offender children are mentioned in article 37 of the CRC which instructs the state parties to ensure that no child shall be subjected to arbitrary arrest, detention, torture or other cruel, inhuman and degrading treatment including capital punishment and life imprisonment.

¹⁶ The United Nations Standard Minimum Rules for the Administration of Juvenile Justice, 1985 (The Beijing Rules) (General Assembly Resolution, 40/33 of November 29, 1985).

¹⁷ The Beijing Rules, Rule 1.4

¹⁸ Ibid., Rule 17.1 (b).

¹⁹ The UN Guidelines for the Prevention of Juvenile Delinquency, 1990 (The Riyadh guidelines)

²⁰ The UN Minimum Rules for the Protection of Juveniles Deprived of their Liberty, 1990 (The JDL) contains principles and provisions to promote the reintegration of the juvenile into her/his family and community.

²¹ The UN Standard Minimum Rules for Non-Custodial Measures, ('The Tokyo Rules') (recommended to the Eighth United Nations Congress, Havana, 1990).

by means of public participation as well as the community involvement in order to make ties among the offender, her/his family and the community.²²

The establishment of children courts encouraged the separate system of children justice in national and international law. CRC, the main international instrument dealing with the protection of rights of the children is strongly supported by the CRC committee decision. Beside CRC there are a few more international instruments which may or may not create legal bindings for the protection of children rights but are also consistently invoked by the CRC committee while considering the report of states under Article 37 and 40 of the convention.²³ The provisions of the international standards are summarized below in relation to the different stages of children justice process:

i. Powers of arrest and arrest procedures

The international instruments encourage the contact of the children with the law be in a way that ensures the respect to their legal status, promotion of their well being and avoidance of any harm to them.²⁴ The instruments defining arrest and detention be the last resort only insist on ensuing the child be informed of charge, have the assistance from parents or guardians and legal practitioners.²⁵ Besides ensured that the children do not face any physical or mental harassment the police officers dealing with the children/juveniles must be well trained.

ii. Pre-trial detention

According to the international instruments children could be detained only in exceptional circumstances and for shortest possible period of time keeping it to be the highest priority.²⁶ The children have to be assumed innocent and kept separate from the convicted children and also allowed to pursue works and continue their education or training.²⁷ Also alternative measures would be adopted wherever possible.

²² The Tokyo Rules, Rule 1.1 and 1.2.

²³ It must be remembered that the general principles of the CRC are relevant for all areas of the Convention, including children in conflict with the law. Hence, in its General Comment no. 10, the Committee emphasizes the importance of a comprehensive approach to juvenile justice which should not be limited to the implementation of the specific provisions contained in Articles 37 and 40 of CRC, but should also take into account the general principles enshrined in Articles 2, 3, 6 and 12, and in all other relevant Articles of CRC, such as Articles 4 and 39.

²⁴ The CRC, Articles 37 and 40(2).

²⁵ The Beijing Rules, Rules 10 and 12.

²⁶ The CRC, Article 37.

²⁷ The Havana Rules, Rules 17 and 18.

iii. Children court procedures

The international instruments provide that the dispute of the accused children with the law be ascertained immediately by hearing and there upon allowing the child to participate in the process,²⁸ express herself or himself, represent themselves through the legal practitioners, and guardians coupled with ensuring the right to privacy or secrecy.²⁹

iv. Sentencing

The international instruments require that the reaction by the concerned authority to the child offenders be based on the principle of proportionate consideration of the background and the circumstance of both the offender and the offence. The sentencing should consider the well being of the children and endeavor to find the alternatives of the deprivation of liberty such as care, guidance and supervision orders, counseling, probation etc.³⁰

v. Conditions in detention

Any child, if needs to be detained should be kept separate from the adult prisoners.³¹ There should not be any corporal punishment, solitary confinement or any other sort of cruel or inhuman punishment. Small, decentralized facilities with minimum possible security for detention are encouraged along with availability of basic education and vocational training and promoting community contract by means of outside schooling and liberal family visit policies.

vi. Diversion

Diversion which indicates the disposition of case by any of the concerned agencies without initiating any formal procedure as per the criteria of the respective legal system with respect to the international norms. The decision of referral could only be taken after obtaining the permission of the child and her/his parents and is subject to review by a competent authority.³²

3. Status of the International Instruments in the Domestic Legal Order of Bangladesh

Though the international conventions have set certain responsibilities for the ratifying States, there is no formal obligation to implement the provisions of the conventions. In this context, the state parties should develop the enabling

²⁸ The CRC, Articles 12 and 40.

²⁹ Ibid., Article 40 (2) and the Beijing Rules, Rule 8.

³⁰ The Beijing Rules, Rules 16-18.

³¹ The CRC, Article 40 (1).

³² The Beijing Rules, Rule 11.

mechanisms for the implementation of the international standards. International instruments are meant to apply impartially without any distinction on account of race, color, nationality, political and religious belief, social group or other status.³³ When a State party ratifies a convention, international community can make the state party accountable. It is an accepted principle that international covenants, conventions treaties and other instruments signed by the State parties are not considered to be binding unless they are incorporated into the laws of the land.

The general practice of the country is evident that international treaties do not automatically become part of the domestic laws unless and until they are incorporated into the domestic legislation. Bangladesh's domestic application of international law is characterized by paucity of case laws, ambiguity of constitutional and statutory provisions and reluctance of bar and benches to refer to international instruments. There is no mechanism in the legal system of Bangladesh to incorporate the principles of international law directly at national levels. Although the Constitution of Bangladesh, the supreme law of the land, does not contain any express provision regarding the ratification or requiring any legislative approval of treaty. The Constitution contains only two main provisions regarding the international law; one of them is Article 25³⁴ which refers to the promotion of international peace, security and solidarity in accordance with the basic principle of international law and another one is Article 145A which provides for all treaties with foreign countries be submitted to the president, who shall cause them to be laid before parliament, provided that any such treaty connected with national security shall be laid in a secret session of parliament.³⁵

³³ Sumaiya Khair and Sharfuddin Khan, *Shosuhur Bari: Street Children Conflict with Law*, Save the Children UK, Dhaka, 2000, p. 53.

³⁴ Article 25 of the Constitution provides: (1) The State shall base its international relations on the principles of respect for national sovereignty and equality, non-interference in the internal affairs of other countries, peaceful settlement of international disputes, and respect for international law and the principles enunciated in the United Nations Charter, and on the basis of those principle shall- (a) Strive for the renunciation of the use of force in international relations and for general and complete disarmament; (b) uphold the right of every people freely to determine and build up its own social, economic and political system by ways and means of its own free choice; and support oppressed peoples throughout the world waging a just struggle against imperialism, colonialism or racialism. (2) The State shall endeavour to consolidate, preserve and strengthen fraternal relations among Muslim countries based on Islamic solidarity.

³⁵ The Constitution of the People's Republic of Bangladesh 1972, Article 145A. Article 145A of the Constitution states- All treaties with foreign countries shall be submitted to the President, who shall cause them to be laid before Parliament: Provided that any such treaty connected with national security shall be laid in a secret session of Parliament.

It needs to mention here, at present a draft law is prepared regarding treaty ratification.

This provision of the Constitution provides one kind of obligation to present treaty before the parliament only for discussion not for ratification. If any treaty relates to the national security then it will be discussed by the secret session of parliament and the meaning of secret session defined clearly in the constitution of Bangladesh. But which treaties may be treated as national security that is not defined. So, the Government can refer a treaty as a treaty of national security, there is not provision to justify it. Thus, treaty making power is an executive power rather than legislative. Hence, international law can't be applied immediately after ratification. So, international treaties are required to be inserted into the domestic law passed by due procedure and then it can be the part of any domestic law.

4. Compliance of International Principles in Bangladesh

In practice, courts in Bangladesh cannot enforce treaties even if ratified by the State. They must be incorporated in the municipal legislation. However, the status of treaty under the constitution within the domestic law still remains unclear in many cases. But where there is a gap in the municipal law in addressing any issue, the courts may take recourse to the international conventions and protocols on that issue for the purpose of formulating directives and guidelines to be followed by all concerned until the national legislation enacts laws. Thus, any international convention or treaty can be invoked by the court upon its incorporation by the parliament.

From 2003 the higher judiciary of Bangladesh gave full attention for the improvement of children justice system including the practices of the international principles where children can enjoy their basic human rights. At the same time, the High Court Division issued some landmark judgments which established the fact that no children should be tried by the criminal justice system or by any special tribunal established under any special law. For example *State vs. Md Roushan Mondal*,³⁶ the *State vs. Metropolitan Police Commissioner, Khulna*,³⁷ etc.

The High Court Division issued some directions regarding child-oriented justice and held as follows: "Bangladesh was one of the first signatories to the Convention and is bound to take steps for implementing the provisions thereof. Being a signatory we cannot ignore, rather we should, so far as possible, implement the aims and goals of the UNCRC."

³⁶ 59 DLR HD 2007 72.

³⁷ 60 DLR HD 2008 660

Further deliberation was made in the *Metropolitan Police Commissioner* case, as follows: “Let us consider some of the relevant provisions of the UNCRC in juxtaposition to our Constitution and laws. We bear in mind that Article 28(4) of the Constitution permits favourable laws to be enacted with regard to children even though it might be otherwise discriminatory.”

From the point of view of international law, national courts are State organs and thus are required to conform to the international norms. The common practice of all states is that higher judiciary has the jurisdiction to deal with the issues pertinent to international instruments. Bangladesh has also got the same.

The CRC upon its ratification has become binding on Bangladesh. The Convention in Article 4 sets out the general measures of implementation that the States are required to undertake to implement all the rights stated in the CRC, including in the area of legislative reform.³⁸ Thus, Article 4 of the Convention provides that “State Parties shall undertake all appropriate legislative, administrative, and other measures for the implementation of the rights recognized in the present Convention.” State parties to the CRC must have a legal framework that is both effective and compatible with the CRC and that ensures that the rights the Convention vests in children are fully enforceable under the national laws.

To make the CRC effective, it has been a part of the domestic law as well in 2013. From legal point of view, only the CRC amongst the major international instruments, is legally binding, while the other three instruments (Beijing Rules, Riyadh Guidelines and JDL Rules) exist to be the non-binding ‘soft laws’. These three non-binding instruments complement and provide guidance for the implementation of the CRC and accordingly referred to as ‘United Nations standards and norms in juvenile justice’.

Compared to the Beijing Rules and the Riyadh Guidelines, the JDL Rules set out far more detailed rules to follow. Perhaps, this is due to two very important aspects: one being the extremely detrimental effects of deprivation of liberty; the other presented by the importance and focus of its goal. This very detailed instrument sets out standards applicable when a child is confined to any institution or facility whether this be penal, correctional, educational or protective and whether the detention be on the grounds of conviction of, or suspicion of, having committed an offence, or simply because the child is deemed to be ‘at risk’ by order of any judicial, administrative or other public authority.³⁹

5. Progressive Development of Children Justice System in Bangladesh

Bangladesh in enacting a comprehensive child legislation including children courts and child welfare board for by the Children Act 2013, and it is a positive

³⁸ The CRC, Articles 42 and 44.

³⁹ *Ibid.*, p.11.

step and it is a great milestone for the protection of the rights of the children in all spheres of life in Bangladesh. The numbers of vital issues on child rights have been dealt with in the Act. Furthermore, the Act recognizes some organizations and members and mentions about their responsibilities for the protection of the best interest of the children. The main issues of the Act are presented below:

i. Harmony with the CRC

The Children Act, 2013 is based on the CRC and has referred to the CRC in the preamble and replaced the Child Act, 1974. As a result of this development, children in Bangladesh will have the opportunities to be treated fairly both under the national and international laws.

ii. Internationally Recognized Definition for a Child

Due to the differences in ages of children, they were denied of fair justice. This discrepancy has been addressed in the Children Act, 2013. In the Act, the age of the child has been increased from 16 to 18 years. So, a parameter has been established to settle the issue.

iii. Protection of Child Victims and Witnesses

For the first time, the Act has incorporated a provision for the child victims and witnesses cementing legal instruments for their protection, including the compensation for the victims. For children in conflict with the law, the law reinforces the importance of the children justice system meaning that children accused of petty crime, particularly children living on the streets will no longer be unnecessarily detained.

iv. Appointment of Probation Officer

According to the Act, the government will appoint one or more probation officers in the district, sub-district and metropolitan areas.⁴⁰ The Act gives details of the duties and responsibilities of a probation officer to probation service.⁴¹

v. Child Help Desks in the Police Station

As per the Act, under the Ministry of Home Affairs, Child Help Desks will be formed in police stations all over the country.⁴² An officer, ranked sub-inspector or above, will look after the desk. The Act specifies responsibilities of the designated police officer.

⁴⁰ The Children Act 2013, section 5.

⁴¹ Ibid., section 6.

⁴² Ibid., section 14.

vi. Child-friendly Arrest Procedure

According to the Act, whatever the circumstance is, child aged below nine years cannot be arrested. If a child above nine is being arrested, law enforcers cannot apply handcuffs and rope around the waist of the child.

vii. Single Charge Sheet Against Children

The Act specifies about submitting separate charge sheet against children. According to the Act, a single charge sheet consisting of adults and children cannot be submitted.

viii. Children Court at District Level

According to the Act, at least one juvenile court should be formed in district or metropolitan area.⁴³ If a case is filed against a child, whatever crimes s/he committed, the juvenile court will try her/ him.

ix. Establishment of National Child Welfare Board

Under the Act, a National Child Welfare Board will be formed.⁴⁴ The minister of the Ministry of Social Welfare will be the chairperson of the board. Boards at the district and sub-district levels will also be formed. District commissioner and sub-district executive officer will be the presidents of the boards respectively.

x) Establishment of More Child Development Centres (CDCs)

The government is mandated to establish and maintain necessary number of CDCs based on gender disaggregation for the accommodation, reformation and development of children who are ordered to be detained and those who are undergoing trial.⁴⁵

xi. Alternative Preventive Measures

As per the Act, it states that the police officer or juvenile court can look for alternative preventive measures during any stage of the formal judicial system.⁴⁶ It has also been mentioned in Act that there will be a monitoring process for checking, whether the directed alternative measures have any positive impact on the child's behaviour.

⁴³ Ibid., section 17(4).

⁴⁴ Ibid., section 7.

⁴⁵ Ibid., section 59(1).

⁴⁶ Ibid., section 48.

xii. Provision of Sentence

The Act proposed for maximum five years of imprisonment and Taka one lakh fines for any cruelty on children as well as giving a guideline for bringing up the children in a conducive atmosphere.⁴⁷

xiii. The Concept of Restorative Justice

The concept of restorative justice has been introduced by the new law which provides for compensation to the child who is a victim of crimes.⁴⁸

xiv. Responsibility of Media

Media is prohibited to publish articles, photographs and information that go against a child who is under trial in this *Act*.

xv. Well-being of the Children

This Act encourages family based care and protection considering the best interest of the child and meaningful child participation.

However, it can be said that the Children Act, 2013 will cover the lacunas of earlier Children Act, 1974. Now it is needed to create proper awareness and execution about the new Act. It is hoped that a child-friendly justice system by the proper implementation of the Children Act 2013 would be started as soon as possible in Bangladesh.

6. Way of Implementation of International Law for Child-friendly Justice

The aim of juvenile justice should be arranged in such a way that the juveniles can eventually assume a socially constructive role in society and state. For the proper implementation of the provisions of the CRC and other international instruments, it is necessary to establish child oriented justice system in Bangladesh. In light of the binding legal obligation that the CRC imposes and the absence of comprehensive legislative reform being undertaken by the Government of Bangladesh, the question arises whether the CRC can be relied upon in Court.

Despite the ratification of the CRC in 1990, the Government of Bangladesh until 2012 did not undertake any comprehensive review of its legislation regarding children. Hence, the Committee on the Rights of the Child in its 1993, 2003 and 2009 Concluding Observations⁴⁹ on the Initial⁵⁰ and Periodic State

⁴⁷ Ibid., section 33.

⁴⁸ Ibid., section 38.

⁴⁹ Concluding Observations of the Committee on the Rights of the Child, Bangladesh, U.N. Doc. CRC A/53/41 (1998), CRC/C/15/Add.221 (2003) and CRC /C/BGD/CO/4 (2009).

Reports⁵¹ of Bangladesh expressed its concern about “the unclear status of the Convention in the domestic legal framework and the insufficient steps to bring existing legislation into full conformity with the Convention”.⁵² It recommended to “take all effective measures to harmonize its domestic legislation fully with the provisions and principles of the Convention.”⁵³ Consequently, it has incorporated the international concept in the new Children Act 2013.

At this time, the Children Rules should be formulated as per the section 100 of the Children Act 2013. The age of criminal responsibility should be increased (from 9 to 12 years) as per the recommendation of the committee of CRC and the child affairs desks and child-friendly police officers with their specific responsibility should be setup in each police station in the country. Moreover, independent mechanisms to monitor child detention centers by establishing National Child Welfare Boards should be developed. Adequate number of probation officers with handsome salary should be appointed at local level for speeding up the probation procedure as well as separate children courts with wider jurisdiction should be established in different buildings away from the criminal courts in each divisional city. Some alternatives to imprisonment such as, bail, conditional discharge, suspension of sentence, probation, fines, community service order, compensation, restitution, etc. should be introduced by the Children Rules. Modern rehabilitation programs with living guidance should be introduced for the children which would restore the delinquent to normal living and to develop his personality.

7. Conclusion

The need for the implementation of international obligations assumed by States has always been a problem of concern in the enforcement of child rights. States are the subject of international law. The law enforcement mechanism is very weak in developing countries like Bangladesh. It is needed to develop accountability to all levels and to build up international network for the promotion of responsibility towards fair children justice. At the same time, it is needed to make dramatic progress on internalization of law with a special focus on responsibility in order to take effective binding measures. The government has the duty and responsibility towards child offenders which ensure dignity,

⁵⁰ Initial Report of States Parties due in 1992: Bangladesh;07/12/95, CRC/C/3/Add.38.

⁵¹ Periodic State Reports 1997, 2001. Recently, Bangladesh submitted its combined third and fourth report (2007).

⁵² Concluding Observations (1998), para 12.

⁵³ Concluding Observations (2003), para 13.

promote self-reliance and facilitate the child's active participation in the community. Recently, Bangladesh has reflected the CRC in the Children Act 2013. Rules are most urgently needed, as without them many of the new concepts, such as diversion, family conferencing, alternative care, dispute resolution etc. cannot be put into practice. It is also important to train up the persons concerned in the children justice system so that proper implementation of the Act can be ensured. Therefore, a holistic approach must be taken by all concerned to ensure that the children of this country achieve fulfillment of their rights. In this context, the Bangladesh should develop enabling mechanism for the implementation of the international standards to achieve justice and dignity for our children.

Knowledge and Attitude towards Tobacco Use in Bangladesh

Md. Tahidur Rahman,^{*} Dulal Chandra Roy,^{**} Papia Sultana^{***}

Abstract: Tobacco is identified as leading modifiable global disease risk factor. The main objective of this paper is to determine the level of knowledge of the health consequences of smoking among Bangladeshi adults and its correlates. Another objective is to observe attitudes towards tobacco use. The study is based on secondary data of size 9629 aged 15 years and above collected by the Global Adult Tobacco Survey (GATS), 2010. Binary logistic regression model has been used to identify the correlates of knowledge about the adverse effect of tobacco use in Bangladesh. Attitudes towards tobacco use have been analyzed, too.

Keywords: GATS, Knowledge, Attitude, Logistic Regression, Odds Ratio (OR), Receiver Operating Characteristic (ROC) analysis.

Introduction

Tobacco smoking is a leading modifiable global disease risk factor, with nearly 6 million premature deaths, 6.9 % of years of life lost, and 5.5% disability-adjusted life-years (DALYs) in 2010.¹ Global age-standardized prevalence of daily tobacco smoking was 31.1% in 2012 for men.² Nearly 80% of the more than one billion smokers worldwide live in low- and middle-income countries, where the

^{*} Md. Tahidur Rahman, MPhil Fellow, Department of Statistics, University of Rajshahi, Bangladesh.

^{**} Dulal Chandra Roy, Professor of Statistics, Department of Statistics, University of Rajshahi, Bangladesh.

^{***} Papia Sultana, Professor of Statistics, Department of Statistics, University of Rajshahi, Bangladesh.

¹ Lim S, Stephen et al., "A comparative risk assessment of burden of disease and injury attributable to 67 risk factors and risk factor clusters in 21 regions, 1990-2010: a systematic analysis for the Global Burden of Disease Study 2010," *Lancet*, vol. 380(9859), 2012, pp 2224-60; Evaluation IfHMa. Global Burden of Disease (GBD) Visualizations," accessed 16 October 2013, <http://www.healthmetricsandevaluation.org/gbd/visualizations/country>.

² Ng Marie et al., "Smoking prevalence and cigarette consumption in 187 countries, 1980-2012," *JAMA*, vol. 311(2), 2014, pp 183-92.

burden of tobacco-related illness and death is heaviest.³ Given the importance of tobacco as a risk to health, monitoring the distribution and intensity of tobacco use is critical particularly for low- and middle- income countries.

Bangladesh is a low-income country and one of the largest tobacco consuming countries in the world.⁴ According to a previous study of Bangladesh, smoking causes about 25% of all deaths in Bangladeshi men aged 25 to 69 years and an average loss of seven years of life per smoker.⁵ Tobacco-use results in both health and economic costs that is large and growing.⁶ Due to its easy accessibility and social acceptability, there are now more young women and teenagers having access to cigarettes and hence getting addicted. Bangladesh is one of the largest tobacco consuming countries in the world which is associated with various health effects. Smokeless tobacco is tobacco that is not burned such as chewing tobacco, oral tobacco, spit or spitting tobacco, dip, chew and snuff. Smokeless tobacco use is common among women and men both, 28% of women and 26% of men use smokeless tobacco.⁷ Chewing tobacco is most commonly used by the Bangladeshi community with 9% of men and 19% of women.⁸ Also there are many types of smokeless tobacco such as betel quid or pan, *zarda*, *khoinee* (dried tobacco and slaked lime). Smokeless tobacco contains 28 cancer-causing agents (carcinogens). Smokeless tobacco is a known cause of human cancer; it increases the risk of developing cancer of the oral cavity. Smokeless tobacco is also strongly associated with leukoplakia—a precancerous lesion of the soft tissue in the mouth that consists of a white patch or plaque that cannot be scraped off. Smokeless tobacco is associated with recession of the gums, gum disease, and tooth decay.⁹ Second hand smoking is the exposure of tobacco smoking. One person is second hand smoker if any other person smokes in front

³ “WHO Report on the global tobacco epidemic,” World Health Organization, accessed 9 march, 2014, <http://www.who.int/mediacentre/factsheets/fs339/en/>.

⁴ Ng M et al., *op. cit.*

⁵ Alam S. Dewan et al., “Smoking-attributable mortality in Bangladesh: proportional mortality study,” *Bull World Health Organ* 1;91(10)(2013):757-64.

⁶ Fen Wu et al., “A prospective study of tobacco smoking and mortality in Bangladesh,” *PLOS One* 8(3) (2013):e58516; Nigar Nargis et al., “The price sensitivity of cigarette consumption in Bangladesh: evidence from the International Tobacco Control (ITC) Bangladesh Wave 1 (2009) and Wave 2 (2010) Surveys,” *Tob Control*, 23Suppl 1, 2014, pp i39-i47.

⁷ Abul Barkat et al., “The Economics of Tobacco and Tobacco Taxation Bangladesh,” (2012), accessed September 09, 2012, www.jhsph.edu/research/centers-and-institutes/institute-for-global-tobacco-control/resources-publications/Bangladesh.pdf.

⁸ “Tobacco and ethnic minorities: Action on Smoking and Health Fact Sheet, 2011,” accessed September 09, 2012, <http://ash.org.uk/files/documents/ASH-131.pdf>.

⁹ “Centers for Disease Control and Prevention: Smokeless Tobacco Fact Sheets, 2011.”

of him/her and the person inhales the smoke. In Bangladesh, it may happen at home, at work place, at journey, or even at open public places. Effect of second hand smoking is same as tobacco smoking, but in some cases effect may be more prompt.

To date, some studies have been conducted in Bangladesh on tobacco use.¹⁰ However, most of these previous studies have been limited to prevalence and predictors of tobacco use.¹¹ Very few studies address the issue of knowledge and attitude, but those are for other countries.¹² The aims of this study, therefore, were to obtain a nationally representative estimate of level of knowledge and attitude of tobacco use in Bangladesh, and to identify socio-economic and demographic correlates.

¹⁰ Abul Barkat et al., "The Economics of Tobacco" (2012), accessed September 09, 2012, www.jhsph.edu/research/centers-and-institutes/institute-for-global-tobacco-control/resources-publications/Bangladesh.pdf; "Tobacco and ethnic minorities: Action on Smoking and Health Fact Sheet, 2011," accessed September 09, 2012, <http://ash.org.uk/files/documents/ASH-131.pdf>; "Centers for Disease Control and Prevention: Smokeless Tobacco Fact Sheets, 2011," Mobarok H. Khan et al., "Prevalence and correlates of smoking among urban adult men in Bangladesh: slum versus non-slum comparison," *BMC Public Health*, vol. 9, 2009, p149; Mohammad A.Kabir et al., "Tobacco smoking and its association with illicit drug use among young men aged 15-24 years living in urban slums of Bangladesh," *PLoS One*, vol30;8(7), 2013, e68728; Mohammad A.Kabir et al., "Adolescent Tobacco Use and Its Determinants: Evidence From Global Youth Tobacco Survey, Bangladesh 2007," *Asia Pac J Public Health*, 2013, 1010539512472357; Mohammad A.Kabir et al., "Tobacco consumption and illegal drug use among Bangladeshi males: association and determinants," *Am J Mens Health*, vol. 7(2), 2013, pp 128-37.

¹¹ Abul Barkat et al., "The Economics of Tobacco" (2012), accessed September 09, 2012, www.jhsph.edu/research/centers-and-institutes/institute-for-global-tobacco-control/resources-publications/Bangladesh.pdf; "Tobacco and ethnic minorities: Action on Smoking and Health Fact Sheet, 2011," accessed September 09, 2012, <http://ash.org.uk/files/documents/ASH-131.pdf>; "Centers for Disease Control and Prevention: Smokeless Tobacco Fact Sheets, 2011; Mobarok H. Khan et al.; Mohammad A.Kabir et al.;

¹² Genevieve C. Sansone et al., "Knowledge of health effects and intentions to quit among smokers in India: Findings from Tobacco Control Policy (TBC) India Pilot Survey," *Int. J. Environ. Res. Health*, vol. 9(2), 2012, pp 564-578; Hassan S. Halwany et al., "Oral Cancer Awareness and Perception of Tobacco Use Cessation Counseling among Dental Students in Four Asian Countries," *Asian Pacific Journal of Cancer Prevention*, vol. 14, 2013, pp 3619-3623; Angela L. Monson and Jessica A. Beaulieu, "Smokeless tobacco use and knowledge among University students," *The internet Journal Allied Health Sciences and Practice*, vol. 1 (1), 2011, pp 1-9; Bhawna Gupta and Narinder Kumar, "A Cross-Country Comparison of Knowledge, Attitudes and Practices about Tobacco Use: Findings from the Global Adult Tobacco Survey," *Asian Pac J Cancer Prev*, vol. 15 (12), 2014, pp 5035-5042.

Data and Methodology

This study is based on secondary data collected by the Global Adult Tobacco Survey (GATS), 2010.¹³ The survey was conducted in 14 countries including Bangladesh, Brazil, China, Egypt, India, Mexico, Philippines, Poland, Russia, Thailand, Turkey, Ukraine, Uruguay and Vietnam from 2008 to 2010. GATS used a global standardized methodology. It included information on the respondents' background characteristics, tobacco use (smoking and smokeless), cessation, second-hand smoke, economics, media, and knowledge, attitudes and perceptions of tobacco use. In Bangladesh, GATS was conducted in 2009 as a household survey of persons 15 years of age or older by the National Institute of Preventive and Social Medicine in collaboration with the Bangladesh Bureau of Statistics (BBS) and National Institute of Population Research and Training (NIPORT). A multi-stage (three-stage), geographically clustered sample design was used to produce nationally representative data. At the first stage 400 Primary Sampling Units (PSU)s (*Mauza* in rural and *Mohalla* in urban areas) were selected with probability proportional to size (PPS), followed by a random selection of one Secondary Sampling Unit (SSU) per selected PSU. At the third stage households were selected systematically within the listed households from a selected SSU. One individual was randomly chosen from each selected household to participate in the survey. Survey information was collected by using handheld devices. The household response rate was 97.7%, the individual response rate was 95.8% and the overall response rate was 93.6%. There were a total of 9629 completed interviews (male=4468 and female=5161). Details about the survey methods, questionnaire, and definitions of various terminologies can be found in some related published documents.¹⁴

The wealth index was constructed by the GATS Collaborator Team using principal component analysis. Asset information covered household ownership of a number of items, such as electricity, flush toilet, fixed telephone, cell telephone, television, radio, refrigerator, car, moped/scooter/motorcycle, washing machine, bicycle, sewing machine, *almirah*/ wardrobe, table, bed or cot, chair or bench, watch or clock, as well as the type of main material used for the roof of the main

¹³ "Global Adult Tobacco Survey Collaborative Group, 2010," Global Adult Tobacco Survey (GATS), accessed 18 August, 2012, <http://www.who.int/tobacco/surveillance/survey/gats/en/>.

¹⁴ Ibid.; Gary A. Giovino et al., "Tobacco use in 3 billion individuals from 16 countries: an analysis of nationally representative cross-sectional household surveys," *Lancet*, vol380, 2012, pp 668-679; William D. Kalsbeek et al., "The Global Adult Tobacco Survey (GATS): sample design and related methods," (2012), accessed June 25, 2012, https://www.amstat.org/sections/SRMS/Proceedings/y2010/Files/307559_58832.pdf; "Global Adult Tobacco Survey Bangladesh Report, 2009," Global Adult Tobacco Survey (GATS), accessed 18 March, 2015, <http://www.who.int/tobacco/surveillance/survey/gats/en/>.

house (cement, tin and *katcha* such as bamboo/thatched/straw). Each asset was assigned a weight (factor score) generated through principal components analysis, and the resulting asset scores were standardized in relation to a normal distribution with a mean of zero and standard deviation of one. Each household was then assigned a score for each asset, and the scores were summed for each household; individuals were ranked according to the total score of the household in which they resided. The sample was then divided into quintiles from one (lowest) to five (highest). A single asset index was developed for the whole sample; indices were not prepared for urban and rural populations separately.¹⁵

Descriptive analysis has been performed to know the characteristics of the study subjects. For that frequency with percentage has been reported for categorical data and mean with standard deviation has been reported for continuous data. A comparison of socio-demographic and economic characteristics of study subjects to the knowledge and attitude of current tobacco users or exposures has been performed. Binary logistic regression has been used to identify the socio-demographic and economic correlates to the knowledge about adverse effect of tobacco use or exposure. Odds Ratio (OR) with 95% confidence interval has been reported. Hosmer-Lemeshow test and ROC analysis have been performed to observe the prediction accuracy of the model. Statistical software StataSE version 13 (StataCorp, USA) has been used to carry out statistical analyses. Missing data on "age" and "occupation" has been adjusted using related information. For example, missing data on age has been adjusted using year of birth; missing data on occupation has been adjusted using information on educational status and age, those were for students and elderly persons, only. However, missing data on educational level (0.66%) cannot be adjusted as no other supportive variable is available. For advanced analysis missing data has been avoided and thus sample size 9565 has been used in the advanced analysis. The target variable is 'daily' tobacco users (smoking and smokeless) and secondhand smoker (SHS). Ex-users and occasional users have not been included in the current tobacco user in this paper.

Results

It has been found that among the tobacco smokers, 96.76% are male and 3.24% are female (Table 1); among the smokeless tobacco user, 41.95% are male and 58.05% are female; among the second hand smoker, 85.74% are male and 14.26% are female. Among the tobacco smokers, 47.30% are from urban area and 52.70% are from rural area; among the smokeless tobacco users, 41.87% are from urban area and 58.13% are from rural area; among the secondhand smokers, 54.76% are from urban area and 45.24% are from rural area. Average age of tobacco smokers is 40.50 years with standard deviation 13.57. Average age of

¹⁵ Ibid.

smokeless tobacco users is 37.00 years with standard deviation 14.58 and average age of secondhand smokers is 36.32 with standard deviation 13.47.

Among the tobacco smokers, 96.61% know that tobacco smoking causes serious illness (Table 2) whose mean age is 40.37 years with standard deviation (SD) 0.30 (Table 3); among the smokeless tobacco product users, 91.05% know that smokeless tobacco product causes serious illness whose mean age is 45.45 years (SD=0.31) and among the second hand smokers, 97.60% know that second hand smoking causes serious illness whose mean age is 36.48 years (SD=0.22).

Among the tobacco smokers, 11.48% smoke within 5 minutes after wakeup, 33.37% smoke between 6 to 30 minutes after wakeup, 25.37% smoke between 31 to 60 minutes after wakeup and 29.54% smoke after one hour after wakeup (Table 4). Among the smokeless tobacco product users, 8.35% use within 5 minutes after wakeup, 25.30% use between 6 to 30 minutes after wakeup, 23.16% use between 31 to 60 minutes after wakeup and 43.02% use after one hour after wakeup.

From logistic regression analysis to knowledge about the adverse effect of tobacco use (Table 6), it has been found that respondents from rural area are less knowledgeable about the health consequences of smokeless tobacco use (OR=0.68, 95% CI=0.47, 0.99) and secondhand smoking (OR=0.71, 95% CI=0.52, 0.97) than urban area and they are statistically significant. But, respondents from urban area and rural area are about equally knowledgeable about the effect of tobacco smoking (OR=1.17, 95% CI=0.77, 1.79). Female respondents are less knowledgeable than males about the effect of secondhand smoking (OR=0.47, 95% CI=0.28, 0.79) which is statistically significant. Females are also less knowledgeable about the effect of tobacco smoking (OR=0.89, 95% CI= 0.44, 1.79) and smokeless tobacco use (OR=0.62, 95% CI= 0.33, 1.13), but not statistically significant. Education and profession have not been found to have effect on the knowledge in specific pattern smoking tobacco. Also, wealth index have no effect on the knowledge about the effect of tobacco smoking, but contributes greatly to knowledge about the effect of smokeless tobacco use and secondhand smoking, For second hand smoking, it has been found that richest group are 4 times more knowledgeable than poorest group (OR=3.52, 95% CI= 1.84, 6.70) about the effect of secondhand smoking which is statistically significant. Respondent of other wealth index group are also more knowledgeable than poorest group. Similar pattern has been found for smokeless tobacco use. But, No specific pattern has been found for tobacco smoking group.

Discussion

In this country representative cross-sectional study of Bangladesh, out of 9629 respondents, prevalence of current tobacco smoking is 23.16%, prevalence of current smokeless tobacco use is 24.26% and secondhand smoking is 36.34%. The prevalence of tobacco smoking of this study reveals that about 37 million

peoples aged 15 years and above are currently smoking in Bangladesh. However, the prevalence of smoking among males is found to be very high and higher than neighbouring countries like Pakistan and Nepal.¹⁶ It is hoped that due to social norms in Bangladesh tobacco smoking of females are not well accepted. The reported results also show the same scenario. But, large proportion of male smokers may cause second hand smoking among females as well as among children and non-smoker males.¹⁷ This study also found that smokers group is causing about 1.72 times more secondhand smoking which reveals that about 64 million people are affected by secondhand smoking. A large portion of respondents are smokeless tobacco user. It may be due to the fact of ignorance about smokeless tobacco product; many of them don't know they are using tobacco product. If they know, they may think that it is not as harmful as smoking tobacco.

In case of tobacco smoking, respondents who are smoking tobacco are less likely to be knowledgeable about the effect of tobacco smoking irrespective of all age, residence, education, profession and economic status. It is really alarming for Bangladesh. As the effect is not prompt, new users are encouraged to use it as fashion and current users discouraged from cessation.

On the other hand, respondents who are secondhand smokers are more likely to be knowledgeable about the effect of it which is a good sign. However, respondents from rural area and from poorest economic status are less likely to be knowledgeable. This might be due to their less awareness about their own health like many other diseases.¹⁸

For knowledge about the effect of smokeless tobacco use, knowledge does not vary between users and non-users. Respondents from rural area are using smokeless tobacco more, but less likely to be knowledgeable about the effect. Like other public health concerns, less educated people are less likely to be knowledgeable as they are less aware about health hazards and more likely to

¹⁶ Sara I. Gilani and David A. Leon, "Prevalence and sociodemographic determinants of tobacco use among adults in Pakistan: findings of a nationwide survey conducted in 2012," *Population Health Metrics*, vol. 11(16), 2013. Doi: 10.1186/1478-7954-11-16; Chandrashekhar T. Sreeramareddy et al., "Prevalence, distribution and correlates of tobacco smoking and chewing in Nepal: a secondary data analysis of Nepal Demographic and Health Survey-2006. *Substance Abuse Treatment, Prevention, and Policy* 6:33," accessed 18 August 2012, <http://www.substanceabusepolicy.com/content/6/1/33>.

¹⁷ Krishna M. Palupadi et al., "Exposure to tobacco smoke among adults in Bangladesh," *Indian Journal of Public Health*, vol. 55 (3), 2010, pp 210-219.

¹⁸ Mosiur Rahman, "Determinants of Knowledge and Awareness about AIDS: Urban-Rural Differentials In Bangladesh," *Journal of Public Health and Epidemiology*, vol. 1(1), 2009, pp 14-21; Md. J. Uddin and Abdul M. Choudhury, "Reproductive Health Awareness Among Adolescent Girls in Rural Bangladesh," *Asia Pac J Public Health*, vol. 20(2), 2008, pp 117-128.

have higher degree of fatalism and overall risk taking behavior.¹⁹ Government and nongovernment employee and students/others are more likely to be knowledgeable. On the other hand, homemaker/housework, retired and unemployed, businessmen, farmers, and day labours are less likely to be knowledgeable. Respondents with lowest wealth index are least likely to be knowledgeable about the effect and with highest wealth index are most likely to be knowledgeable about the effect.

The major strengths of our study include large sample size, the coverage of men and women tobacco user, the coverage of both rural and urban areas, and the nationally representative population. However, there are several limitations that need to be addressed. The findings in this report are based on self-reports.²⁰ Furthermore, education categories were combined into broad groups, which could have contributed to biased estimates in terms of the gradients observed. Nonetheless, these groupings provided greater precision than those used in earlier tobacco use research in Bangladesh.²¹ The data used in constructing wealth index is based on limited number of asset variables, which might result in incomplete or under representing socioeconomic status. Some other variables like psychological variables could provide more predicting accuracy, but no such variable is available.

In conclusion, the results of this study reveal that knowledge about the effect of tobacco smoking is not strongly associated with any socio-economic and demographic variables, but strongly associated with tobacco smoking. On the other hand, knowledge about the effect of smokeless tobacco use and secondhand tobacco smoking are strongly associated with social disadvantage, for example, low socio-economic status, less education. Giving it as public health priority, WHO Framework Convention on Tobacco Control should be implemented. In addition, a nationwide campaign is needed to educate people in rural area about the health risks of tobacco use.

Conflicts of Interest

We declare that none of the authors have conflicts of interest.

¹⁹ "The Millennium Development Goals and Tobacco Control," World Health Organization (2004), Geneva, Switzerland.

²⁰ "Global Adult Tobacco Survey Collaborative Group, 2010," *op. cit.*

²¹ Barkat Abdul et al., "The Economics of Tobacco" (2012), accessed September 09, 2012, www.jhsph.edu/research/centers-and-institutes/institute-for-global-tobacco-control/resources-publications/Bangladesh.pdf; "Tobacco and ethnic minorities: Action on Smoking and Health Fact Sheet, 2011," accessed September 09, 2012, <http://ash.org.uk/files/documents/ASH-131.pdf>; "Centers for Disease Control and Prevention: Smokeless Tobacco Fact Sheets, 2011"; Mobarok H. Khan et al.; Mohammad A. Kabir et al.

Acknowledgement

The authors would like to acknowledge the members of the GATS Collaborative Group.

Author Contributions

Access of data and material collection: PS. Statistical analysis and interpretation: PS and MTR. Drafting the manuscript: PS, MTR and DCR. Contributed to discussion and finishing: PS, MTR, and DCR.

Table 1: Characteristic of study subjects

Characteristics	Total (N=9629) frequency(%)	Tobacco smoker (N=2038) frequency(%)	Smokeless tobacco user (N=2336) frequency(%)	Secondhand smoker (N=3499) frequency(%)
Gender				
Male	4468 (46.40)	1972 (96.76)	980 (41.95)	3000 (85.74)
Female	5161 (53.60)	66 (3.24)	1356 (58.05)	499 (14.26)
Residence				
Urban	4857 (50.44)	964(47.30)	978 (41.87)	1916(54.76)
Rural	4772 (49.56)	1074(52.70)	1358 (58.13)	1583(45.24)
Age(yrs)*	36.90 (14.90)	40.50 (13.57)	37.00 (14.58)	36.32 (13.47)
Educational level				
No formal schooling	3430 (35.62)	958(47.01)	101(47.33)	1070 (30.58)
Less than primary school completed	1487 (15.44)	372(18.25)	378 (16.25)	560 (16.00)
Primary school completed	1115 (11.58)	184(9.03)	259 (11.13)	377 (10.77)
Less than secondary school completed	1937 (20.12)	315(15.46)	387 (16.64)	707 (20.21)
Secondary school completed	663 (6.89)	88(4.32)	102 (4.39)	242 (8.06)
High school completed	463 (4.81)	51 (2.50)	64 (2.75)	208 (5.94)
College/University Completed and higher	484 (5.03)	70 (3.43)	33 (1.42)	293 (8.37)
Don't Know	50 (0. 52)	0 (0.00)	2 (0.09)	2 (0.06)
Occupation				
Employment (Government, Non-Government)	961 (9.98)	225(11.04)	128 (5.50)	601 (17.18)
Business (small, large)	993 (10.31)	440(21.59)	196 (8.43)	786 (22.46)
Farming (land owner & farmer)	826 (8.58)	411(20.17)	196 (8.43)	478 (13.66)
Agricultural / Industrial worker/ daily laborer/Other self- employed	1537(15.96)	74(3.63)	46 (1.98)	118 (3.37)
Homemaker/Housework	4030 (41.85)	628(30.81)	371 (15.95)	740 (21.15)
Retired and unemployed (able to work/unable to work)	431 (4.48)	42(2.06)	1111 (47.76)	314 (8.97)
Student/Other	851 (8.84)	83(4.07)	73 (3.14)	111 (3.17)
Wealth index				
Lowest	1866 (19.38)	492(24.14)	594 (25.54)	542 (15.49)
Low	2068 (21.48)	516(25.32)	587 (25.24)	689 (19.69)
Middle	1732 (17.99)	375(18.40)	440 (18.92)	619 (17.69)
High	2040 (21.19)	392(19.23)	458 (19.69)	837 (23.92)
Highest	1923 (19.97)	263(12.90)	247 (10.62)	812 (23.21)

*Mean (Standard deviation) has been reported.

Table 2: Knowledge about the adverse health consequences of tobacco use

Perception on	Tobacco smoker ^a (N=2038)	Smokeless tobacco user ^a (N=2336)	Secondhand tobacco smoker ^a (N=3499)
Causing Serious illness	1968(96.61)	2117(91.05)	3415(97.60)
Causing Stroke	1715(85.88)	1547(68.12)	--
Causing heart attack	1766 (88.43)	1622(71.42)	--
Causing lung cancer	1882(94.24)	1855(81.68)	--

^aFrequency with percentage has been reported

--Indicates data is not available.

Table 3: Comparing knowledge about effect of tobacco use to various socio-economic and demographic variables.

Socio-economic and demographic variables	Smoking Tobacco					Smokeless Tobacco Use					Exposure to SHS
	Causing serious illness (N=1968) % (95% CI)	Causing stroke (N=1715) % (95% CI)	Causing heart attack (N=1766) % (95% CI)	Causing lung cancer (N=1882) % (95% CI)	Causing serious illness (N=2117) % (95% CI)	Causing stroke (N=1547) % (95% CI)	Causing heart attack (N=1622) % (95% CI)	Causing lung cancer (N=1855) % (95% CI)	Causing Serious illness (N=3455) % (95% CI)		
Residence											
Urban	0.47(0.45, 0.50)	0.48(0.46, 0.51)	0.48(0.46, 0.51)	0.47(0.45, 0.50)	0.43(0.41, 0.45)	0.44(0.42, 0.46)	0.44(0.41, 0.45)	0.44(0.41, 0.46)	0.55(0.53, 0.57)		
Rural	0.53(0.50, 0.55)	0.52(0.49, 0.51)	0.52(0.49, 0.54)	0.53(0.49, 0.54)	0.57(0.55, 0.59)	0.56(0.53, 0.58)	0.56(0.54, 0.57)	0.56(0.54, 0.58)	0.45(0.43, 0.47)		
Gender											
Male	0.97(0.96, 0.98)	0.98(0.97, 0.99)	0.98(0.97, 0.99)	0.98(0.97, 0.99)	0.42(0.40, 0.44)	0.48(0.45, 0.50)	0.47(0.45, 0.50)	0.45(0.43, 0.47)	0.86(0.85, 0.87)		
Female	0.03(0.02, 0.04)	0.02(0.01, 0.03)	0.02(0.01, 0.03)	0.02(0.01, 0.03)	0.58(0.56, 0.60)	0.52(0.50, 0.55)	0.53(0.51, 0.55)	0.55(0.53, 0.57)	0.14(0.13, 0.15)		
Age(yrs)*											
No schooling	0.47(0.44, 0.49)	0.43(0.41, 0.46)	0.44(0.41, 0.46)	0.45(0.43, 0.48)	0.55(0.53, 0.58)	0.53(0.51, 0.55)	0.53(0.51, 0.55)	0.54(0.52, 0.57)	0.30(0.28, 0.31)		
Less than primary school completed	0.18(0.16, 0.20)	0.18(0.16, 0.20)	0.18(0.16, 0.20)	0.18(0.16, 0.20)	0.16(0.14, 0.17)	0.15(0.13, 0.17)	0.16(0.13, 0.17)	0.16(0.14, 0.18)	0.16(0.15, 0.17)		
Primary School Completed	0.09(0.07, 0.10)	0.09(0.07, 0.10)	0.09(0.07, 0.10)	0.09(0.07, 0.10)	0.11(0.09, 0.12)	0.12(0.00, 0.14)	0.12(0.11, 0.14)	0.11(0.10, 0.12)	0.10(0.09, 0.11)		
Less than secondary school completed	0.16(0.14, 0.17)	0.17(0.15, 0.19)	0.17(0.15, 0.18)	0.16(0.14, 0.18)	0.10(0.09, 0.12)	0.11(0.10, 0.13)	0.11(0.10, 0.13)	0.11(0.09, 0.13)	0.20(0.19, 0.21)		
Secondary school completed	0.04(0.03, 0.05)	0.04(0.03, 0.05)	0.04(0.03, 0.05)	0.04(0.03, 0.05)	0.03(0.02, 0.04)	0.03(0.02, 0.04)	0.03(0.02, 0.04)	0.03(0.02, 0.04)	0.08(0.07, 0.09)		
High school completed	0.02(0.01, 0.03)	0.03(0.02, 0.04)	0.03(0.02, 0.04)	0.02(0.01, 0.03)	0.01(0.00, 0.02)	0.02(0.01, 0.03)	0.02(0.01, 0.03)	0.01(0.00, 0.02)	0.06(0.05, 0.07)		
College/University Completed and /higher	0.03(0.02, 0.04)	0.03(0.02, 0.05)	0.03(0.02, 0.04)	0.03(0.02, 0.04)	0.02(0.01, 0.03)	0.02(0.01, 0.03)	0.02(0.01, 0.03)	0.04(0.01, 0.07)	0.08(0.07, 0.09)		
Employment (Govt,	0.10(0.09, 0.11)	0.11(0.10, 0.11)	0.11(0.10, 0.11)	0.11(0.09, 0.11)	0.06(0.05, 0.06)	0.06(0.05, 0.06)	0.06(0.05, 0.06)	0.06(0.05, 0.06)	0.17(0.16, 0.17)		

Socio-economic and demographic variables	Smoking Tobacco				Smokeless Tobacco Use				Exposure to SHS
	Causing serious illness (N=1968) % (95% CI)	Causing stroke (N=1715) % (95% CI)	Causing heart attack (N=1766) % (95% CI)	Causing lung cancer (N=1882) % (95% CI)	Causing serious illness (N=2117) % (95% CI)	Causing stroke (N=1547) % (95% CI)	Causing heart attack (N=1622) % (95% CI)	Causing lung cancer (N=1855) % (95% CI)	
Non-Government)	0.12	0.13	0.13	0.12	0.07	0.08	0.07	0.07	0.18
Business (small, large)	0.22(0.20, 0.23)	0.23(0.21, 0.25)	0.23(0.21, 0.25)	0.22(0.20, 0.24)	0.09(0.07, 0.10)	0.10(0.08, 0.11)	0.10(0.08, 0.11)	0.09(0.08, 0.11)	0.22(0.21, 0.24)
Farming (land owner & farmer)	0.20(0.18, 0.21)	0.20(0.18, 0.22)	0.20(0.18, 0.22)	0.20(0.18, 0.22)	0.10(0.08, 0.11)	0.11(0.09, 0.13)	0.11(0.09, 0.13)	0.10(0.09, 0.12)	0.13(0.12, 0.14)
Agricultural / Industrial worker/ daily laborer/Other self-employed	0.34(0.32, 0.36)	0.31(0.29, 0.34)	0.32(0.30, 0.34)	0.33(0.31, 0.35)	0.17(0.16, 0.19)	0.18(0.16, 0.20)	0.17(0.16, 0.20)	0.17(0.16, 0.19)	0.24(0.22, 0.25)
Homemaker/House work	0.02(0.01, 0.02)	0.01(<0.01, 0.17)	0.01(0.01, 0.02)	0.01(0.01, 0.02)	0.46(0.43, 0.48)	0.42(0.40, 0.44)	0.43(0.40, 0.45)	0.43(0.40, 0.45)	0.08(0.07, 0.09)
Retired and unemployed (able to work/unable to work)	0.04(0.03, 0.05)	0.04(0.03, 0.05)	0.04(0.03, 0.05)	0.04(0.03, 0.05)	0.5(0.04, 0.06)	0.04(0.03, 0.05)	0.05(0.04, 0.06)	0.05(0.04, 0.06)	0.03(0.02, 0.04)
Student/Other	0.06(0.05, 0.07)	0.06(0.05, 0.07)	0.06(0.05, 0.07)	0.06(0.05, 0.07)	0.06(0.05, 0.07)	0.06(0.05, 0.07)	0.05(0.04, 0.06)	0.06(0.05, 0.07)	0.09(0.08, 0.10)
Wealth Index									
Lowest	0.24(0.22, 0.26)	0.22(0.20, 0.24)	0.22(0.20, 0.24)	0.23(0.21, 0.25)	0.27(0.25, 0.29)	0.25(0.23, 0.27)	0.25(0.23, 0.27)	0.26(0.24, 0.28)	0.15(0.13, 0.16)
Low	0.25(0.24, 0.28)	0.24(0.22, 0.26)	0.25(0.23, 0.27)	0.25(0.23, 0.27)	0.24(0.22, 0.26)	0.25(0.23, 0.27)	0.24(0.22, 0.26)	0.24(0.22, 0.26)	0.19(0.18, 0.20)
Middle	0.18(0.16, 0.20)	0.19(0.17, 0.21)	0.19(0.17, 0.20)	0.18(0.17, 0.20)	0.18(0.17, 0.20)	0.17(0.15, 0.19)	0.18(0.16, 0.20)	0.18(0.17, 0.20)	0.17(0.16, 0.18)
High	0.19(0.17, 0.21)	0.20(0.18, 0.22)	0.20(0.18, 0.22)	0.19(0.18, 0.22)	0.19(0.18, 0.21)	0.19(0.18, 0.21)	0.20(0.18, 0.22)	0.19(0.18, 0.21)	0.24(0.22, 0.25)
Highest	0.12(0.11, 0.14)	0.14(0.12, 0.16)	0.14(0.12, 0.15)	0.13(0.11, 0.14)	0.11(0.09, 0.13)	0.12(0.11, 0.14)	0.13(0.11, 0.14)	0.12(0.10, 0.14)	0.23(0.22, 0.25)

*Mean with SD is reported.

Table 4: Attitudes towards tobacco use

Characteristics	Smoking (N=2038)	Smokeless (N=2336)	Secondhand smoking (N=3499)
Average number of tobacco use per day, Median (IQR)			
Manufactured cigarettes	4(0-10)	--	--
Others	0 (0-0)	--	--
Average number of Smokeless tobacco use per day, Median (IQR)			
Betel quid with tobacco		3 (0-6)	
Other		0 (0-0)	
Time of first start after wake-up (%)			
Within 5 Minutes	234 (11.48)	195 (8.35)	
6 to 30 Minutes	680 (33.37)	591 (25.30)	--
31 to 60 Minute	517 (25.37)	541 (23.16)	
More Than 60 Minutes	602 (29.54)	1005 (43.02)	
Refused	5 (0.25)	4 (0.17)	

-- Indicated data is not available

Table 5: Comparing attitude towards tobacco use to various socio-economic and demographic variables

Socio-economic and demographic variables	Smoking Tobacco (Time of first start after wake-up)				Smokeless Tobacco (Time of first start after wake-up)			
	≤ 5 minutes (N=234) %(95% CI)	6-30 minutes (N=680) %(95% CI)	31-60 minute (N=517) %(95% CI)	> 60 minutes (N=602) %(95% CI)	≤ 5 minutes (N=195) %(95% CI)	6-30 minutes (N=591) %(95% CI)	31-60 minute (N=541) %(95% CI)	> 60 minutes (N=1005) %(95% CI)
Residence								
Urban	0.44(0.37,0.50)	0.42(0.38,0.46)	0.48(0.44,0.53)	0.53(0.49,0.57)	0.41(0.34,0.48)	0.39(0.35,0.43)	0.36(0.32,0.40)	0.46(0.43,0.49)
Rural	0.56(0.49,0.62)	0.58(0.54,0.61)	0.52(0.47,0.56)	0.47(0.43,0.51)	0.58(0.51,0.65)	0.60(0.56,0.64)	0.63(0.59,0.67)	0.53(0.50,0.56)
Gender								
Male	0.95(0.92,0.98)	0.97(0.95,0.98)	0.98(0.97,0.99)	0.96(0.95,0.98)	0.32(0.26,0.39)	0.29(0.26,0.33)	0.52(0.48,0.56)	0.45(0.42,0.48)
Female	0.05(0.02,0.08)	0.03(0.02,0.04)	0.02(0.00,0.03)	0.04(0.02,0.05)	0.67(0.60,0.74)	0.70(0.66,0.74)	0.48(0.45,0.52)	0.54(0.51,0.57)
Age(yrs)	41.9 (0.83)	41.19 (0.49)	40.59 (0.61)	39.14 (0.58)	41.96(0.93)	47.50(0.60)	46.39(0.61)	45.03(0.47)
Educational level (%)								
No formal schooling	0.66(0.60,0.72)	0.52(0.48,0.56)	0.43(0.39,0.47)	0.36(0.32,0.40)	0.64(0.57,0.70)	0.61(0.57,0.65)	0.57(0.53,0.61)	0.51(0.48,0.54)
Less than primary school completed	0.14(0.10,0.19)	0.17(0.15,0.20)	0.20(0.16,0.23)	0.18(0.15,0.21)	0.12(0.08,0.17)	0.16(0.13,0.19)	0.16(0.13,0.19)	0.15(0.13,0.17)
Primary school completed	0.06(0.03,0.09)	0.07(0.05,0.06)	0.09(0.07,0.12)	0.10(0.08,0.13)	0.11(0.07,0.16)	0.09(0.07,0.12)	0.10(0.08,0.13)	0.11(0.09,0.13)
Less than secondary school completed	0.06(0.03,0.10)	0.14(0.11,0.16)	0.15(0.12,0.18)	0.20(0.16,0.23)	0.07(0.03,0.11)	0.08(0.06,0.10)	0.09(0.06,0.11)	0.13(0.10,0.15)
Secondary school completed	0.03(0.01,0.06)	0.03(0.02,0.05)	0.03(0.02,0.05)	0.03(0.03,0.07)	0.01(0.00,0.03)	0.01(0.00,0.03)	0.02(0.00,0.03)	0.03(0.03,0.04)
High school completed	0.01(0.00,0.03)	0.02(0.01,0.3)	0.02(0.01,0.04)	0.04(0.02,0.05)	0.01(0.00,0.03)	0.01(0.00,0.03)	0.01(0.00,0.01)	0.02(0.01,0.03)
College/University Completed and /higher	0.01(0.00,0.02)	0.02(0.01,0.03)	0.05(0.03,0.06)	0.05(0.03,0.06)	0.01(0.00,0.02)	0.01(0.00,0.02)	0.01(0.00,0.02)	0.02(0.01,0.03)
Occupation (%)								
Employment (Government, Non-Government)	0.05(0.02,0.07)	0.07(0.05,0.09)	0.11(0.01,0.14)	0.16(0.13,0.19)	0.05(0.02,0.09)	0.04(0.02,0.06)	0.05(0.04,0.07)	0.07(0.05,0.09)
Business (small, large)	0.17(0.12,0.21)	0.21(0.18,0.24)	0.22(0.19,0.26)	0.23(0.19,0.26)	0.07(0.03,0.10)	0.06(0.04,0.07)	0.09(0.07,0.12)	0.11(0.09,0.13)
Farming (land owner & farmer)	0.21(0.15,0.26)	0.22(0.20,0.25)	0.18(0.15,0.22)	0.20(0.15,0.22)	0.06(0.02,0.09)	0.08(0.06,0.10)	0.17(0.13,0.19)	0.08(0.07,0.10)
Agricultural / Industrial worker/ daily laborer/Other self-employed	0.42(0.35,0.48)	0.37(0.34,0.41)	0.56(0.52,0.40)	0.26(0.22,0.30)	0.22(0.16,0.27)	0.14(0.11,0.17)	0.18(0.15,0.21)	0.17(0.15,0.20)
Homemaker/Housework	0.02(0.00,0.04)	0.02(0.01,0.03)	0.01(0.00,0.02)	0.03(0.01,0.04)	0.53(0.46,0.60)	0.53(0.46,0.60)	0.38(0.33,0.42)	0.43(0.40,0.47)
Retired and unemployed	0.03(0.01,0.05)	0.04(0.03,0.05)	0.03(0.02,0.05)	0.05(0.03,0.07)	0.01(0.00,0.03)	0.06(0.04,0.08)	0.05(0.03,0.07)	0.05(0.04,0.07)

Socio-economic and demographic variables	Smoking Tobacco (Time of first start after wake-up)			Smokeless Tobacco (Time of first start after wake-up)			Wealth index
	≤ 5 minutes (N=234) % (95% CI)	31 - 60 minute (N=517) % (95% CI)	> 60 minutes (N=602) % (95% CI)	≤ 5 minutes (N=195) % (95% CI)	6 - 30 minutes (N=591) % (95% CI)	31 - 60 minute (N=541) % (95% CI)	
(able to work/unable to work)							
Student/Other	0.09(0.05,0.13)	0.05(0.04,0.07)	0.07(0.05,0.09)	0.04(0.01,0.07)	0.07(0.05,0.09)	0.06(0.04,0.08)	0.05(0.04,0.07)
Lowest	0.37(0.31,0.43)	0.28(0.16,0.23)	0.17(0.14,0.20)	0.35(0.28,0.41)	0.30(0.26,0.34)	0.26(0.22,0.09)	0.24(0.22,0.27)
Low	0.27(0.21,0.32)	0.26(0.23,0.29)	0.23(0.19,0.26)	0.23(0.17,0.29)	0.28(0.24,0.31)	0.25(0.21,0.29)	0.23(0.20,0.25)
Middle	0.18(0.13,0.23)	0.17(0.14,0.20)	0.19(0.15,0.21)	0.17(0.12,0.22)	0.17(0.14,0.20)	0.19(0.15,0.22)	0.18(0.16,0.20)
High	0.10(0.06,0.14)	0.18(0.15,0.20)	0.23(0.19,0.26)	0.15(0.10,0.21)	0.16(0.13,0.19)	0.20(0.16,0.23)	0.20(0.17,0.22)
Highest	0.06(0.03,0.09)	0.09(0.06,0.11)	0.15(0.12,0.18)	0.08(0.04,0.12)	0.07(0.05,0.10)	0.09(0.07,0.12)	0.14(0.11,0.16)

*Mean with SD is reported.

Table 6: Identifying predictors of knowledge about effect of tobacco use in Bangladesh using binary logistic regression.

Socio-demographic and economic variables	Knowledge about effect of Tobacco Smoking* OR (95% CI)	Knowledge about effect of Smokeless tobacco use* OR (95% CI)	Knowledge about effect of SHS* OR (95% CI)
Tobacco use	0.57(0.35, 0.94)	1.00(0.68,1.47)	1.87(1.22,2.87)
Residence			
Urban(RC)	1	1	1
Rural	1.17(0.77, 1.79)	0.68(0.47, 0.99)	0.71(0.52,0.97)
Gender			
Male (RC)	1	1	1
Female	0.89(0.44, 1.79)	0.62(0.33,1.13)	0.47(0.28,0.79)
Age	0.99(0.97, 1.00)	0.99(0.98,1.00)	0.98(0.97,0.99)
Education			
No formal schooling(RC)	1	1	1
Less than primary school completed	1.20(0.69, 2.08)	1.29(0.80,2.05)	0.91(0.62,1.34)
Primary School Completed	2.17(0.95, 4.89)	1.57(0.87, 2.82)	0.91(0.58,1.43)
Less than secondary school completed	1.76(0.92 3.36)	2.04(1.13,3.68)	1.98(1.14,3.44)
Secondary school completed	1.33(0.54 3.26)	3.09(0.92,10.45)	1.64(0.67,4.00)
High school completed	1.11(0.41, 2.98)	5.43(0.70,41.79)	--
College/University Completed and /higher	0.88(0.36, 2.18)	5.18(0.64,41.91)	0.55(0.21,1.45)
p-value for trend	0.669	<0.001	0.203
Occupation			
Employment (Government, Non-Government) (RC)	1	1	1
Business (small, large)	1.13(0.51 2.52)	0.55(0.18,1.61)	1.00(0.34,2.96)
Farming (land owner & farmer)	0.78(0.33, 1.84)	0.86(0.27,2.79)	0.89(0.32,2.46)
Agricultural / Industrial worker/ daily laborer/Other self- employed	0.98(0.44, 2.15)	0.73(0.26,2.01)	0.96(0.40,2.32)
Homemaker/Housework	1.13(0.48, 2.62)	0.83(0.30,2.30)	0.82(0.36,1.88)
Retired and unemployed (able to work/unable to work)	0.79(0.31, 2.02)	0.42(0.13,1.34)	0.69(0.26,1.86)
Student/Other	1.88(0.65, 5.47)	2.32(0.54,9.96)	0.46(0.19,1.13)
p-value for trend	0.411	0.502	0.112
Wealth index			
Lowest(RC)	1	1	1
Low	1.10(0.60, 2.00)	1.10(0.72,1.69)	1.97(1.36,2.87)
Middle	0.81(0.44, 1.48)	1.73(1.00,2.97)	1.82(1.22,2.74)
High	0.96(0.51, 1.83)	1.39(0.82,2.35)	2.91(1.80,4.70)
Highest	0.69(0.33, 1.43)	2.05(0.93,4.50)	3.52(1.84,6.70)
p-value for trend	0.464	0.028	<0.001
P-value of Hosmer-Lemeshow Test	0.705	0.360	0.347
AUC	0.656	0.707	0.752

RC stands for Reference Category

*Any kind of adverse effect.

p-value for trend is for more than three categories.

Impacts of Non Performing Loan upon Bank's Profitability as well as Economy of Bangladesh: A Critical Assessment

Hosnay Nasrin*

Abstract: The study compares the four types of banks' time series performance on the basis of Non Performing Loan (NPL) and measures the relationship between NPL and Net Interest Income of these banks. A Non Performing Loan is a loan that is in default or close to being in default. The amount of NPLs increased to Tk. 73.3 billion in 2012 from Tk. 47.3 billion in 2003. There are many reasons behind the NPLs in Bangladesh. Borrower may have lack of experience, bad intention, lack of business and lack of institutional training background or lack of supporting facility. Loan could be default if Banks delayed assessment of loan proposal, delayed disbursement of funds as well as banks have lack of proper monitoring, lack of taking proper action, low GDP growth, increasing crimes, hartals, etc. and frequent change in policy also effect loan. For those reasons loans become default loans. Effects of NPL upon economy are very worse such as Stopping Money Cycling, Earning Reduction, Capital Erosion, Increase in Loan Pricing, Frustration, etc. As a result, the values of security increase and the risks of financial recession also see a rise. This paper explores the impacts of NPL upon economy through flow diagram and also ends with some recommendations to deal with the NPL in the banking sector of Bangladesh.

Keywords: Banking System, Non Performing Loan, Net Interest Income.

1.1. Introduction

The banking industry of Bangladesh is a mixed of comprising nationalized, specialized private and foreign commercial banks. Many efforts have been already made to explain the performance of these banks. It is becoming an imperative for banks to endure the pressure coming from both domestic and external factors and prove to be profitable and survive in the economy. Smooth and efficient flow of saving-investment process is a prerequisite for the economic development of a country. Bangladesh, being a developing country and with an underdeveloped capital market, mainly depends on the intermediary role of

* Senior Lecturer, Northern University Bangladesh, Dhaka.

commercial banks for mobilizing internal saving and providing capital to the investor. Thus, it matters greatly how well our financial sector is functioning. Looking at the performance of our financial sector for the last decade or so, we observe that our banking sector is heavily burdened with a high percentage of Non-Performing Loans (NPLs). It is obvious that NPLs reduce banks' profitability and hamper the economic system too, as banks cannot mobilize appropriate interest income from their classified loans. NPLs reduce loan able funds by stopping recycling. Banks need to set aside a portion of their income as loan loss reserve to make up bad debt. A bank with a high percentage of NPLs suffers from erosion of the capital if there is no provision (assume).¹ The ratio of NPL to total loans of all the banks had shown an overall declining trend from its peak 34.9% percent to 10% in December 2012. The ratio further increased to 11.9% at the end of June 2013. Nonperforming loans (NPLs) have risen, in recent years, due to a combination of factors, such as, a deterioration in intrinsic asset quality and stringent problem loan identification.

The NPL of the banking sector actually rose to 9.7 percent at end-December 2014 from 8.9 percent at end-December 2013.² All those adverse impacts of NPLs on banks' financial health such as low profitability and low capital base are clearly reflected in the banking sector as well as economy of Bangladesh.

1.2. Objectives of the Study

The main purpose of the study is to find out the effect of Non Performing Loans. Special objectives are: to study the group wise Non Performing Loan trends of all banks operating in Bangladesh; to measure the group wise differences among the category of Banks regarding NPLs; to examine the relationship between Non Performing Loan and Net Interest Income of the banks; and to identify the causes, impacts and few remedies of Non Performing Loans for ensuring a financially sound banking sector.

1.3. Methodology of the Study

All the banks in Bangladeshi banking sector are divided into the following groups: (i) State-Owned Commercial Banks (SCBs) (ii) Development Financial Institutions (DFIs) (iii) Private Commercial Banks (PCBs) (iv) Foreign Commercial Banks (FCBs).

The study is covered eight years from the year 2007 to 2014 (June). Researcher has used the data published in the annual reports and other

¹ Salena Parven, "Non Performing Loans of Commercial Banks in Bangladesh," *Munich Personal RePEc Archive Paper* (June 25, 2015), retrieved from <http://mpra.ub.uni-muenchen.de/65248/>, accessed on October 22, 2015.

² Bangladesh Bank, *Financial Stability Report 2014* (Dhaka: Financial Stability Department, BB, June 2015), Issue 5, p. 20

publications of Bangladesh Bank, other related websites, moreover the journals, articles, reports and surveys have been referred.

For the comparison between the groups, some statistical tests have been used according to the nature and objectives of the study. The collected information is analyzed by ANOVA test. The conclusions have been drawn on the basis of 5% level of significance. Another statistical technique 'Regression' is used to find out the impact of NPL upon Net Interest Income. ANOVA test, Correlations and Regression analysis have been done with the help of SPSS software.

1.4. Hypotheses

- A) H₀ = There is no significant difference in Non Performing Loans to total loans ratios among all the four banking groups during 2007 to 2014.
 H₁ = There is significant difference in Non Performing Loans to total loans ratios among all the four banking groups during 2007 to 2014.
- B) H₀ = There is no significant difference in ratio of Net Non Performing Loans to total loans ratios among all the four banking groups during 2007 to 2014.
 H₁ = There is significant difference in ratio of Net Non Performing Loans to total loans ratios among all the four banking groups during 2007 to 2014.
- C) H₀ = There is no significant impact of Non Performing Loans upon Net Interest Income.
 H₁ = There is significant impact of Non Performing Loans upon Net Interest Income.

1.5. Literature Review

With respect to the performances of Bangladeshi banking sector, foreign and national experts undertook number of studies. The banking industry of Bangladesh is a mixed one comprising nationalized, private and foreign banks. Many efforts have been made to explain the performance of these banks. Understanding the performance of the bank requires knowledge about the profitability and the relationship between variables like market size, banks risk and banks market size with the profitability (Chowdhury 2002).³

The immediate consequence of large amount of NPLs in the banking system is bank failure as well as economic slowdown. The causes of nonperforming loans are usually attributed to the lack of effective monitoring and supervision on

³ Anis Chowdhury, "Politics, Society and Financial Sector Reform in Bangladesh," *International Journal of Social Economics*, Vol. 29 (12), (2002): pp. 963-988.

the part of banks, lack of effective lenders' recourse, weaknesses of legal infrastructure, and lack of effective debt recovery strategies (Adhikary 2007).⁴

Empirical results of econometric model based on a study on Guyana show that GDP growth is inversely related to non-performing loans, suggesting that an improvement in the real economy translates into lower non-performing loans. We also find that banks which charge relatively higher interest rates and lend excessively are likely to incur higher levels of non-performing loans (Khemraj & Pasha 2009).⁵

There is no global standard to define non-performing loans at the practical level. Variations exist in terms of the classification system, the scope, and contents. Such problem potentially adds to disorder and uncertainty in the NPL issues. Non-performing loans have non-linear negative effect on banks' lending behavior (Hou 2001).⁶

The higher the non interest income as a ratio of total assets of banks the lower interest rate spread (Mujeri & Younus 2009).⁷

The presence of an alarming amount of NPLs both in the Nationalized Commercial Banks (NCBs) and in the Development Financial Institutions (DFIs), along with maintenance of inadequate loan loss provisions, diminishes the overall credit quality of Bangladesh. Poor enforcement of laws relating to settlement of NPLs, followed by insufficient debt recovery measures on the part of the banks, has also aggravated the financial malaise (Adhikary 2007).⁸

Non-performing loans are increasing due to lack of risk management, which threatens the profitability of banks. This study provides suggestion that banking sector can avoid their non-performing loans by adopting methods suggested by

⁴ Bishnu K. Adhikary, "Non Performing Loans in the Banking Sector of Bangladesh: Realities and Challenges," *Journal of Bangladesh Institute of Bank Management*, (2007): pp.75-95.

⁵ Tarron Khemraj and Sukrishnalall Pasha, "The Determinants of Non-Performing Loans: an Econometric Case Study of Guyana." (Paper Presented at the 3rd Biennial International Conference on Business, Banking & Finance, University of the West Indie at St. Augustine, Trinidad and Tobago, 2009).

⁶ Yixin Hou, "The Non-Performing Loans: Some Bank-level Evidences," *Journal of Banking and Finance*, (2001): pp. 25-46.

retrieved from <http://www.qass.org.uk/4thAFEQASSConferencePapers/Hou.doc> , accessed on October 18, 2015.

⁷ Mustafa K. Mujeri and Sayera Younus, "An Analysis of Interest Rate Spread in Banking Sector in Bangladesh," *Journal of Bangladesh Development Studies*, Vol. 32(4), (2009): pp. 65-89.

⁸ Bishnu K. Adhikary, "Non Performing Loans in the Banking Sector of Bangladesh: Realities and Challenges," *Journal of Bangladesh Institute of Bank Management*, (2007): pp.75-95.

the central bank of perspective country (Haneef & Riaz 2012).⁹

GDP growth is inversely related to non-performing loans, suggesting that an improvement in the real economy translates into lower non-performing loans. It is also found that banks which charge relatively higher interest rates and lend excessively are likely to incur higher levels of non-performing loans (Khemraj, & Pasha, 2009).¹⁰

In making lending decisions, banks are assumed to react differently to NPL ratios above or below a threshold. With NPLs above the threshold has an adverse effect on lending. Bank's lending behavior could restrain economic activity, especially in periods of stress when NPLs are high (Tracey 2011).¹¹

2.1. Overview of Banking Sector in Bangladesh

Despite in recent years, many non-bank financial institutions have been established, still the financial system of Bangladesh is mainly banking sector based. The banking sector of Bangladesh is comparatively larger than many comparable economies with similar level of development and per capita income. The total size of the sector at present is almost 61% of GDP, which is proportionately large for a country with a per capita income of only about US\$870 (approx.)

The Banking sector of Bangladesh is divided into four categories of scheduled Banks. These are, Nationalized Commercial Banks (NCBs), Government Owned Development Financial Institutions (DFIs), Private Commercial Banks (PCBs), and Foreign Commercial Banks (FCBs). Of them, the Commercial Banks are the most dominant one, accounting for more than 80% of all financial system assets. The number of banks increased from 47 in 2012 to 56 in 2013. The number of bank branches increased from 8322 of 2012 to 8685 due to opening of new branches mainly by the PCBs, DFIs and SCBs during the year. At the end of June 2014, the total number of bank branches increased further to 8794, In 2013, the SCBs held 26.4 percent of the total industry assets as against 26.1 percent in 2012. PCBs' share in total assets is showing persistent trend and it slightly decreased from 62.2 percent in 2012 to 61.9 percent in 2013.

⁹ Shahbaz Haneef and Tabassum Riaz, "Impact of Risk Management on Non-Performing Loans and Profitability of Banking Sector of Pakistan," *International Journal of Business and Social Science*, Vol. 3, No. 7, (2012).

¹⁰ Tarron Khemraj and Sukrishnalall Pasha, "The Determinants of Non-Performing Loans: an Econometric Case Study of Guyana" (Paper Presented at the 3rd Biennial International Conference on Business, Banking & Finance, University of the West Indie at St. Augustine, Trinidad and Tobago, 2009).

¹¹ Mark Tracey, "The Impact of Non-performing Loans on Loan Growth: An Econometric Case Study of Jamaica and Trinidad and Tobago," (September 2011). retrieved from <http://boj.org.jm/researchconf/papers/Tracey> , accessed on October 18, 2015.

The FCBs held 6.1 percent of the industry assets in 2013, showing a decline by 0.2 percentage point over the previous year. The DFIs' share of assets was 5.7 percent in 2013 as compared to 5.5 percent in 2012. Total deposits of the banks in 2013 rose to Tk. 6273.0 billion from Tk. 5396.0 billion in 2012 showing an overall increase by 16.3 percent compared to a 19.7 percent growth in 2012. The SCBs' share in deposits slightly increased from 25.5 percent in 2012 to 26.0 percent in 2013. PCBs' deposits in 2013 amounted to Tk. 3939.3 billion or 62.8 percent of the total industry deposit compared to Tk. 3430.7 billion or 63.6 percent in 2012. FCBs' deposits in 2013 slightly increased by Tk. 32.5 billion over the year 2012. The DFIs' deposits in 2013 were Tk. 343.0 billion compared with Tk. 260.4 billion in 2012 showing an increase of 31.7 percent over the year.¹² The following Table shows the banking structure in Bangladesh. (June, 2014)

Table: 1

Banking Structure in Bangladesh (June 2014 – in Billion Tk.)

Bank Type	Number of Banks	Number of branches	Total assets	% of industry assets	Deposits	% of Deposits
SCBs	4	3536	2292.9	26.5	1714.5	26.1
DFIs	4	1496	471.8	5.4	340	5.2
PCBs	39	3692	5392.7	62.3	4176.2	63.7
FCBs	9	70	499.8	5.8	328	5.0
Total	56	8794	8657.2	100	6558.7	100

Source: Bangladesh Bank's Financial Stability Assessment Report (Oct-Dec 2014)

2.2. Definition of Non Performing Loans (NPLs)

A nonperforming loan is a loan that is in default or close to being in default. Many loans become non-performing after being in default for 90 days, but this can depend on the contract terms. According to International Monetary Fund, definition of NPLs is "A loan is non performing when payments of interest and principal are past due by 90 days or more, or at least 90 days of interest payments have been capitalized, refinanced or delayed by agreement, or payments are less than 90 days overdue, but there are other good reasons to doubt that payments

¹² Bangladesh Bank, *Annual Report of Bangladesh Bank*, (2013-14): Chap-5, pp. 33-34.

retrieved from <https://www.bb.org.bd/pub/annual/anreport/ar1314/index1314.php> , accessed on October 16, 2015.

will be made in full".¹³

By bank regulatory definition non-performing loans consist of: loans that are 90 days or more past due and still accruing interest and Loans which have been placed on non accrual (i.e., loans for which interest is no longer accrued and posted to the income statement). Loan may also be non- performing if it is used in a different way than that for which it has been taken. As per Section 5 (cc) of Bank Company Act 1991, 'defaulting debtor' means any person or institution served with advance, loan granted in favor of him or an institution involving interest or any portion thereof, or any interest which has been overdue for six months in accordance with the definition of Bangladesh Bank.¹⁴ NPL is a sum either of the borrowed money upon which the debtor has not made his/her scheduled payments, which is in default or close to being in default. If the debtor starts making payments against a nonperforming loan, it becomes a performing loan.

2.3. Non Performing Loans in Bangladesh

The issue of nonperforming loans in Bangladesh is not a new phenomenon. In fact, the seeds were cultivated during the early stage of the liberation period (1972-1981), by the government's "expansion of credit" policies on the one hand and a feeble and in firm banking infrastructure combined with an unskilled work force on the other. However, it also generated a large number of willful defaulters in the background who, later on, diminished the financial health of banks through the "sick industry syndrome". Surprisingly, even after so many measures, the banking system of Bangladesh is yet to free itself from the grip of the NPL debacle.¹⁵ The present study has concentrated on the above issues mainly with a view to assisting policy makers to formulate concrete measures regarding sound management of NPLs in Bangladesh.

2.4. Causes of Non Performing Loans

The Financial Stability Report 2014 reveals that the reasons for the increase in reported NPL were, mainly, due to the withdrawal of a one-time relaxation of the loan rescheduling procedure, which was given in 2013. Basic causes of NPL are as follows: **A: ENTREPRENEURS RELATED CAUSE - A1: Lack of business**

¹³ International Monetary Fund (IMF), *Clarification and Elaboration of Issues Raised by the December 2004*, (Washington D.C: Inter secretariat Working Group on National Accounts , June 2005).

retrieved from <http://www.imf.org/external/pubs/ft/bop/2005/05-29.pdf>. accessed on October 15, 2015.

¹⁴ Mamun Rashid et al, "Debt Default in Banks," *Bank Parikrama – Journal of Bangladesh Institute of Bank Management* (2012): p. 24.

¹⁵ Qazi M. Rahman et al, "All about Non-Performing Loans: The Bangladesh Scenario." *The Financial Express*, November 22, 2012.

experience of the debtor; A2: Lack of business and institutional training; A3: Unwillingness to pay the interest and loan; A4: Lack of adequate supporting facilities. **B: BUSINESS RELATED CAUSE** - B1: Invest in non-attractive industry; B2: Strong competition in the industry; B3: Poor managerial capability; B4: Poor financial performance; B5: Poor cash flow in the market; B6: Low market share and activity. **C: LENDING RELATED CAUSE** - C1: Delayed assessment of loan proposal; C2: Delayed disbursement system; C3: Lack of proper monitoring from the bank's side; C4: Lack of taking proper action against the defaulters. **D: MACROECONOMIC FACTORS** - D1: Low GDP growth and high rate of Inflation; D2: Increasing criminal activities; D3: Hartals and Political unrest; D4: Frequent policy hanged by the Government and Central Bank.

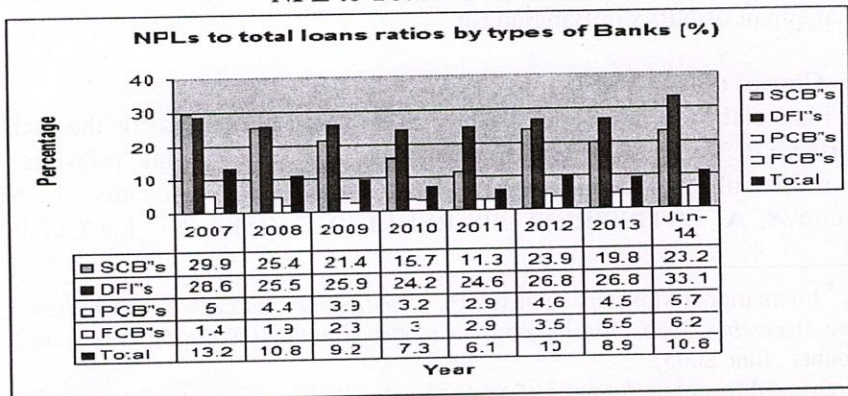
3.1. Data Presentation and Analysis

The most important indicator of bank asset quality in the loan portfolio is the ratio of gross NPLs to total loans and the ratio of net NPLs to net total loans. In 2012 FCBs have the lowest and State owned DFIs have the highest ratio of gross NPLs to total loans. SCBs had a gross NPLs to total loans of 23.9 percent and 19.8 percent in 2013, whereas PCBs, FCBs, and DFIs, had ratios of 4.5, 5.5 and 26.8 percent respectively at the end of December 2013¹⁶.

3.1.1. NPLs to Total Loans Ratio

The Table 2 shows that FCBs and the PCBs had the lowest and the DFIs had the highest ratio of gross NPLs to total loans. The trend is shown in below:

Figure: 1
NPL to Total Loan Ratio

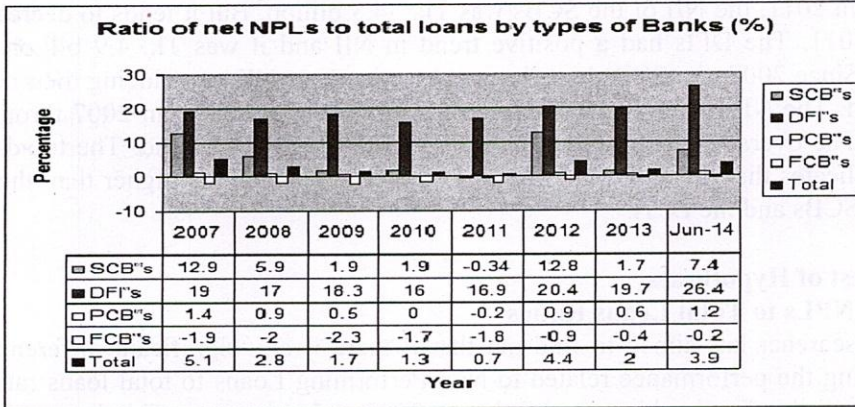


Source: Annual Report of Bangladesh Bank (2013-2014), Chap-5, p. 36.

¹⁶ Bangladesh Bank, *Annual Report of Bangladesh Bank*, (2013-14): Chap-5, p. 36
retrieved from <https://www.bb.org.bd/pub/annual/anreport/ar1314/index1314.php>
accessed on October 18, 2015

3.1.2. Ratio of Net NPLs to Total Loans

Figure 2: Net NPLs to Total Loan



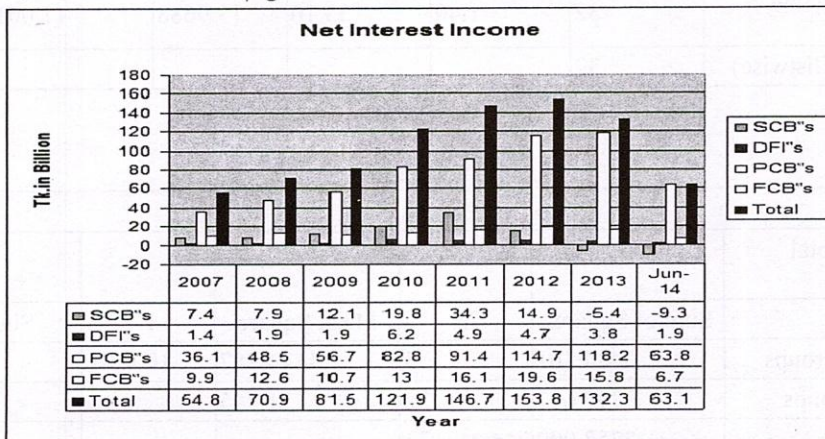
Source: Annual Report of Bangladesh Bank (2013-2014), Chap-5, p. 36.

Figure 2 presents the ratio of the net NPLs (net of provisions and interest suspense) to net total loans (net of provisions and interest suspense). It is revealed from the table that the DFIs' non-performing portfolios were still high after adjustment of actual provision and interest suspense, whereas the SCBs, the FCBs and the PCBs had excess provision against their NPLs in December 2013.

3.1.3. Net Interest Income (NII)

Another important tool to indicate the earning and profitability is NII. Net interest income is the spread between interest receipts from loans and advances and interest paid to the depositors. The high NII means the spread between interest receipts and paid is high.

Figure 3: Net Interest Income



Source: Annual Report of Bangladesh Bank (2013-2014), Chap-5, p. 40

Figure 3 explore that the aggregate net interest income (NII) of the industry has consistently increased from Tk. 54.8 billion in 2007 to Tk. 146.7 billion in 2011. In 2011, the NII of the SCBs was Tk. 34.3 billion. But it tends to decrease after 2011. The DFIs had a positive trend in NII and it was Tk. 4.9 billion in 2011. Since 2007, the SCBs have been able to increase NII by reducing their cost of fund. The NII of the PCBs has been high over the period from 2007 through 2012. The overall industry NII shows a consistently upward trend. The trend of NII indicates that the PCBs and the FCBs' interest spreads are higher than those of the SCBs and the DFIs.

3.2. Test of Hypotheses

3.2.1. NPLs to Total Loans Ratios

The researcher has aimed to find out that if there is any significant differences regarding the performance related to Non Performing Loans to total loans ratios among all the four banking groups during 2007 to 2014 or not. This is tested as under.

Null Hypothesis

There is no significant difference in Non Performing Loans to Total Loans ratios among all the four banking groups during 2007 to 2014.

$$H_0 = \mu_1 = \mu_2 = \mu_3 = \mu_4, H_1 = \mu_1 \neq \mu_2 \neq \mu_3 \neq \mu_4$$

Table: 2
Descriptive Statistics of NPLs to Total loans

	N	Minimum	Maximum	Mean	Std. Deviation
NPLs to Total Loans	32	1.40	33.10	13.9688	11.00148
Valid N (listwise)	32				

ANOVA Table

ANOVA					
NPLs to Total Loans	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	3434.361	3	1144.787	100.911	.000
Within Groups	317.647	28	11.345		
Total	3752.009	31			

Source: Own Calculation through software SPSS version 16

The above ANOVA table indicates that the calculated value of F is 100.911 , which is more than the table value at 5% level of significance. Hence, the null hypothesis is rejected. It means that there is a significant difference in Non Performing Loans to total loans ratios among all the four banking groups.

3.2.2. Ratio of net NPLs to Total Loans

The researcher wanted to find out that if there is any significant difference regarding the performance related to Ratio of net Non Performing Loans to total loans among all the four banking groups during 2007 to 2014 or not. This is tested as under.

Null Hypothesis

There is no significant difference in Ratio of Net Non Performing Loans to total loans ratios among all the four banking groups during 2007 to 2014.

$H_0 = \mu_1 = \mu_2 = \mu_3 = \mu_4$, $H_1 = \mu_1 \neq \mu_2 \neq \mu_3 \neq \mu_4$

Table: 3
Descriptive Statistics of Net NPLs

	N	Minimum	Maximum	Mean	Std. Deviation
Net NPLs	32	-2.30	26.40	5.9988	8.67318
Valid N (listwise)	32				

ANOVA Table

Net NPLs	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	2064.396	3	688.132	72.015	.000
Within Groups	267.550	28	9.555		
Total	2331.946	31			

Source: Own calculation through software SPSS version 16

The above ANOVA table indicates that the calculated value of F is 72.015, which is more than the table value at 5% level of significance. Hence, the null hypothesis is rejected. It means that there is a significant difference in Ratio of net Non Performing Loans to total loans among all the four banking groups. The performance of all the banking groups regarding this ratio is different.

3.2.3. Correlation and Regression Analysis

Null Hypothesis

H0 - There is no significant impact of Non Performing Loan Ratio upon Net Interest Income.

NPLs adversely affect interest income. NPL reduces bank's profit in two

ways-first interest suspense and second provision for NPL. Decreasing trend in NPL to loan ratio adversely correlated with the increasing trend of interest income.

Table: 4
Correlations

		NII	Ratio of NPLs
NII	Pearson Correlation	1	-.727*
	Sig. (2-tailed)		.041
	N	8	8
Ratio of NPLs	Pearson Correlation	-.727*	1
	Sig. (2-tailed)	.041	
	N	8	8

*. Correlation is significant at the 0.05 level (2-tailed).

Source: Own Calculation through software SPSS 16

There exists negative correlation between NPL to loan and interest income. As NPL to loan ratio decreases, interest income increases and the correlation between this two criteria is -.727 for the industry as a whole over the period. So, we can say that Banks should emphasize on reducing the NPLs.

Table: 5
Regression

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.727 ^a	.528	.450	29.55691
a. Predictors: (Constant), Ratio of NPL				

ANOVA ^b						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	5872.150	1	5872.150	6.722	.041 ^a
	Residual	5241.665	6	873.611		
	Total	11113.815	7			
a. Predictors: (Constant), Ratio of NPL						
b. Dependent Variable: NII						

Coefficients ^a						
Model		Un standardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	228.175	49.352		4.623	.004
	Ratio of NPL	-13.111	5.057	-.727	-2.593	.041
a. Dependent Variable: NII						

Source: Own Calculation through software SPSS 16

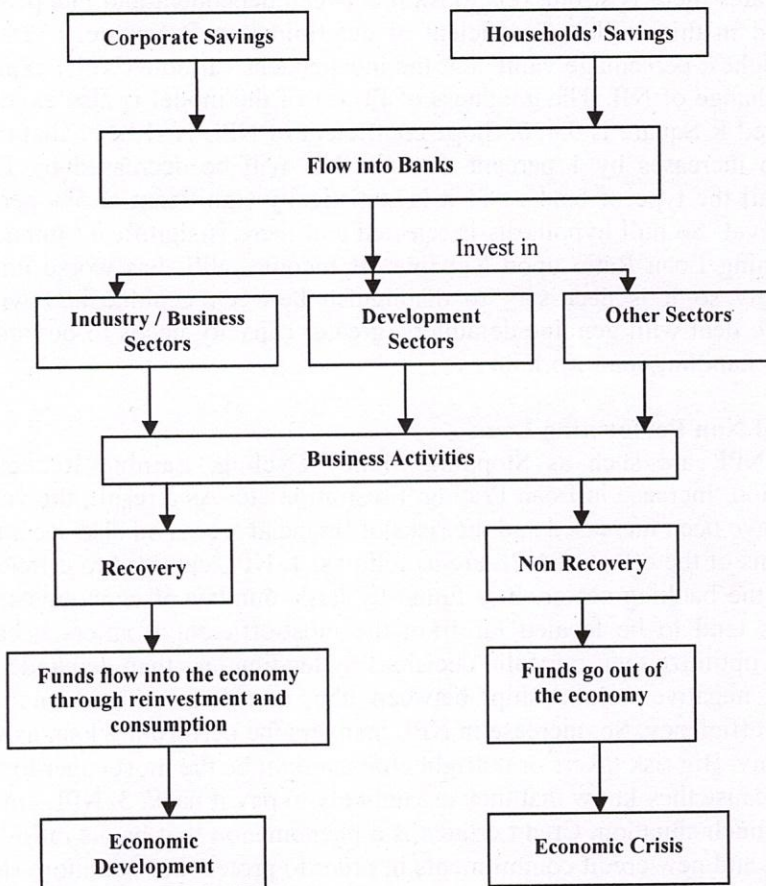
ANOVA table represents that the coefficient of correlation of the model R is 0.727 that states there is strong relationship between dependent and independent variable used in this model. Coefficient of determination R Square 0.528 that shows the highest percentage value that the independent variable (NPL) explains 52 percent change of NII. The goodness of fit test of the model is also excellent as the adjusted R Square is 0.450. Slope coefficient of NPL is -13.111 that mean if NPL ratio increases by 1 percent then the NII will be decreased by 13.11 percent for all the type of banks and it is statistically significant at 5% percent significant level. So null hypothesis is rejected and there is significant impact of Non Performing Loan Ratio upon Net Interest Income. NPL has worse impact upon economy so it is necessary to distinguish between genuine and willful defaulters. To deal with genuine defaulters, greater capacity needs to be built in the banks for handling loan workouts.

4. Impacts of Non Performing Loan

Impacts of NPL are such as Stopping Money Cycling, Earning Reduction, Capital Erosion, Increase in Loan Pricing, Frustration etc. As a result, the values of security have been increased and the risks of financial recession also see a rise. Amplifications of the effect of NPL are as follows: **1.** NPL can lead to efficiency problem for the banking sector. It is found by large number of economists that failing banks tend to be located far from the most-efficient frontiers because banks do not optimize their portfolio decisions by lending less than demanded. **2.** There is a negative relationship between the non-performing loans and performance efficiency. So, increase in NPL hampers the performing loan as well as the economy. Big risk takers or outright crooks might be the most eager to take out a loan because they know that they are unlikely to pay it back. **3.** NPL creates the Credit Crunch situation. Credit crunch is a phenomenon that banks ratio loan disbursement and new credit commitments in order to protect but add more risks. Banks treat loan as an asset. They expect return from it. If loans become NPLs then banks have lack of fund to give loan according to their commitment or banks could give loans at their previous interest rate. Clients have to pay more. So loans may be defaulted. Credit crunch also increases the rate of NPL.

The ultimate impact of NPL has been shown in the diagram below; Recovery of loan adds value to the economy through reinvestment and consumption but the Non Performing Loan and Non Recovery have worse impacts upon the economy. It leads the economy to the stagnant and accelerates the economy to the poverty level.

Figure: 4
Flow Diagram of the impact of Recovery/Non Recovery of Loans



Source: Own diagram

There is a cyclic relation between poor economic condition and the depressed economic growth as follows:

- a) During the crisis moment, in order to restore the credibility among creditors and depositors, failing financial institutions not only try to expand their equity bases but also reduce their risk assets or change the composition of the asset portfolio. Because of such defensive actions, the corporate debtors are always targeted, thus the economic growth is being stalled overall. Banks try to collect loans amount as fast as possible and most of the banks have huge number of corporate clients, so they try to recover those loans as early as possible to reduce risky assets.
- b) Money cycling gets stopped due to increase in NPL. Slow flowing of cash always has negative impact on any business.
- c) When the NPL is increased, interest earning gets stopped. But the cost of fund and the cost of management are not stopped. To run the management cost along with the cost of fund, the existing lending price has to be increased. Suddenly increased rate of interest makes hard the return of bank money for a new borrower. So rate of investment will be lower.
- d) NPL affects opening of LC (Letter of Credit). International importers always choose healthy condition of the exporter's bank. Worse health condition of the bank affects the opening of new LCs. Low rate of LCs makes low bank earning and create adverse impact upon economy. NPL exists as a natural consequence of lending behavior. When banks re-balance their portfolio, they decide on the degree of risks they will tolerate for a given level of expected return according to their risk preference because banks have to keep 10% of their risk weight asset as capital.

Banks treats loans as a risky asset. If the risk is high, banks will expect high return. When the level of non-performing loans goes beyond a certain point banks cannot accept, and then it affects bank's re-balancing actions. So, when NPLs cross the boundary of the above threshold, they start to spawn negative effects on more lending. NPL has a positive relationship with interest rate. When NPL increases, loan which is treated as asset becomes more risky. So that the rate of interest also increases to get sufficient return from the loan to cover the risk and these situation create low investment in the economy. If the default series continues then it may put the entire banking sector in an embarrassing situation. It will have to face a significant ratio of Credit/Default risk, Liquidity risk, reputation risk etc chronologically. The general people will not find it secure to keep their money in the banks. Depositors will lose their confidence on banks and may be tempted to withdraw their deposits in fear of collapse of banking sector like stock market crash. As a result profitability of the bank will be negatively

affected. Most of the loan defaulters are unwilling to repay loan due to political shadow and this types of unexpected influence should be kick out from the country if we really believe that the banking sector is a golden source of economic backup for our country.

5. Possible Remedies to deal with NPLs

The central bank report reveals that 22.2 percent of the total loans of SCBs became NPL, while it is 4.9 percent for the private commercial banks (PCBs), 32.8 percent for specialized banks (SDBs) and 7.3 percent in the foreign commercial banks (FCBs). The Financial Stability Report says that bank-wise information indicates that NPLs were widely distributed among the banks. It also says that eight banks have NPL ratios over 20 percent. Among those banks, there are two SCBs, three SDBs, two foreign banks and one private commercial bank. The NPL to total loans ratios of 5 SCBs ranged between 10.31 percent and 53.32 percent, whereas it was between 10 percent and 32 percent in calendar year 2013, the report added.¹⁷ Governor of Bangladesh Bank said the banks have to take up special programmes if need be, to remove the burden of the NPLs that have been created over the last 40 years.

The following steps can be applied to reduce the NPLs in economy,

1. There should be no compromise with due diligence in the sanctioning process. Keeping in mind "prevention is better than cure", banks should take high collateral. If a borrower defaults on a loan, the lender can sell the collateral and use the proceeds to make up for the loss. The security or collateral provided must be valued by proper agency or put up on a regular 'mark to market' valuation process.
2. Action plan for potential NPLs: Banks should have some step to collect the NPLs loan and at the end banks should go to Artha Rin Adalat.
3. Prompt action on credit reports.
4. Targeting high value end NPL accounts (having exposure of Tk. 5.00 crore and above).
5. Identification of highly risk sensitive borrowers in the credit portfolio. Banks should take information about the clients before giving loans. Banks could go Bangladesh Bank to collect the information and verify the financial statement carefully from reliable sources to identify the risky borrowers.
6. Identification of geographical area-wise risk sensitivity. Banks should identify the clients according area wise that's mean in Bangladesh, there are some places where growth rate is low or rate of repay rate is low.
7. Capacity building of officers and executives in the recovery department.

¹⁷ Bangladesh Bank , *Financial Stability Report 2014* (Dhaka: Financial Stability Department, BB, June 2015), Issue 5, p. 20

Banks should give proper training to employee. So they can handle loans properly. If there is short of experience employee, bank should recruit experience employee for recovery department.

8. A robust risk management culture, with a 'well articulated' risk management policy can help the institutions to avoid such loan default.

6. Conclusion

Our banking sector is characterized by low profitability and inadequate capital base because there are lots of banks in Bangladesh. Banks revenue comes from spread (Lending rate – borrowing rate). But there is huge competition among banks. So the profit is low. The crux of the problem lies in the accumulation of high percentage of non-performing loans over a long period of time. The problem is most severe for SCBs and DFIs. However, starting from a very high rate of 41.1% in 1999 it came down gradually to 11.90% in 2013 according to latest published data. Still, it is very high by any standard. Unless it can be lowered substantially we will lose competitive edge in the wave of globalization of the banking service that is taking place throughout the world. We have had a two-decade long experience in dealing with the NPLs problem and much is known about the causes and remedies of the problem. Unfortunately, the banking system is still burdened with an alarming amount of NPLs and lags far behind the neighboring countries of India and Sri Lanka. Although Bangladesh has to a large degree adopted international standards of loan classification and provisioning, the management of NPLs is found ineffective, as the system has failed to arrest fresh NPLs significantly. It needs to be mentioned that management of NPLs must be multi-pronged, with different strategies pursued at the different stages through which a credit facility passes. Measures should be in place for both prevention and resolution. With regard to preventive measures, emphasis needs to be placed on credit screening, loan surveillance and loan review functionalities both at individual bank levels and in the central bank of the country. Resolution measures must be accompanied by legal measures, i.e. improving the efficiency of the legal and the judicial system and developing other out of the court settlement measures like compromise settlement schemes, incentive packaging, formation of asset management companies, factoring, and asset securitization and so on. Unfortunately, Bangladesh is found to be very weak from the above point of view, and strictly speaking, it has mainly concentrated on a few measures that have also been found to be ineffective. Therefore, this study has highlighted some challenges for improving the debt recovery environment and solving the NPL problems of the country as well. It is not impossible for Bangladesh Bank to trace the responsible person and impose strict rules of lending on all scheduled banks. We expect some other relevant as well very emergency precautions will be initiated by the authority as soon as possible to ensure a sound environment in banking industry and economy of Bangladesh.

The study of this kind is generally encountered with some limitations. Data accuracy cannot be exactly ensured as mainly secondary data collected from Annual Reports and various Financial Stability reports, General economic trends are used in this study. However, repeated and sincere efforts have been given to ensure the accuracy of the data used in this study. This study did not cover primary and unpublished data. The major problem faced while conducting the research were unavailability of relevant data and time constraint.

Bangladesh-China Relations: The Economic Dimension

Md. Shariful Islam*

Abstract: The article investigates Bangladesh-China relations from economic standpoint. It found that China is the largest trading partner of Bangladesh while Bangladesh positions third among China's South Asian trading partners. Though Sino-Bangla economic ties have been deepened, there are still massive potentials underexplored which need to be explored and harnessed. Thus, the paper identifies the economic areas where Bangladesh-China can foster their bilateral ties in the days to come.

Introduction

Even though, during the liberation movement of Bangladesh in 1971, China supported Pakistan and took some time recognising independent Bangladesh considering the geo-strategic interests, Bangladesh-China relations developed steadily and reached in a productive relationship.¹ October 4, 2015 marked the 40th anniversary of their bilateral relations. Currently, both Bangladesh and China are enjoying a robust and comprehensive partnership which is often described as the 'trusted ally' and 'all-weather friendship.' In this regard, Chinese ambassador to Bangladesh, Zhang Xianyi termed China-Bangladesh relations as 'enjoying all-time and all-weather friendship.'² In addition, the declaration and celebration of 2005 as the 'China-Bangladesh Friend Year' and the formation of 'Closer Comprehensive Partnership of Cooperation' in 2010 by the leaders of China and Bangladesh demonstrates the consolidated level of China-Bangladesh relations. In addition, the visit of Prime Minister Sheikh Hasina to China in June, 2014 elevated the Bangladesh-China bilateral relations to 'Closer Comprehensive Partnership' as described by the Chinese Commerce Minister Gao Hucheng during his visit to Dhaka in August 2015.³

* Assistant Professor, Department of International Relations, University of Rajshahi.

¹ Azizul Haque, *Trends in Pakistan's External Policy 1947-1971: With Particular Reference to People's China* (Dhaka: Asiatic Society, 1985). John F. Copper, "China's Policy towards Bangladesh," *China Report*, 9 (1973): 11-17. J. N. Mahanty, "China and the Emergence of Bangladesh: Role of Great Power Global Perceptions" *India Quarterly*, 39 (1983): 138-158.

² Asia Pulse News, "China Bangladesh Relations: Aspects of Bilateral Cooperation," *Asia Pulse News*, June 29, 2009.

³ BSS News, "China to Continue Support to Bangladesh for Economic Uplift," *BSS News*, August 26, 2015.

Among other dimensions, economic dimension remains as the vital one in Sino-Bangladeshi relations. As former Ambassador Muhammad Zamir contends that ‘economic cooperation and trade constitute important features of our (Bangladesh-China relations) comprehensive bilateral partnership.’⁴ Notably, the first Agreement signed in November 1983 between Bangladesh and China was on economic cooperation, entitled ‘Establishment of Joint Economic Commission (JEC).’ It is, therefore, the nature of the first agreement demonstrates the level of significance that Bangladesh-China attaches on each other on the economic dimension of their relations. It is also notable that from 2nd November 1983 till 10th February 2009, 37 Agreements or memorandum of understandings (MoUs) have been signed between China and Bangladesh, and among them 19 are related to economic dimension. This also reiterates the keen interests that Dhaka-Beijing demonstrates to deepen their bilateral economic cooperation. The importance that China attaches to Bangladesh to engage economically is still unchanged. It can be exemplified that the 1st China-South Asia Exposition was held from June 6 to 10, 2013 in Kunming, the capital of Yunnan province of China where Bangladesh was honoured as the theme country of the exposition and the rotating president of China-South Asia Business Forum.

The literature survey demonstrates increased Chinese economic involvement in Bangladesh. According to Chinese Embassy in Dhaka, the economic and trade cooperation between China and Bangladesh has maintained good momentum in recent years. Bangladesh has become China’s third biggest trade partner in South Asia, while China is the largest origin of Bangladesh’s imports. The bilateral trade volume reached \$ 10.3 billion in 2014 fiscal year, 7 times more than that of 2002. The Embassy also notes that more and more Chinese businessmen are willing to invest in Bangladesh and the growth rate of direct investment is also on the rise. However, the emerging trends in China-Bangladesh economic relations need to be analysed looking at the Chinese economic policy. China implemented its open door policy in 1978. And Chinese government has relaxed its investment policy since the implementation of its ‘Go Global’ policy. Notably, from 2003 onward, China has allowed its private enterprises to apply for the permission to invest internationally. This policy positively impacted on the Chinese official direct investments (ODI). In the context of Bangladesh the projection study of Emily Brunjes et al. projects that in 2020, Chinese ODI in Bangladesh might be around US \$ 160 million.⁵

Against the above backdrop, this article investigates two questions: what is the emerging trend of Bangladesh-China economic relationship? Second, what

⁴ Muhammad Zamir, “China and Bangladesh: Strengthening Regional Cooperation,” *Financial Express*, September 30, 2013.

⁵ Emily Brunjes et al., *China’s Increased Trade and Investment in South Asia: Spoiler Alert, It’s the Economy* (Madison: University of Wisconsin-Madison, 2013), 47.

are the possible areas where Bangladesh and China might deepen their economic ties? The contribution of this article would be that since there is dearth of scholarship on Bangladesh-China economic relations, the study will fill the gap. From policy perspective, the study will provide new insights to the policy makers in Bangladesh-China relations.

The article proceeds as follows. The first section explains the emerging trend in Bangladesh-China bilateral trade relationship while the second section focuses on the Chinese investments in Bangladesh. Third section looks into the opportunities where Sino-Bangladeshi ties can be fostered. Finally, the article concentrates on concluding remarks.

Bangladesh-China Economic Relations

The economic dimension in Bangladesh-China relationship needs to be analysed primarily from the perspective of trade, aid, and investments.

Sino-Bangladeshi Bilateral Trade

Trade is one of the prime aspects in bilateral economic relations. Bangladesh-China trade volume is on the rise. Notably, since 1971 till 2004, India was the largest trading partner of Bangladesh which has been replaced by China from 2004 onward.⁶ This growing volume of trade has laid foundation for Bangladesh to consider a separate Foreign Trade Agreement (FTA) with China. In this connection, the official visit of Chinese Premier Zhu Rongji in January 2002 was imperative to boost Bangladesh-China economic relations to a larger extent. In fact, the visit was a milestone for the bilateral relations since it was the second visit by a Chinese premier to Bangladesh after 1989. The visit impacted the bilateral economic relations significantly. For instance, China's trade volume with Bangladesh grew roughly six-fold between 2003 and 2011.⁷ In addition, the visit of Bangladeshi Prime Minister to Beijing in 2014 also laid foundation to accelerate economic ties. Similarly, the visit of Chinese Commerce Minister Gao Hucheng to Dhaka in August 2015 reinvigorated China-Bangladesh economic relations, laying greater emphasis on boosting trade and commerce.

The volume of Chinese exports to Bangladesh has increased gradually. In a recently (May 2013) published report entitled, 'China's Increased Trade and Investment in South Asia' by the University of Wisconsin-Madison it is claimed that 'between 2003 and 2012, China more than doubled its exports to Bangladesh, Bhutan, Maldives, Nepal, and Sri Lanka. Just over a quarter of Bangladesh's imports now come from China.'⁸ Pravakar Sahoo claims that "The

⁶ Pravakar Sahoo, "Economic Relations with Bangladesh: China's Ascent and India's Decline," *South Asia Research*, 33 (2013): 123-139.

⁷ Emily Brunjes et al., *China's Increased Trade and Investment in South Asia*, 3.

⁸ *Ibid*, 1.

share of Chinese exports in all exports to Bangladesh increased from 13.6 per cent in 2000 to 24.7 per cent in 2007.⁹ It is projected that in the year of 2020, Chinese exports in Bangladesh would be US\$ 14 billion.¹⁰ Table 1 shows Bangladesh-China bilateral trade from fiscal year 1997-98 to 2009-10.

Table 1
Bangladesh-China Bilateral Trade (In million US \$)

Year	Export	Import	Trade Ratio
1997-98	48.51	592.46	1:12.22
1998-99	10.61	560.47	1:52.83
1999-00	10.56	568.06	1:53.79
2000-01	11.67	708.94	1:60.75
2001-02	18.92	657.78	1:34.77
2002-03	19.50	779.50	1:41.79
2003-04	45.65	1132.72	1:24.81
2004-05	56.07	1643.77	1:28.58
2005-06	64.35	2078.99	1:32.31
2006-07	92.97	2572.62	1:27.67
2007-08	106.95	3136.70	1:29.33
2008-09	97.06	3451.47	1:35.56
2009-10	178.63	3819.28	1:21.38
2010-11	319.66	5912.55	1:18.49
2011-12	401.94	6433.21	1:16
2012-13	458.12	6324	1:13.8

Source: <http://www.dhaka chamber.com/Bilateral/China-Bangladesh%20Bilateral%20Trade%20Statistics.pdf>. (accessed November 11, 2015).

Though Bangladesh-China bilateral trade volume is on the rise, the problem lies in the huge trade imbalance which mostly favours to China as demonstrated in Table 1. Hence, the large volume of trade imbalance between China and Bangladesh needs to be addressed at the earliest. In recent years it is observed that China demonstrates keen interests to reduce the trade gap through providing duty-free-access to a list of Bangladeshi products under the Bangkok Agreement (now called the Asia-Pacific Trade Agreement¹¹). Pravakar Sahoo notes in his

⁹Pravakar Sahoo, "Economic Relations with Bangladesh: China's Ascent and India's Decline", 125.

¹⁰ Emily Brunjes et al, *China's Increased Trade and Investment in South Asia (Spoiler Alert: It's The Economy)*, 51.

¹¹ Earlier known as Bangkok Agreement, was signed in 1975. This was renamed as Asia-Pacific Trade Agreement on 2 November 2005. The main function of this Agreement is to promote intra-regional trade through exchange of mutually agreed concessions by member countries. The member countries are: Bangladesh, China, India, Laos, South Korea, Sri Lanka and Mongolia.

article: "In 2007, China declared unilateral tariff concessions for 37 LDCs including Bangladesh. Overall, given the concessions provided by China under APTA and unilateral tariff concessions to Bangladesh's major exports, Bangladesh's total exports are expected to rise, thereby leading to better trade relations with China in future."¹²

Chinese Ambassador in Dhaka, Zhang Xianyi pointed out in 2009 that under the Asia-Pacific Trade Agreement, China provides a zero-tariff facility for 84 commodities of Bangladesh and preferential tariffs for 78 other items. But the list enlarged quickly which impacted on the Bangladeshi exports to Chinese market. According to Chinese Embassy in Dhaka, "Since 2010, China has gradually given Bangladesh-made goods duty-free status. Currently, more than 4,700 items of Bangladesh-made goods enjoy duty-free facility when exported to China."¹³ This shows positive developments in Sino-Bangladeshi bilateral trade.

Chinese Investments in Bangladesh

Chinese investments in Bangladesh in the 1980s, 1990s and even in the early 2000, was quite negligible. It is seen that in the 1990s and early 2000, UK was the highest contributor of FDI to Bangladesh.¹⁴ During the 2000s, Egypt has become one of the major contributors of FDI along with Japan, South Korea and USA. As far as the country wise FDI to Bangladesh, UK contributed most (37%), followed by Australia (23%), Hongkong (7.9%), and Japan (6.9%).¹⁵ Compared to top FDI contributing countries to Bangladesh, China's FDI contribution is very negligible, though in recent time an increasing trend is observed.¹⁶ Zhang Xianyi, then Chinese Ambassador in Dhaka reaffirms that 'Chinese investment in Bangladesh had increased, with its direct investment coming to \$30 million, which is three times higher than the previous year.'¹⁷ It is found that as of 2010, 55 Chinese enterprises, with a proposed investment of \$292 million, have invested in Bangladesh, creating jobs for over 45,000 people.¹⁸

¹²Pravakar Sahoo, "Economic Relations with Bangladesh: China's Ascent and India's Decline," 132.

¹³Notably, China was supposed to further expand the facility in 2013 and gradually achieve the goal to cover 97% of the Bangladesh-made goods. For details see, Chinese Embassy, Dhaka, <http://bd.china-embassy.org/eng/sghd/t1045297.htm>, accessed November 12, 2015.

¹⁴ See, Pravakar Sahoo et al. *Foreign Direct Investment in South Asia: Policy, Impact, Determinants and Challenges*, (New Delhi: Springer, 2014).

¹⁵Ibid.

¹⁶ Md. Shariful Islam, "Emerging Trends of Chinese Investments in Bangladesh: Challenges and Opportunities," ICS Analysis, 2013.

¹⁷Asia Pulse News, "China Bangladesh Relations: Aspects of Bilateral Cooperation," *Asia Pulse News*, June 29, 2009.

¹⁸Bina D'Costa, "Bangladesh in 2010," *Asian Survey*, 51 (2011): 145.

According to report, between 1975 and 2011, China committed the loan of US\$ 656 million with high interests while between 2011 and 2014 this commitment rose by 50 per cent to more than US\$ 913 million new loans and US\$ 881 million in the pipeline.¹⁹ Till date, China has offered hundreds of millions of dollars in investment for large infrastructure projects, including port facilities in Bangladesh, Burma, Pakistan, and Sri Lanka. China's ODI in Bangladesh is on the rise which mostly comes in the form of big construction projects. China's annual ODI flow to Bangladesh shows an overall upward trend; the Chinese have been active in mining, electricity, and chemical industries in Bangladesh. According to the report, China also has a plan to build a road and rail link through Myanmar to connect the Chinese city of Kunming with Chittagong.

Among major Chinese investments in large scale projects in Bangladesh includes: in 2008, China invested notably Sixth Friendship Bridge over Dhaleswari River and Bangabandhu International Conference Centre amounting \$ 20 million and \$ 24 million respectively. The year of 2009 was notable with regard to Chinese investment in Bangladesh as China invested the huge amount \$ 8.7 billion for Chittagong deep seaport in three phases. China has financed in six friendship bridges and the seventh one is in the pipeline. During the visit of Chinese Commerce Minister Gao Hucheng to Dhaka in August 2015, a MoU on Bangladesh-China Friendship Exhibition Center Project has been signed and China granted Bangladesh nearly US\$ 100 million to set up the exhibition centre in Purbachal area, in the outskirts of Dhaka.²⁰ Moreover, in July 2015, Bangladesh-China signed a deal to build maiden river tunnel down the Karnaphuli in Chittagong at a cost of \$ 705 million.²¹ China has also offered 15 to 20 billion dollars in form of soft loan to Bangladesh, to help expand the railway network across the country.²²

Information technology is another major concentration for Chinese investments in Bangladesh. For instance, in 2011, China provided \$ 211 million loan for Induction of 3G and Expansion of 2G Network in Bangladesh. Furthermore, China also asked Bangladesh to prepare a set of projects where China can invest over the next five years.²³ This certainly demonstrates the keen interests from Chinese side to boost its investments in Bangladesh. Energy sector

¹⁹Rejaul Karim Byron, "Beijing, Help Build: Govt Seeks China Deal for Mega Infrastructure Projects," *Daily Star*, February 14, 2014.

²⁰Syed Tashfin Chowdhury, "Chinese Minister's Visit Brings Cheers to Bangladeshi Businessmen," *Asian Times*, September 12, 2015.

²¹Financial Express, "Deal with Beijing to Build Maiden BD River Tunnel," *Financial Express*, July 1, 2015. The work is supposed to start in December after loan deal signing with China completed.

²²Sahnour Wahid, "China: A Worthy Trade Partner," *Daily Star*, September 6, 2015.

²³Ibid.

is another prime area of concentration for Chinese investments. In March 2014, Bangladesh signed a MoU with China to set up a 1320 mw coal-based power plant in the southern coastal district of Patuakhali which will cost about \$ 2 billion.²⁴ In April 2015, another deal was signed with China to set up another 1320mw coal-based power plant in Moheshkhali upazilla of Cox's Bazar, though China expressed interest to finance 30 percent of the project.

China has also invested in the agriculture sector of Bangladesh, providing \$226 million for the Pagla Water Treatment Plant project and \$ 559 million for a fertilizer factory in Shahjalal in 2011. In the year 2012, China invested \$ 300 million in water treatment project. Notably, Bangladesh-China signed a deal on agricultural cooperation and formed a joint committee. It's first meeting was held in Dhaka in 2007. Notably, a number of issues including cooperation in hybrid seeds, by-product processing, technology transfer, small machine and equipment aid were discussed where both countries can cooperate further. The second meeting of the committee was held in 2008 in Beijing where more concrete strategies of cooperation were discussed.²⁵ With regard to boosting agricultural cooperation, Chinese Ambassador in Bangladesh Ma Mingqiang points out that China assured Bangladesh of setting up a hybrid rice research centre so that Bangladesh could grow more crops and be self-reliant in food.²⁶

Among other developments, a MoU has been signed between the Mongla Port Authority and China National Complete Engineering Corporation to modernise the Mongla port with a cost of BDT 20 billion. This big project will be implemented under the government to government (G-to-G) arrangement. The Chinese government will provide preferential loan to implement the project. In addition, in a state visit in Bangladesh in August 2015, Chinese Commerce Minister Gao Hucheng expressed that China has offered to invest \$ 350 million in various sectors including the construction of the Karnaphuli tunnel, setting up of an industrial park and expansion of the railway network and so forth.²⁷ (The details of the Big Chinese projects in Bangladesh in Table 2). In economic dimension of Bangladesh-China ties, Chinese aid in Bangladesh is also notable. In June 2011 alone, China has offered RMB 150 million (US\$23 million) to Bangladesh as aid grant for the country's socio-economic development.²⁸ By the year 2013, China has provided roughly \$ 1 billion of aid to Bangladesh. Thus the contribution of Chinese trade and investments in the socio-economic development of Bangladesh is remarkable.

²⁴Shamim Jahangir, "Dhaka-Beijing Deal Likely Soon On Joint-Venture Power Plant," *Daily Sun*, April 7, 2014.

²⁵Asia Pulse News, "China Bangladesh Relations: Aspects of Bilateral Cooperation," *Asia Pulse News*, June 29, 2009.

²⁶Daily Star, "Economic Zone Can Boost Chinese FDI," *Daily Star*, April 8, 2015.

²⁷"Offers of Chinese Investments and Loans," *Daily Star*, August 27, 2015.

²⁸Asia Pulse News, "China Offers US\$23m Aid Grant to Bangladesh," *Asia Pulse News*, June 24, 2011.

Table 2
Chinese Big Projects Details in Bangladesh

Project	Year	Sector	Amount and Type
Chittagong deep seaport	2009	Transportation and logistics	\$8.7 billion in three phases
Sonadia deep seaport	n/a	Transportation and logistics	\$ 5 billion proposed
Induction of 3G and expansion of 2G Network	2011	Information technology	\$211 million loan from Export-Import Bank of China
Fertilizer factory in Shahjalal	2011	Agriculture	\$559 million loan
Sixth friendship bridge over Dhaleswari river	2008	Infrastructure	\$ 20 million
Seventh Bangladesh-China friendship bridge on Arial Khan river	2012	Infrastructure	\$26 million (2 billion taka)
Bangabandhu International Conference Centre	2008	Public Facility/Entertainment	\$24 million in grants and interest free loans
Water treatment project	2012	Agriculture/infrastructure	\$ 300 million
1320 mw coal based power plant in Patuakhali	2014	Infrastructure	\$ 2 billion

Source: Emily Brunjes et al., *China's Increased Trade and Investment in South Asia: Spoiler Alert, It's the Economy* (Madison: University of Wisconsin-Madison, 2013), 44; Shamim Jahangir, "Dhaka-Beijing Deal Likely Soon On Joint-Venture Power Plant," *Daily Sun*, April 7, 2014.

Critical Engagement

Needless to mention, China is playing a crucial role in the development of Bangladesh as one of the major development partners. But at the same time it is also pertinent to note that Chinese increasing trade volume cannot be seen without criticism against the backdrop of huge trade deficit exists. Among the trade items, Chinese arms trade with Bangladesh can be critically looked at. Though, the security challenges of Bangladesh are not external rather internal, Bangladesh is spending 1% to 1.3% of her gross domestic product as military expenditure and most of the part of it is used to purchase weapons. In 2013, Bangladesh was the second largest markets for Chinese arms exports behind Pakistan amounting US\$ 351.3 million. In 2010, the government of Bangladesh announced a military modernization plan and through which the country will buy

two submarines from China for the cost of US\$ 203.3 million. For a developing country like Bangladesh, this is huge amount which goes in arms purchasing, needs to be problematized.

Chinese investment in Bangladesh poses underlying motives, both covert and overt, though. While China invests in any project, also attaches conditions that Chinese companies will implement those projects, conditions on procurement of goods, works and services. So, profit is one of the major principles behind Chinese investment in the country. In this context, Byron notes that “the more investment Beijing pumps in Bangladesh, the more its business interest here would be served”.²⁹ The following Table 3 demonstrates that Chinese large scale projects in Bangladesh facilitates trade and creates high income potential for China. At the same time, it also needs to be recognized that at the end of the day, the infrastructural development helps Bangladesh in one way or another. In this age of economic globalization, proper infrastructure is the pre-condition for prosperity and development of any country. The bottom-line is that China-Bangladesh needs to ensure win-win situation in case of developmental projects.

Table 3
China's Big Projects in Bangladesh

Project	Facilitate Trade?	Income Potential For China?	Chinese Workers Or Materials?
Chittagong Deep Sea Port	Yes	High	Yes
Sonadia Deep Sea Port (Proposed)	Yes	High	Unknown
Dhaka-Chittagong National Highway Upgrade Project	Potentiality	Medium	Yes
Multiple 'Bangladesh-China Friendship' Bridge Project	No	Low	Yes
Fertilizer factory in Shahjalal	No	Medium	Yes
Bangabandhu International Conference Centre	No	Low	Yes

Source: Emily Brunjes et al., *China's Increased Trade and Investment in South Asia: Spoiler Alert, It's the Economy* (Madison: University of Wisconsin-Madison, 2013), 28.

²⁹Rejaul Karim Byron, “Beijing, Help Build: Govt Seeks China Deal for Mega Infrastructure Projects,” *Daily Star*, February 14, 2014.

Exploring New Avenues for Economic Cooperation

Huge untapped potentials remain in China-Bangladesh relations.³⁰ Chinese President Xi Jinping welcomes Bangladesh to join the Asian Infrastructure Investment Bank (AIIB) as a founding member.³¹ He also emphasizes that the two countries must enhance cooperation in trade, agriculture, infrastructure development and maritime industry.³² This will certainly add a new dimension in terms of Bangladesh-China economic partnership. Such new avenues need to be explored in the days to come to deepen Bangladesh-China economic relations. It is therefore the following section identifies some areas where Sino-Bangla economic relations can be deepened.

Accelerating Chinese Investments in Bangladesh

The recent increased level of Chinese investments in Bangladesh is highly appreciable but that can be accelerated in the days ahead, in the new areas. Notably, Chinese investment needs to be focused on the area of human resource development in Bangladesh. Chinese Foreign Minister Wang Yi in May 2014 reaffirmed that “China will encourage more enterprises to invest in Bangladesh, support them to carry out pragmatic cooperation in various sectors.”³³ Bangladesh always demonstrates keen interests for Chinese investments in the country and hence provides special opportunities to boost Chinese investments. For instance, the allocation of 774 acres land at Anwara upazilla in Chittagong for Chinese economic zone can be noted here. According to Chinese Ambassador in Bangladesh Ma Mingqiang, this economic zone can boost Chinese FDI in Bangladesh as he argues “these could be a 50 percent increase [in FDI]” due to this special economic zone.³⁴

Given the recent rise of workers’ wages in China from \$0.68 in 2003 to \$3.07 in 2012 as an average hourly labour costs,³⁵ and considering the abundant, comparatively cheap labour in Bangladesh, relocating some ready-made garment factories can be another opportunity to deepen the bilateral economic relations. In

³⁰ Munir Khasru, “Our relations with China: Unexplored potential,” *Daily Star*, June 2, 2009; Prashant Kumar Singh, “China–Bangladesh Relations: Acquiring a Life of their Own,” *China Report*, 46 (2010): 269–285.

³¹ Member countries are Bangladesh, Brunei, Cambodia, China, India, Kazakhstan, Kuwait, Laos, Malaysia, Mongolia, Myanmar, Nepal, Oman, Pakistan, the Philippines, Qatar, Singapore, Sri Lanka, Thailand, Uzbekistan and Vietnam.

³² China Daily, “China, Bangladesh to work for infrastructure development,” *China Daily*, November 8, 2014.

³³ Xinhua News Agency, “Chinese FM encourages more investment in Bangladesh for diversified cooperation,” *Xinhua News Agency*, May 21, 2014.

³⁴ “Economic Zone Can Boost Chinese FDI,” *Daily Star*, April 8, 2015.

³⁵ Md. Shariful Islam, “Addressing Sino-Bangla trade deficit,” *Daily Observer*, October 3, 2015.

a recent (2015) survey by the Japan External Trade Organization (Jetro) it is found that Bangladesh is a top destination for Japanese investors considering the lower production cost. According to the survey, Bangladesh is offering the lowest worker wage levels among its competing countries. Hence, the comparative wage advantage of Bangladesh needs to be utilized by the Chinese firms based on a win-win situation. The pledge of Bangladesh government to provide special land for “China Special Economic and Industry Zone” needs to be materialized soon to foster the economic relations. At the same time, it is argued that upholding the interests of both parties need to be ensured while relocating Chinese RMG sector in Bangladesh.

Boosting Trade Relations

Bangladesh-China trade relationship has already achieved tremendous progress. But there are opportunities still underexplored that needs to be explored and utilized to boost this trade ties. In fact, given the rise of wages in China, China is rapidly progressing toward the high-tech industries rather than basic manufacturing items. Hence, the level of Bangladeshi RMG export to China can be accelerated which will bring win-win situation. In this regard, a Chinese delegation comprising 8-members from China National Garment Association (CNGA), visited 8 apparel factories during its three-day Dhaka visit in 2012. The delegation was impressed to see good management, quality products and overall standards of Bangladesh factories. According to Feng Dehu, vice president of CNGA, “We had initial impression. They are excellent, extraordinary and out of our imagination”.³⁶

There is huge potential for Bangladeshi RMG to Chinese markets which need to be harnessed. RMG export to China has been increased to 26 percent year-on-year to \$ 304.24 million in fiscal 2014-15 from \$ 241.37 million in 2013-14 fiscal year.³⁷ So, this opportunity needs to be materialized to boost the volume of bilateral trade. In fact, this can work to reduce huge trade imbalance for Bangladesh. Needless to mention, this can also bring win-win situation for both the parties.

Conclusion

The study explored that Bangladesh-China economic partnership has been ‘broadened’ and ‘deepened’ over time. But to move forward the economic ties in the days ahead, the explored areas need to be taken into consideration. At the same time, a few challenges remain to boost the ties. In this context, political

³⁶ Xinhua News Agency, “Roundup: Bangladesh eyes China’s clothing market,” *Xinhua News Agency*, September 2, 2012.

³⁷ Refayet Ullah Mirdha, “Garment exports to China up 26pc,” *Daily Star*, August 23, 2015.

instability in Bangladesh is a prime challenge for Chinese investments in Bangladesh. In addition, lack of proper infrastructure is another major hurdle. If the political stability can be ensured, there would be much scope for Chinese investments in Bangladesh. Therefore, with the assistance of China, the existing challenges necessitate to overcome, with particular emphasis on infrastructural development.

Another question remains regarding the proper utilization of the loans taken from China. In one of the reports of the *Daily Star*, it is referred that under the influence of a former minister, the prioritizing list of China-funded projects has been changed. It is also reported that the minister has business relationship with Chinese firms, which were behind the changes in the priority list. A few influential lobbyists including the former minister managed officials in the finance ministry and the ERD to change the priority order as they have business interest in some top projects.³⁸ This case raises question about the transparency in the project prioritizations, and implementations. Hence, proper transparency, accountability and proper utilization of the funds need to be ensured for the greater interests of the masses.

Finally, Bangladesh cannot afford to please one power while displeasing others and hence it can be suggested that the country needs to maintain a balance with regard to her bilateral relations with the regional and extra-regional powers, i.e. India, China, US and Russia based on upholding her national interest. Regarding future research agenda, one area can be to look at exclusively how does sub-regionalism like BCIM Economic Forum impacts Sino-Bangladeshi economic ties. Another topic of interest can be to examine how does China's economic strategy in South Asia as a whole affects Sino-Bangladeshi economic partnership. Final area can be to see how do scholarship particularly joint research project impacts on Sino-Bangladeshi economic relationship.

³⁸ Hasan Jahid Tusher, "China-Funded Projects: Priority Changed For an Ex-Minister", *Daily Star*, April 7, 2014.

Empowering through Microfinance: Female Household Heads in Bangladesh

Tanzima Zohra Habib,* Md. Siddiqur Rahman**

Abstract: The empowerment of female household heads (FHHs) in low income countries is a widely discussed topic. FHHs in Bangladesh are vulnerable both economically and socially due to their limited access to income generating activities and obstacles related to social, cultural and religious factors. This paper aims to analyze any empowerment effects that microfinance can generate through impacts on female household level. This paper was prepared based on review to contribute to the understanding of microcredit program and its impact on women empowerment. The study suggests that apart from delivering micro loans alone, that is, employing the 'minimalist approach'; MFPs need to invest in mobilization, participation, leadership training and education of the female heads. This may not only maximize income opportunities for the FHHs, but enhance their potential to mobilize external resources to bring about fundamental changes.

Key words: Female Household Head, Microfinance, Empowerment.

Introduction

The socioeconomic empowerment of the female household heads (FHHs) is a widely discussed topic in the study of women-focused development interventions in low-income countries. FHHs are also one of the target groups of the microfinance-based women empowering programs in Bangladesh as female household heads are at greater risk of socioeconomic disadvantages. Indeed patriarchal society assumes that families, whether nuclear or extended, are headed by men and rely primarily on a male breadwinner for economic supports. This kind of biased social assumption also precludes ignoring the struggles and survival of FHHs even though, in recent decades, the number of FHHs has rapidly been growing across the world.¹ Though women in general face severe constraints in gaining access to development resources and attaining

* Tanzima Zohra Habib, Professor, Department of Social Work, University of Rajshahi, Bangladesh.

** Md. Siddiqur Rahman, Associate Professor, Department of Sociology, University of Rajshahi, Bangladesh.

¹ Nancy Folbre, "Woman on Their Own: Global Pattern of Female Headship." In Rita S. Gallin and Anne Ferguson, *The Women and International Development Annual*, vol. 3 (United States: Westview Press, 1993).

remunerative and sustainable employment in low-income patriarchal societies, women in FHHs, who provide the primary source of support for their families, are particularly likely to face additional problems and constraints – first, as a woman and second, as the main breadwinner of households. Bangladesh is one of the poorest countries in the world and where women are considered the poorest among the poor.² These struggles become more prominent and complicated in FHHs. Female household heads are not only more impoverished but prejudiced by customs and beliefs, and are struggling against the patriarchal dominance in the society. This review study critically discusses the roles of microfinance in the empowerment of female household heads in Bangladesh.

Background of the Study

According to the statistics given by Bangladesh Bureau of Statistics, 15.4 percent of the Bangladeshi households are headed by women.³ However, many scholars speculate that the actual rate could be around 20-30 percent.⁴ Survey in urban slums and squatter settlements of Dhaka city found that these households were severely poor.⁵ Empirical evidence suggests that in Bangladesh, the number of households below the poverty line is significantly higher for female-headed households than for male-headed households. Over 95 percent of the female-headed households in Bangladesh are considered to fall below the poverty line, who earns less than US\$ 2.00 in a day.⁶

Previous studies suggest that women who head households are worthy of especial attention because they are triply disadvantaged: they experience the burdens of poverty, gender discrimination and lack of support as heads of households.⁷ The female heads of households in Bangladesh also seem to face these triple disadvantages. Absence of a male head leads to increase in vulnerability for women and their dependents living in marginal and landless households in Bangladesh. In the context of Bangladesh, a large number of widowed, divorced or destitute women, without grown up sons or male family members, become heads of the household and often find it difficult to maintain the family.

² M A Mannan, *Female-Headed Households in Rural Bangladesh: Strategies for Well-Being and Survival* (Dhaka: Centre for Policy Dialogue, 2000).

³ Bangladesh Bureau of Statistics (BBS), *Report of the Poverty Monitoring Survey, 1994* (Dhaka: Ministry of Planning, 1996).

⁴ Rita Afsar, *Onus of Poverty on Women in the Poorer Settlements of Dhaka City, Women and Poverty* (Dhaka: Women for Women Research and Study Group, 1996).

⁵ Tazul Islam, *Microcredit and Poverty Alleviation* (United Kingdom: Ashgate Publishing, 2007).

⁶ United Nations Development Programme, *Report on Human Development in Bangladesh* (Dhaka: UNDP, 1996)

⁷ Mayra Buvinić and Geeta Rao Gupta, "Female-Headed Households and Female-Maintained Families: Are They Worth Targeting to Reduce Poverty in Developing Countries?" *Economic Development and Cultural Change* 45, no. 2 (January 1997).

In Bangladesh, it is also obvious that the income levels in female-headed households are significantly lower than that of male-headed households. According to a United Nations Report, eight percent of male-headed households (MHHs) fell within the category of hardcore poor, while the corresponding figure for FHHs was found to be 40 percent. FHHs, on an average, had an income 40 percent below the income of MHHs in 1988-89.⁸ The overall FHHs earned an average monthly income which was only 55 percent of that earned by the average households. At the same time, the *de jure* female-headed households' average monthly income was 42 percent lower of that earned by a typical household.⁹ Thus from these data, FHHs appear to be one of the most vulnerable social groups within the society. In the review study conducted by Lewis, it appeared that poverty was a major feature of many FHHs in Bangladesh.¹⁰ It was also found that many FHHs were unable to compete for resources as efficiently as MHHs. A study conducted by Mannan further revealed that FHHs were less likely to own land and modern consumer goods and were more likely to be in poor living conditions.¹¹ The findings also suggested that female household heads faced more time and income constraints.

When women become heads of their households, they also face social and cultural constraints in the newly adverse situations. Islam provides evidence that women head of households are not allowed to participate in the 'salish' (village council), negotiate weddings, and carry out marketing activities in public.¹² She asserts that while female heads may be freed from male control at the household level, they are often subjected to patriarchal control at a more significant degree at the community level, and their access to resources is also severely restricted. In a recent study on poverty and vulnerability in Dhaka slums, Pryer asserts that "despite having some economic independence, women in female headed households are worse off on most indicators of well-being, because of multiple forms of discrimination".¹³

⁸ United Nations Report, *A Fork in the Path: Human Development Choices for Bangladesh*. (New York: United Nations, 1994)

⁹ M A Mannan, *Status of Women in Bangladesh: Equality of Rights—Theory and Practice*, BIDS Research Report 113 (Dhaka: Bangladesh Institute of Development Studies, 1989).

¹⁰ David Lewis, "Going It Alone: Female-Headed Households, Rights and Resources in Rural Bangladesh," *The European Journal of Development Research* 5, no. 2 (December 1993).

¹¹ Ibid.

¹² Cynthia B. Lloyd, Joan P. Mencher, and Anne Okongwu, "Where Did All the Men Go? Female-Headed/female-Supported Households in Cross-Cultural Perspective," *Population and Development Review* 21, no. 1 (March 1995).

¹³ Jane A. Pryer, *Poverty and Vulnerability in Dhaka Slums: The Urban Livelihoods Study* (United Kingdom: Ashgate Publishing, 2003).

In Bangladesh, the data support that there is a strong link between FHHs and poverty and the FHHs are the poorest of the poor.^{14, 15} In sum, female-headed households in Bangladesh are disadvantaged due to the gender biases in employment and wages, and generally are found to have significantly less access to and control over land, greater dependence on wage, a higher incidence of involuntary unemployment, and a lower level of education and literacy than male-headed households.

Microfinance as a Means of Alleviating Poverty

Microfinance is generally said to be a banking system exclusively operated for women. A study showed that women are recipients of over 75 percent of the microcredit provided by NGOs, and they have maintained almost 85 percent loan repayment rate.¹⁶ It is argued that Bangladesh offers the best documented and most varied efforts to reach the poor through financial mechanisms. Indeed, there is hardly any NGO that does not have microcredit as a main component of its overall program. Bangladesh has nearly 10,000 NGOs and substantial efforts are made by many of these in rural areas to target women.¹⁷ MFPs for the poor have come to occupy a central place in poverty-oriented strategies in Bangladesh, and a common feature of these programs is that they largely targeted at women from the poorest sections of the population.¹⁸

The Grameen Bank of Bangladesh is perhaps the best known example of the small-scale production credit programs for the poor, and over 96 percent of its clients are women.¹⁹ The successful experience of the Grameen Bank (started in 1976) in delivering collateral-free and affordable 'micro-credit' to the landless women and men in Bangladesh has drawn world-wide attention. It has demonstrated the "bankability" of the poorest of the poor as well as the positive impact of credit on the participants' income and well-being.²⁰ Grameen Bank's

¹⁴ Agnes R Quisumbing, Lawrence Haddad, and Christine Peña, *Gender and Poverty: New Evidence from Ten Developing Countries* (1995). Retrieved January 17, 2015, from <http://www.ifpri.org/divs/fcnd/dp/dp09.htm>.

¹⁵ David Lewis, "Going It Alone: Female-Headed Households, Rights and Resources in Rural Bangladesh," *The European Journal of Development Research* 5, no. 2 (December 1993).

¹⁶ J. L. Fernando, "Nongovernmental Organizations, Micro-credit, and Empowerment of Women," *The Annals of the American Academy of Political and Social Science* 554, no. 1 (November 1, 1997).

¹⁷ Tazul Islam, *Microcredit and Poverty Alleviation* (United Kingdom: Ashgate Publishing, 2007).

¹⁸ Naila Kabeer, "Conflicts over Credit: Re-Evaluating the Empowerment Potential of Loans to Women in Rural Bangladesh," *World Development* 29, no. 1 (January 2001).

¹⁹ *Ibid.*

²⁰ Geoffrey D. Wood and Iffath A. Sharif, eds., *Who Needs Credit? Poverty and Finance in Bangladesh* (United Kingdom: St. Martin's Press, 1998).

micro-credit program has been a model for micro finance institutions worldwide and replicated in many developing as well as developed countries.²¹

Bangladesh Rural Advancement Committee (BRAC) is one of the largest NGOs in Bangladesh at present, and it also has a micro-credit program targeted at the poor. But unlike the Grameen Bank, BRAC's emphasis is more on human capital development and education and health care for the poor, which occupies a central place among its development strategies.²² It also emphasizes women's empowerment and promotes participation of women in BRAC's programs. In 1994, BRAC mobilized more than one million members, of whom 88 percent were women.²³

Thengamara Mohila Sabuj Sangha (TMSS) is a national non-government organization, which is working for poverty reduction and socio-economic development of women in Bangladesh. This is the largest Women's organization in Bangladesh. This organization has focused its programs on women and attempted to draw women out of isolation mainly by providing them with economic opportunities. Through all programs, especially credit, it is believed to be contributing to social change, empowering women by drawing them out of their homes and strengthening their economic roles. The main focus of TMSS is to bring the vulnerable women in development mainstreaming and evolve their capacity, ensure optimum use of own and local resources and create opportunities for participation in decision-making process.²⁴

Conceptualizing Women empowerment

Empowerment is central to the issues relating to women's subordination, inequality and inequity, with the concept of power being fundamental to its understanding. Rowlands identified four different forms that power can take. 'Power over' is controlling power, 'power to' is generative or productive power creating new possibilities and actions without domination, 'power with' is relational and exists only in its exercise, and 'power within' is seen in terms of self-reliance and self-esteem.²⁵ According to Moser, Kabeer, Batliwala, and Rowlands, empowerment is located within the notions of 'power-within,'

²¹ Ibid.

²² S. Khandker et al., *The Bangladesh Rural Advancement Committee's Credit Programs: Performance and Sustainability* (United States: World Bank Publications, 1996).

²³ Shahidur R. Khandker, Hussain A. Samad, and Zahed H. Khan, "Income and Employment Effects of Micro-credit Programmes: Village-level Evidence from Bangladesh," *Journal of Development Studies* 35, no. 2 (December 1998).

²⁴ Sanzidur Rahman and Ismail Hossain Bakul, *Impact of TMSS Micro-credit on Women Development: A Study on Bogra Sadar Upazila in Bangladesh* (Dhaka: Research and Evaluation Department, TMSS, 2006).

²⁵ Haleh Afshar ed., *Women and Empowerment: Illustrations from the Third World* (United States: Palgrave MacMillan, 1998).

'power-with' and 'power-to'.²⁶ Empowerment is defined by Moser as "...the capacity of women to increase their own self-reliance and internal strength".²⁷ This is identified as the right to determine choices in life and to influence the direction of change, through the ability to gain control over material and non-material resources.' Though economic empowerment is recognized by Moser as crucial for addressing issues of gender inequality, it is not seen as a sufficient condition in itself. She argues that self-esteem and a sense of self-confidence also play important roles in women's potential to mobilize external strengths for bringing about fundamental changes.²⁸

Women's empowerment is seen as entailing a shift from positions of powerlessness towards strategic social, economic and political participation. This implies taking on power both at the individual and social levels.²⁹ For Kabeer, empowerment is "...the process by which those who have been denied the ability to make strategic life choices acquire such an ability".³⁰ She argues that "for women to improve their ability to control resources, to determine agendas and make decisions, empowerment strategies must build on the 'power within' as a necessary adjunct".³¹

Johnson, Young, and Friedmann claim that the goal of the empowerment process is political empowerment, i.e., participation in formal political structures and decision-making.³² Here, the notion of empowerment is based on the belief that personal empowerment alone cannot result in a transformation of gender and structural relations, especially in the absence of women's participation within the economic and political structures of society. Thus the goal of the empowerment process is seen as enabling women to participate equally with men in the development process.

The discussion above suggests that analyzing the issue of women's empowerment needs to be premised on a holistic conceptual framework incorporating personal, social and political empowerment. This paper will thus base the analysis of the impact of MFPs on women's empowerment as a process

²⁶ Ibid.

²⁷ Caroline O N Moser, "Gender Planning in the Third World: Meeting Practical and Strategic Gender Needs," *World Development* 17, no. 11 (November 1989).

²⁸ Caroline O N Moser, *Gender Planning and Development: Theory, Practice and Training* (New York: Routledge, 1993).

²⁹ Naila Kabeer, "Gender Equality and Women's Empowerment: A Critical Analysis of the Third Millennium Development Goal 1," *Gender & Development* 13, no. 1 (March 2005).

³⁰ Ibid, p.13.

³¹ Naila Kabeer, *Reversed Realities: Gender Hierarchies in Development Thought* (New York: Verso Books, 1994).

³² Kate Young, *Development Planning with Women: Making a World of Difference* (United States: Saint Martin's Press, 1993); John Friedmann, *Empowerment: The Politics of Alternative Development* (United Kingdom: Blackwell Publishers, 1992).

involving personal, social, economic and political dimensions with personal empowerment being seen as the core over other dimensions.

Scopes and Methods of the Study

Given the facts that FHHs in Bangladesh are vulnerable both economically and socially and that the MFPs by the major NGOs are significantly contributing to poverty alleviation and empowerment of women, this study aims to explore the programs of some major NGOs in Bangladesh in order to find out whether or what proportion of the MFPs are targeted to the FHHs. This study also examines the impacts of microfinance programs in empowering women. In doing so, the study mainly reviews the relevant literatures in order to understand whether and how FHHs is, or can be benefited from the microfinance programs. Although there is abundant independent literature on women poverty, women empowerment and even women empowerment through microfinance, there is still relative dearth of research on empowering through microfinance of female heads of households. For these reasons, this article reviews a number of relevant and available researches from 1990s to present. By using available social science data bases, the study selected a number of research publications while it took into account key words like female household heads, microfinance, Bangladesh etc.

As to the study scopes, this research paper explores the MFPs of Grameen Bank, BRAC, and TMSS because they have broad coverage over the country. Grameen Bank covers more than 94 percent of the total villages in Bangladesh, BRAC covers all the 64 districts and TMSS operates programs in 32 districts that covers 51 percent of the total area of Bangladesh. Another reason for these NGOs to be selected in this analysis is due to the availability of literature regarding the program impact or evaluation of these NGOs in Bangladesh. Grameen Bank and BRAC are the two most widely researched NGOs. This is not surprising as they are pioneers in micro finance, besides being the largest indigenous NGOs worldwide.

Study Findings

Over the past fifteen years or so, a substantial body of literature has been produced on various aspects and impacts of MFPs in poor communities. Most of the research on microfinance has so far focused on analyzing the financial sustainability of the program and the monetary benefits to the borrowers. A few studies have focused on the relationship between credit participation and women's empowerment.

Interestingly, studies that assess the impact of micro finance on women's empowerment report somewhat inconsistent findings. Researchers have explored both positive and negative implications of MFPs for women's empowerment. A group of scholars states that MFPs has positive impacts arguing that it has strengthened the economic roles of women and increased their monetary

contribution to the household income and thereby promoted their self-esteem.^{33, 34} On the other hand, the counter argument challenges the positive impacts insisting that credit program inflicts intense pressure on women by pressing them to meet difficult loan repayment schedules, increases the workload of enterprise and conventional domestic duties and the domestic tensions that result from this – all of which demote the status of women and make them vulnerable.³⁵

MFPs and Economic Empowerment of Women

Women's economic vulnerability is at the centre of their powerlessness, and improvement in their economic status has a positive impact on other dimensions of empowerment, hence improvement of women's economic status has become widely accepted as an essential prerequisite or an integral part of their empowerment.³⁶ Studies suggest that MFPs are not only economically empowering but, by making credit accessible, these programs provide the means to build up productive assets over time.³⁷ This creates an opportunity for women to earn independent incomes and contribute towards the household economy. Economic contributions by women made possible through access to credit, result in an increase in the security and welfare of the entire household. Such contributions can increase the socioeconomic status of women within the household, and raise the overall standard of living of the family members.

MFPs and Household Decision-making of the FHHs

In FHHs, absence of a male breadwinner often leads to increase in financial difficulties for the women as well as the family. However, despite the social and cultural constraints, the female heads of households desperately need to earn a living in order to address the economic constraints. MFPs can provide the means to build up productive assets and create an opportunity for the female heads to earn an income, which they need the most for the survival of their family.

³³ A Mizan, Women's Decision-Making Power in Rural Bangladesh: A Study of Grameen Bank. In Wahid (ed.), *The Grameen Bank: Poverty Relief in Bangladesh*. (Colorado: Westview Press, 1993). pp. 127-153.

³⁴ Sidney Ruth Schuler, Syed Mesbahuddin Hashemi, and Ann P. Riley, "The Influence of Women's Changing Roles and Status in Bangladesh's Fertility Transition: Evidence from a Study of Credit Programs and Contraceptive Use," *World Development* 25, no. 4 (January 1997).

³⁵ Brooke Ackerly, Testing the Tools Of Development: Credit Programmes, Loan Involvement and Women's Empowerment. *IDS Bulletin* 26 (3), 56-68 (1995).

³⁶ J. L. Fernando, "Nongovernmental Organizations, Micro-Credit, and Empowerment of Women," *The Annals of the American Academy of Political and Social Science* 554, no. 1, (November 1, 1997).

³⁷ Mark M. Pitt and Shahidur R. Khandker, "The Impact of Group-Based Credit Programs on Poor Households in Bangladesh: Does the Gender of Participants Matter?," *Journal of Political Economy* 106, no. 5 (October 1998); Naila Kabeer, "Conflicts over Credit: Re-Evaluating the Empowerment Potential of Loans to Women in Rural Bangladesh," *World Development* 29, no. 1 (January 2001).

Besides meeting the basic needs of the family, independent income can enhance the autonomy and a sense of self-worth of the women heads.

Earning an independent income through credit access has been shown to lead to an increase in women's ability to exercise 'voice' in the household decision-making process. This is important as it is a reflection of enhanced power at the household level resulting in greater choices in household resource allocation, especially for those who were previously disenfranchised.³⁸ Mizan suggested that the MFPs of Grameen Bank had a positive and statistically significant effect on the household decision-making. The study suggested that Grameen Bank participation raised women's decision-making power within households because it increased women's employment and income earnings.³⁹ A similar study by Pitt and Khandakar examined the decision-making outcomes and concluded that the gender of the borrowers influenced the pattern of household decision-making and that women's preferences carried greater weight if they were the ones who received credit.⁴⁰ The study of Rahman and Bakul found that decision-making capacity of the respondents regarding purchasing, mobility, schooling, medication and reproduction has enhanced reasonably through participating in micro-credit programs of TMSS.⁴¹

In FHHs, the female head plays the role of the main breadwinner and the primary decision maker. Therefore, apparently it seems that the female heads have decision-making power or they are already empowered in terms of household decision making. However, this decision-making power of the female heads is actually a 'passive forms of agency', i.e., an action taken when there is little choice, rather than 'active agency' or purposeful behavior.⁴² Empirical evidence suggests that the female heads take the decision because there is no adult male member present in the household.⁴³ In fact, Habib found that the female heads experience lack of confidence while taking any important decision and they often seek advice from others, preferably male relatives or neighbors, regarding important family decision. Their key decision making roles were largely a reflection of the absence of their husbands in the household. Kabeer

³⁸ Naila Kabeer, "Money Can't Buy Me Love? Re-evaluating Gender, Credit and Empowerment in Rural Bangladesh," *IDS Discussion Paper*, No 363. (1998).

³⁹ A Mizan, "Women's Decision-Making Power in Rural Bangladesh: A Study of Grameen Bank," pp. 127-153.

⁴⁰ Ibid.

⁴¹ Sanzidur Rahman and Ismail Hossain Bakul, *Impact of TMSS Micro-credit on Women Development: A Study on Bogra Sadar Upazila in Bangladesh*.

⁴² Naila Kabeer, "Gender Equality and Women's Empowerment: A Critical Analysis of the Third Millennium Development Goal 1," *Gender & Development* 13, no. 1 (March 2005).

⁴³ Tanzima Zohra Habib, "Constraints and Coping Strategies of Female Heads of Households: A Study of Urban Poor Communities in Bangladesh" (Masters thesis, National University of Singapore, 2006).

asserts that empowerment is rooted in how people see themselves – their sense of self-worth. In this sense, the women are still not empowered despite being the heads of their households.⁴⁴ Keeping this in view, in this paper which employ the ‘power within’ concept of empowerment, the author argues MFPs will not only economically empower the female heads, it will also lead to an ‘increased decision-making ability among these women through their greater economic empowerment. Empowerment should be seen as more than just participating in decision-making, as it also includes the processes that lead women to perceive themselves as able and entitled to make decisions.⁴⁵ So MFPs could be empowering for the female heads, when it would contribute to their sense of independence, rather than simply to meeting their survival needs.

MFPs and the Overall Empowerment of Female Heads

The findings suggest that MFPs have some positive impacts on women’s overall empowerment and these programs could be particularly beneficial for the female heads of households through contributing to their economic, personal and social empowerment. However, the impact of the MFPs on women’s empowerment still remains inconclusive. Along with the highly positive claims about the impact of credit on the lives of poor women and their families in rural Bangladesh, there have been a series of negative counter claims which suggest that it is largely men who have benefited from women’s loans, because in a patriarchal society like Bangladesh, men have the power to control or appropriate any new resources in the households. Some studies^{46, 47} not only denied that credit programs have empowered women, but also contented that these women may have been left even worse off.

Some critics have explored the issue of women’s empowerment from the perspective of loan control.^{48, 49, 50} They have pointed out that credit access does not always result in women retaining full control over their credit. In other words, women may not always be managers of the funded enterprise, as loans may get appropriated or transferred to husbands or other male members in the family.

⁴⁴ Naila Kabeer, “Gender Equality and Women’s Empowerment: A Critical Analysis of the Third Millennium Development Goal 1.”

⁴⁵ Ibid.

⁴⁶ Anne Marie Goetz and Rina Sen Gupta, “Who Takes the Credit? Gender, Power, and Control over Loan Use in Rural Credit Programs in Bangladesh,” *World Development* 24, no. 1 (January 1996).

⁴⁷ R Montgomery, “Credit for the Poor in Bangladesh: The BRAC Rural Development Programme and the Government Thana Resource Development and Employment Programme,” In Hulme and Mosley (eds.), *Finance against Poverty, volume II* (London: Routledge, 1996).

⁴⁸ Ibid.

⁴⁹ Ibid.

⁵⁰ Aminur Rahman, *Women and Microcredit in Rural Bangladesh: Anthropological Study of the Rhetoric and Realities of Grameen Bank Lending* (Colorado: Boulder, 1999).

This implies that loans to women need not alter their subordinate position within the household since men control the loans given to women and there is little change in the management of income. In fact, Montgomery and others argue that such loans may actually strengthen rather than weaken male dominance within the household.⁵¹

Goetz & Sen Gupta's study evaluated the MFPs of BRAC, Grameen Bank, and TMSS to assess the degree to which women actually control loans.⁵² They utilized a single indicator of empowerment, an index of managerial control. The index classified women borrowers into five categories which ranged, within a spectrum, from those considered to exercise 'full control' over their loans to those considered to have 'no control'. The authors found that, less than 18percent of women in the sample retained 'full control' over the loans they took from MFPs while 39percent of the respondents were to have 'very little control' or 'no control at all' over their loans.

A recent study by Pitt et al., also investigates whether or not women retain control over their loans and have management power of the activities for which the loans are used.⁵³ The study indicates that in cases where wives had taken small loans from any source, 78percent of husbands reported that they used their wives' loan money to spend on their own income-generating projects. Among women who had taken loans for income-generating activities, only five percent reported having a total autonomous control over the money. Fifty-six percent reported that they shared control over the loan money with their husbands, and 38 percent reported that their husbands had sole control over the proceeds of the loan.

The study also investigates the control over income and savings to find out if women have control on these important economic outcomes. Over 75percent of women reported that they did not operate any income-generating activity of their own, and 78percent of women reported not having independent income that they could use at their own discretion (without consulting their husband). A number of women (42percent) reported that they did have their own independent savings, but expressed having a low level of control over these savings, with 85percent saying that they were not able to decide autonomously how to utilize them.

MFPs and Less Violence against Women

The physical integrity of women has been seen as a strong determinant of empowerment in the relevant literature. It is often assumed that by participating in MFPs, women will experience at least less violence or abuse, if not at all, as a result of their improved economic status and better bargaining power. Regarding this issue Kabeer suggests that access to credit program is associated with an

⁵¹ Ibid.

⁵² Ibid.

⁵³ Mark M. Pitt, Shahidur R. Khandker, and Jennifer Cartwright, "Empowering Women with Micro Finance: Evidence from Bangladesh," *Economic Development and Cultural Change* 54, no. 4 (July 2006).

overall reduction of the incidence of violence against women. There are examples of women borrowers who directly attribute the decline in domestic violence to improvements in their household economic situation resulting from their access to credit.⁵⁴ Some women from BRAC mentioned a decrease in physical violence against them.^{55 56}

In Bangladesh, the women become heads of households mainly due to the dissolution of marriage and the FHHs are mostly male-absent households. Therefore, the impact of MFPs (positive or negative) regarding domestic violence is not directly related to the female heads. However, female heads may be freed from male dominance at the household level. They are also often subjected to patriarchal control at a more significant degree at the community level.⁵⁷ They are subjected to sexual harassment and social criticism as they live without a male member and move outside their home for earning a living.⁵⁸ As mentioned earlier, the group-based credit meeting of MFPs can promote social empowerment for the female heads by providing an opportunity to expand knowledge about their rights, and political and legal awareness, which will lead to an increase in their self-confidence and also contribute to their ability to confront the male domination and discrimination against them at community level.

From the above discussion it is evident that the impact of micro finance on women's well-being and empowerment is mixed or inconclusive. In some instances the use of micro finance contributed to remarkable progress in the lives of women. Conversely, there are some instances where credit do not seem to result in a meaningful change or may have even worsened the situation of women. Nonetheless, MFPs have at least successfully shaken the rigid patriarchal structure and gender relations that have a negative impact on the lives of women. However, in most of the studies reviewed above, the impact of MFPs on women's empowerment seems to be very general, where only the women's poor economic status is considered. Other factors like their age, level of education,

⁵⁴ Naila Kabeer, "Conflicts over Credit: Re-Evaluating the Empowerment Potential of Loans to Women in Rural Bangladesh," *World Development* 29, no. 1 (January 2001).

⁵⁵ Sidney Ruth Schuler, Syed Mesbahuddin Hashemi, and Ann P. Riley, "The Influence of Women's Changing Roles and Status in Bangladesh's Fertility Transition: Evidence from a Study of Credit Programs and Contraceptive Use," *World Development* 25, no. 4 (January 1997).

⁵⁶ S. M. Hashemi, and L. Morshed, 'Grameen Bank: A Case Study'. In Wood and Sharif eds, *Who Needs Credit? Poverty and Finance in Bangladesh* (London: Zed Books, 1997).

⁵⁷ Joan Mencher and Anne Okongwu, eds., *Where Did All the Men Go? Female-Headed - Female-Supported Households in Cross-Cultural Perspective* (United States: Westview Press, 1993).

⁵⁸ Tanzima Zohra Habib, "Constraints and coping strategies of female heads of households: a study of urban poor communities in Bangladesh" (Masters thesis, National University of Singapore, 2006).

marital status and household headship which can influence the empowerment of women, have not been examined.

Policy and Practical Implications

Having discussed the impacts of MFPs on women's empowerment in general and the possible empowerment of female heads of households in particular through the MFPs, this paper will now look at the specific needs of the female heads and point out how the existing MFPs of the NGOs can address the unique needs of the female heads and thus provide opportunities for their economic, social and personal empowerment. The paper also offers some recommendations for policy change and social intervention to provide education and skill-oriented training for the female heads, and expand the opportunities for more remunerative employment for them.

First, if we consider the eligibility criteria of the MFPs of three NGOs (Grameen Bank, BRAC, TMSS), all of them target the poor population of Bangladesh, mostly the rural poor women. The policies and programs of these NGOs are found to have varying level of relevance for rural landless women and have included women as exclusive targets. For instance, Grameen Bank provides credit to the rural poor, particularly women, who own less than half an acre of land or whose assets do not exceed the value of one acre of land.⁵⁹ BRAC provides organizational help for the poor, defined as those who own less than 50 decimals of land and have at least one family member working for wages.⁶⁰ The target beneficiaries of TMSS are women and mostly from ultra-hard-core and hard-core poor families having no or below 50 decimals of land in households. Therefore, it is evident that the NGOs are following similar eligibility criteria mostly based on land size or income/asset owned by the borrower and/or her immediate family. It may be reiterated that over 95 percent of the FHHs in Bangladesh are considered to fall below the poverty line and 40 percent of the FHHs fall within the category of hardcore poor.^{61, 62} Therefore, if the MFPs target the female heads for their credit-based and other intervention programs, a considerable percentage of them would be eligible to participate. Unfortunately, an examination of the MFPs reveals that none of these NGOs have programs that target or prioritize these vulnerable groups. However, BRAC's policy of targeting those families where at least one family member works for wages may exclude many women including female heads, who don't have any employment at all.

⁵⁹Tazul Islam, *Microcredit and Poverty Alleviation* (United Kingdom: Ashgate Publishing, 2007).

⁶⁰Shahidur R Khandker and Baqui Khalily, *The Bangladesh Rural Advancement Committee's Credit Programs : Performance and Sustainability* (Washington: World Bank, 1996).

⁶¹United Nations Development Programme, *Report on Human Development in Bangladesh* (Dhaka: UNDP, 1996).

⁶²United Nations Report, *A Fork in the Path: Human Development Choices for Bangladesh* (New York: United Nations, 1994).

It could be noted that though national data on the proportion of FHHs in rural and urban areas is not available, it is perceived that urban migration is a survival strategy open to the poor FHHs.^{63, 64} These female migrants often end their journey in urban slums. However, their plights continue in the city, where they receive no relief or direct support from the government or NGOs. One study found that within the most vulnerable groups in the slum areas in Dhaka city, 40 percent were female headed households with the lowest income and expenditure.⁶⁵ In a different study of a slum in Khulna, a major city of Bangladesh, 34 percent of the households within the most vulnerable group were found to be female-headed.⁶⁶ These FHHs had the least potential to reproduce and was considered potentially the most vulnerable group within the slum. In view of these findings, it can be assumed that a number of poor FHHs reside in urban slum areas. These female heads would be eligible for the MFPs offered by BRAC and TMSS. Because, unlike Grameen Bank, these two NGOs have credit support and other skill development and training programs in urban slum areas as well as in rural areas. However, the land based eligibility criteria of these NGOs do not appear to be appropriate for the slum areas because in slums, many women may not have any land at all or even rent the household they live in, which is particularly relevant to the female heads living in urban slums. Therefore, it is suggested that the NGOs should revise their eligibility criteria to be more inclusive.

The prevailing socio-cultural norms (e.g. 'purdah') acting against women's physical mobility, along with other patriarchal practices, such as, lack of formal and even informal employment opportunities for women, discrimination and lower wages in the existing employment, have led to increased economic vulnerability of the FHHs. Despite these constraints the female heads are forced to earn a living, as they are solely responsible for running their family, and not just supplementary income earners as the wives of male headed households. Hence, their primary need is to be economically empowered. The micro-credit program, which is common to almost all the NGOs, can provide opportunities for the female heads to earn independent income and make them economically empowered.

Micro-credit usually provides opportunities for economic empowerment, but it is argued that only economic empowerment is not a sufficient condition to

⁶³ Kamal Siddiqui et al., *Social Formation in Dhaka, 1985-2005: A Longitudinal Study of Society in a Third World Megacity* (United Kingdom: Ashgate Publishing, 2010).

⁶⁴ Ibid.

⁶⁵ Jane A. Pryer, *Poverty and Vulnerability in Dhaka Slums: The Urban Livelihoods Study* (United Kingdom: Ashgate Publishing, 2003).

⁶⁶ Lawrence M. Schell et al., eds., *Urban Ecology and Health in the Third World: 32nd Symposium: Papers* (United Kingdom: Cambridge University Press, 1993).

address existing structural inequalities and alter women's subordinate position within the household and community.⁶⁷ Considering Batliwala's three experimental approaches to empower women, it is perceived that Grameen Bank mainly follows the economic empowerment approach, which consider poverty as originating from lack of economic assets, employment opportunities and capital for investment.⁶⁸ Grameen Bank is working mostly for the economic empowerment and income generation of the rural women through credit programs. BRAC and TMSS, on the other hand, are employing the integrated development approach that provides a package of interventions to alleviate poverty, meet the basic survival needs, reduce gender discrimination, and help women gain self-esteem. These two NGOs also employ the consciousness raising approach which asserts that women's empowerment requires awareness of the complex factors causing women's subordination. These NGOs have programs for awareness building and organize women into collectives that tackle the sources of subordination.

In Bangladesh, women are usually forced to be heads of households or the main breadwinners mainly due to the dissolution of marriage (either by divorce, separation, abandonment or by death of their husbands), that is, due to the accidental or unavoidable absence of an adult male member in the family. Empirical evidence suggests that the majority of them were housewives before becoming the heads of their households, and were not engaged in any income generating activity.⁶⁹ When the household headship is imposed on them they experience lack of confidence in dealing with the newly emerged situation due to their lower level of education, lack of skills and experience of dealing with outside world. As already mentioned, even after having the decision making power as heads of households, they tend to seek advice and support from their male relatives or neighbors as they lack self-esteem, i.e., the 'power within'. Therefore, it is suggested that the female heads should be provided with education and skills development training in order to be empowered personally and socially.

It is found that although these NGOs do not have any program targeted at the female heads, they have programs that can benefit the female heads. The female heads of households could be empowered not only economically but also personally and socially from the existing programs of the NGOs. For example,

⁶⁷ Anne Marie Goetz and Rina Sen Gupta, "Who Takes the Credit? Gender, Power, and Control over Loan Use in Rural Credit Programs in Bangladesh," *World Development* 24, no. 1 (January 1996).

⁶⁸ Srilatha Batliwala, *The Meaning of Women's Empowerment: New Concepts from Action*. In Gita Sen ed., Adrienne Germain and Lincoln C. Chen, *Population Policies Reconsidered: Health, Empowerment, and Rights* (United States: Harvard University Press, 1994).

⁶⁹ Tanzima Zohra Habib, "Constraints and coping strategies of female heads of households: a study of urban poor communities in Bangladesh" (Masters thesis, National University of Singapore, 2006).

TMSS provides training courses on different need-based trades for its beneficiaries. It is providing training for its members through a number of Training Centers located at different parts of rural areas of the country. It has programs like 'Training to Women in Income Generation Activities', and 'Women's Empowerment and Advocacy by Learning and Training of Herself' (WEALTH). Here it could be suggested that the female heads should be prioritized for this kind of training programs and should be engaged in micro enterprises so that they can provide sufficient financial support for the survival of their family. Like TMSS, other NGOs with broad coverage should also offer training programs for the women and prioritize the female heads.

As the main breadwinners, the female heads have to meet the financial needs of the family. So if they are provided with entrepreneurship skills and opportunities for small investment, their financial contribution would be much improved. Apart from the micro-credit, BRAC and TMSS have entrepreneurship development programs for their beneficiaries named 'Women Enterprises Development Program' (WEDP) from BRAC, and 'Entrepreneurship Development Program' (EDP) from TMSS. These Programs were initiated to create business opportunities for micro and small enterprises for the beneficiaries and to upgrade their ability to cope with the highly competitive world of business by offering demand-driven multidimensional and integrated business development services.

It could be worth mentioning that BRAC has a program named 'Challenging the Frontiers of Poverty Reduction-Targeting the Ultra Poor' (CFPR-TUP) that can be very useful and appropriate for helping the female heads. CFPR-TUP is a program designed to create opportunity ladders to help the absolute poorest and the program participants are women from ultra poor households. One of its four linked programs is 'Employment and Enterprise Development Training', where especially targeted ultra poor members receive enterprise development training in poultry, livestock, vegetable farming, horticulture, nursery, and non-farm activities.

There is a program linked to the BRAC's CFPR-TUP named 'Special Investment Program for the Ultra poor' which involves asset transfer and stipend support to the ultra poor. Under this program women receive assets to begin an income generating activity. They also receive a monthly subsistence allowance as a short time income support. These programs could be very suitable and useful for the female heads. The special investment and subsistence allowance will be particularly helpful for them. This will give them support and encourage them to participate in skill development programs and provide them with opportunities to increase their income so that they can break the poverty cycle. The program covered 10,000 women in 2004, but there is no mention about the number of female heads. Further, the amount given for subsistence allowance, which is 300 Taka only, is not sufficient, particularly for the female heads as they are solely responsible for running their families. So, it is suggested that the stipend should be increased for the women who heads their household. In addition to this,

female heads need child care support as they are responsible for earning a living as well as rearing and caring for their children. Therefore, it is suggested that child care services should be provided for the FHHs.

A collaborative program involving Government of Bangladesh, World Food Program and BRAC to serve the ultra poor, named 'The Income Generation for Vulnerable Group Development' (IGVGD), could be especially applicable for the female heads. The program covers the poorest women who own no land, have little or no income, or are widowed or divorced. The objective of the IGVGD program is to alleviate poverty of the hard-core poor by providing long-term sustainable income and employment opportunities through food assistance, training and access to credit facilities. Basically, the IGVGD program involves providing food subsidy and credit support to its female members, and as well, the 'Enterprise Development Training and Social Awareness Training'. From January 2003 to December 2004 IGVGD program covered 292,200 VGD members of 43 districts, but again, there is no mention about the women heads. IGVGD program is a two-year cycle program and it allows new intake in every two years. Considering the poor and vulnerable condition of the FHHs and the applicability of MFPs for this group, it is suggested that women heads of households from the landless/marginal category should be targeted and prioritized for MFPs and their intake should be more frequent, at least once in a year.

Apart from the above mentioned MFPs, BRAC and TMSS have specific gender and awareness building programs, such as, 'Development of Women Gender Relation', 'Empower of Women by Gender Equity', 'Upliftment of Women Through Awareness' from TMSS and 'Gram Shova'/issue meeting, Union Shomaj, and Polli Shomaj from BRAC. These could be helpful for the women heads for instilling a sense of self-worth and confidence in them and for empowering them socially.

Conclusion

From the analysis of the existing MFPs and their applicability in helping the female heads of households, it is perceived that helping the women heads, who are poor and marginalized, is quite feasible under the existing program structures of the NGOs like BRAC and TMSS. What is needed is to target or prioritize these vulnerable groups as program participants. The MFPs of the NGOs can provide opportunity for the poor female heads for small investment and income rise and empower them economically. However, the credit-based programs mostly meet women's practical gender needs and do not take into account the strategic gender needs, that is, the personal, socio-cultural and structural dimensions of powerlessness.⁷⁰ Credit plays a facilitating role but not a leading

⁷⁰ Maxine Molyneux, "Mobilization Without Emancipation? Women's Interests, the State, and Revolution in Nicaragua," *Feminist Studies* 11, no. 2 (1985).

role in the process of women's empowerment. Therefore, for the personal and social empowerment of the female heads and for the enhancement of 'power to' and 'power within', it is suggested that the female heads of households should be prioritized for the programs delivering training and entrepreneurship skill development, asset transfer and stipend support, food subsidy and credit support, counseling and support group, and awareness building along with the micro-credit programs. To address the unique needs of the women heads, child care support should also be provided.

In view of the above discussion, it appears that organizations which employ the integrated and consciousness raising approach for women's empowerment, which Kabeer refers to as a 'maximalist package of intervention,' is more appropriate to bring about economic and social changes for the poor women heads in the context of the existing socio-cultural structures of Bangladesh, where women occupy an inferior position and experience disparity in nearly every aspect of their lives.⁷¹ Therefore, it is suggested that apart from delivering micro-credit alone, that is, employing the 'minimalist approach' MFPs need to invest in mobilization, participation, leadership training and education of the female heads.^{72, 73} This will not only maximize income opportunities for the women heads, but more importantly, enhance their potential to mobilize external resources to bring about fundamental changes. In other words, what is required is considerable commitment and long-term investment in social development and consciousness-raising work to ensure that MFPs are empowering for women.

Furthermore, MFPs need to follow a comprehensive approach aimed at providing a long-term integrated package of support to enhance the benefits that women derive from being able to access credit. Loans need to be combined with services ranging from training and skill up-gradation, marketing and technological support, to social interventions in education, consciousness-raising, etc. Above all, the women who head their households should be prioritized in these programs as they are struggling with financial difficulties as well as social and cultural constraints as women and as heads of households.

⁷¹ Naila Kabeer, 'Money Can't Buy Me Love'? Re-evaluating Gender, Credit and Empowerment in Rural Bangladesh. *IDS Discussion Paper*, No 363. (1998).

⁷² Sidney Ruth Schuler, Syed Mesbahuddin Hashemi, and Ann P. Riley, "The Influence of Women's Changing Roles and Status in Bangladesh's Fertility Transition: Evidence from a Study of Credit Programs and Contraceptive Use," *World Development* 25, no. 4 (January 1997). Accessed August 15, 2015.

⁷³ Anne Marie Goetz and Rina Sen Gupta, "Who Takes the Credit? Gender, Power, and Control over Loan Use in Rural Credit Programs in Bangladesh," *World Development* 24, no. 1 (January 1996).

Environmental Ethics: Its Possibility and Relevance in Bangladesh

Sharmin Hamid*

Abstract: Ethics is a philosophical thinking which deals fundamentally with the rules of human conduct from moral point of view. Since ethics deals with human behavior towards nature as what ought to be the preservation of air, water and soil quality, so as to say that, environment comes within the subject matter of ethics. But preservation of environment was so long neglected by philosophy and ethics as a subject. However, the subject matter of environmental ethics exceeds the realms of environmental sciences. The environmental science describes what environment is; on the contrary, environmental ethics prescribes what environment ought to be. In the present study, an attempt has been made to find out the views of environmental ethics and its moral ideals. The study also finds out the relation between environmental description (is) and ethical prescription (ought to). In this article, the relevance of environmental ethics in Bangladesh will also be discussed. The study suggests us to realize that the environmental problems arise due to degradation of our environment.

Introduction

At the beginning of the new century, environmental issue has emerged as a major and one of the greatest concerns for the survival, development and welfare of living beings on this planet. Environmental ethics may be understood to be an application of well-established conventional philosophical categories to emergent practical environmental problems. On the other hand, it may be understood to be an exploration of alternative moral and even metaphysical principles, forced upon philosophy by the magnitude and recalcitrance of this problem.¹ In general, the recently developed kinds applied ethics apply normal ethics ("normal" as in "normal science") to novel moral problems for example, how to treat "neomorts" or dispose of "radwastes" generated by novel technologies environmental ethics, if so construed, one would need only carefully consider the effects of our environmental actions, the pollution people create the resources they consume,

* Associate Professor, Department of Philosophy, University of Rajshahi, Bangladesh.

¹ Richard Routley, "Is There a Need for a New, an Environmental Ethic?" Proceeding of the Fifteenth World Congress of Philosophy, vol. 1(1973), 205-10.

etc., on other people.² Bangladesh is one of the least developed countries of the world facing many social and environmental problems. Man is distorting the delicate balance between man and environment maintained through millennia rapidly and severely because of unrestrained and unplanned exploitation of the nature.

We suffer from different kinds of environmental problems. The unchecked exploitation of the natural resources through various short term and unplanned development activities results in desertification, deforestation, social erosion, water pollution, air pollution, sewerage, sanitation, river bank- erosion and in a number of other forms of environmental degradation. The combined fall- out of these are: the rise of mean temperature of the world, changed weather pattern, melting of polar ice cap, rise of sea level, depletion of ozone layer, etc. The reason is not only the complexity of environmental issues themselves, but also the complex linkages among growth, population, poverty and the environment.

Very little or no attention has been paid in the past on environmental considerations while planning and implementing development activities. The entire body of the earth is sullied today. The air we breathe in, the water we drink, the food we eat, the soil we belong to, contain some kind of poisonous chemicals which adversely affect the human and the nonhuman beings on this boiling planet of ours. If this trend continues then it may even damage the whole global environment along with its immense natural beauty. However, still there is hope that men will overcome this problem by their capabilities. In the meantime, the scientists have taken up the environmental problems with due consideration to find out a solution. If we intend to make the environment free from pollution, we should require revising our behavior towards nature. Since ethics deals with human behavior as that it ought to be the preservation of air, water and soil quality, so to say, environment comes within the subject matter of ethics. But preservation of environment was so long neglected by philosophy and ethics as a subject. But recently, the philosophers and ethicists have taken up the matter with due earnestness. Thus a subject under the title 'Environmental Ethics' may discuss all these issues i.e., our obligation and duties towards the nature and human surroundings. In the present study, there are mainly three concepts; environment, ethics and environmental ethics. At first all these concepts will be discussed below.

Environmental Ethics

Environmental ethics is a branch of ethics. "It is a combination of ethical principles with other principles e.g. ecological, economic, legal or political and

² Tom Regan, "The Nature and Possibility of an Environmental Ethic," *Environmental Ethics*, vol. 3 (1981)

social principles with factual information, to develop practical principles for some specific situation or kinds of situation, (e.g. hospital treatment of premature babies, logging right vis-a-vis forest conservation)".³ Environmental Ethics is the only ethics that breaks out of culture. It has to evaluate nature, both the wild nature and the nature that mixes with culture, and to judge thereby. In fact, environmental ethics is a branch of applied ethics. For the last three or four decades, philosophers have been examining ethical inference. They were surprised to note that ethical decisions were not simply expressions of emotion, though the logical positivists thought that ethical concepts were simply expressions of emotions. A. J. Ayer said, "ethical philosophy consists simply in saying that ethical concepts are pseudo- concepts and therefore unanalysable".⁴ Initially environmental ethics is called Practical ethics as the philosophers were very much interested in examining specific ethical issues relating to practical problems of human conduct. Practical ethics are also called applied ethics, There are many prominent sub disciplines of applied ethics like medical ethics, environmental ethics, business ethics, engineering ethics and other professional ethics and so on. Environmental ethics is based upon environmental science. However, the subject matter of environmental ethics exceeds the realms of environmental sciences. The environmental science describes what environment is; on the contrary, environmental ethics prescribes what environment ought to be. Environmental ethics encompasses most of the more traditional fields within philosophy. It deals with aesthetics, social and political philosophy; metaphysics, epistemology, and philosophy of science whereas the other parts of applied ethics are likely to remain distinct subject areas as sub disciplines of philosophy. Des Jardins defines environmental ethics as "a systematic account of the moral relations between human beings and their natural environment. Environmental ethics assumes that moral norms can and do govern human behavior toward the natural world".⁵ Aldo Leopold who is known as the prophet of Environmental Ethics, defined a land ethics or, as we now call it, Environmental Ethics as "a thing is right when it tends to preserve the integrity, stability and beauty of the biotic community. It is wrong when it tends other wise".⁶

Two Broad Views of Environmental Ethics

³ M. A. Al-Mamun, "The Impact of Deforestation on Environment: Perspective Environmental Ethics, the Case of Bangladesh." A Research Report submitted to the Department of Philosophy, Jahangirnagar University, Savar, Dhaka, (1997).

⁴ A. J. Ayer, *Language, Truth and Logic*, Second Edition (London, Victor Gollanz, Ltd., 1946), 105.

⁵ Des Jardins, *Environmental Ethics: An Introduction to Environmental Philosophy*, Second Edition (Albany Ny: Wadsworth Publishing Company, 1997), 9.

⁶ Aldo Leopold, *A Sand Country Almanac* (New York: Oxford University Press, 1949), 224-225.

Louis P. Pojman gave the full weight to the environmental issues; He thought that these kinds of problems are global. The foremost slogan of 'Ecology' is that 'think globally, act locally'. Pojman also took this idea of ecology. He said, we have to think and act globally. From this point of view he defined environmental ethics as "the fullest extension of objective ethics, extending the scope of moral thought beyond one's community and nation to include not only all people everywhere, but also animals and the whole of nature, the biosphere, both now and beyond the imminent future to include future generation".⁷ There are two views of environmental ethics- anthropocentric ethics and non-anthropocentric ethics. Anthropocentric ethics holds that our responsibilities to the natural environment are only indirect. According to Louis P. Pojman, "Anthropocentrism is the theory that humans alone or primarily have objective value or should be accorded special status."⁸ "Anthropocentric (human-centered") ethics holds that only human beings have moral value. Thus, although we may be said to have responsibilities regarding the natural world, we do not have direct responsibilities to the natural world".⁹ On the other hand, "non-anthropocentric ethics grants moral standing to such natural objects as animals and plants. Typically, this approach requires further extensions and revisions of standard ethical principles. Controversies surrounding the ethical treatment of animals and the threatened extension of many plant and animal species are among the best known issues of non-anthropocentric ethics".¹⁰ By summarizing the above discussion, it can be said that this environmental ethics deals with the behaviour of human beings towards nature and it can play a vital role to protect the environment. Now, it will be shown that there is a connection between environmental description and ethical prescription and thereby the possibility of environmental ethics will be proved.

Possibility of Environmental Ethics

'Is- Ought' problem is a meta- ethical problem and it is a controversial issue in contemporary ethics. This 'is- ought' problem puts the possibility of ethics in danger. At first David Hume tried to find out the problem. According to him, "In every system of morality which I have hitherto met with, I have always remarked that the author proceeds for some time in the ordinary way of reasoning, and establishes the being of a God, or makes observations, concerning human affairs; when on a sudden I am surprised to find, that instead of usual copulation of

⁷ Louis P. Pojman, *Global Environmental Ethics* (California: Mayfield Publishing Company, 2000), 6.

⁸ Loris P. Pojman, 377.

⁹ Des Jardins, 10.

¹⁰ Ibid.

propositions, is and is not, I meet with no proposition that is not connected with ought or ought not. This change is imperceptible; but is however, of the last consequence. For as this ought, or ought not expresses some new relation or affirmation, it is necessary that it should be observed and explained; and at the same time that a reason should be given, for that seems altogether inconceivable, how this new relation can be a deduction from others, which are entirely different from it".¹¹ So, Hume thinks that there is a big difference between is and ought and we cannot deduce is from ought. If we deduce is from ought, the fallacy is occurred. Hume called this kind of fallacy as 'vulgar system of morality'. G. E. Moore, a contemporary ethicist, also pays attention on this topic. According to him, "... Whenever there is an attempt to define 'good' in terms of something other than 'good', the naturalistic fallacy is committed".¹² But J.R. Searle, a contemporary philosopher and a descriptivist, has tried to find out the relation between 'is' and 'ought' in his article "how to Derive ought from is". In this article he shows that evaluative conclusions can be derived from factual premises. According to Searle, there are two different types of fact- (i) institutional fact and (ii) brute fact. Institutional fact is a system of constitutive rules. On the other hand, brute facts are the factual raw materials out of which institutional facts are made. For example, 'chess' is a brute fact and the rules of this game are institutional fact. The rules of the chess which we called institutional fact are deduced from the chess which we called brute fact. J. R. Searle claims that 'is' is brute fact and 'ought' is institutional fact. So, it is impossible to derive 'ought to' except from 'is.' But in a certain period, 'ought' becomes a main fact on 'is'. Because, when different rules come from 'brute' fact, we see in a certain period these rules become a main fact on 'brute' fact. For example, university is a brute fact and different laws for this university are institutional fact. But in a certain period these different laws that govern the university and, without these laws the university must be ruined. "Similarly, Environmental Science is a 'brute' fact and Environmental Ethics which deals with human behavior towards nature is an 'institutional' fact and environmental Ethics is essential to run Environmental Science".¹³ According to Searle, "many forms of obligations, commitments, right and responsibilities are similarly institutionalized".¹⁴ For example, he takes one institutionalized form of

¹¹ David Hume, *A Treatise of Human Nature* (L.A. Selby-Bugge Oxford, 1964), 469.

¹² M. A. Hamid, *G.E. More: A Study of his Ethics* (1989), 73.

¹³ M. N. Mansur, "A Study on Air Pollution in the light of Environmental Ethics," A Research Project Report, Department of Philosophy, JU, (1964), 13.

¹⁴ W. D. Hudson, *Modern Moral Philosophy* Second Edition (London, Macmillan, 1991 reprinting), 276.

obligation, namely promising. He says we can start with the 'brute' fact that a man uttered certain words, then invoke the institution of promising in such a way as to generate institutional facts; then appeal to the constitutive rule of the institution, and so arrive at an evaluative conclusion. In this way, Searle derives ought from is. Now, we shall examine how the environmental description generates the environmental evaluation. Indeed, environmental ethics deals with the behavior of human beings towards the environment as well as nature. Environmental ethics asks what is the appropriate attitude towards the nature. As man is the only moral agent in nature, so he has a duty towards nature. Ecological description, i.e., environmental description, originates from the valuing of nature, endorsing the systematic rightness. When we say 'we should protect the nature'-there is description behind it i.e., 'we get different kinds of benefits from the nature'. So, it can be said that the environmental description generates the environmental evaluation. Then the transition from 'is' to 'ought' occurs. "This account initially suggests that ecological description is logically prior to the evaluation, the former generating the later".¹⁵ But there is a close connection between is and ought. According to Rolston, ".....the connection of description and prescription is more complex, for description and evaluation to some extent arise together and it is often difficult to say which is prior and which is subordinate".¹⁶ So, it is difficult to say where the natural facts leave off and where the natural values appear. Therefore, 'is-ought' dichotomy is gone, the values seem to be these as soon as the facts are fully in and both values and facts seem to be alike properties of the system.

From the above discussion, it appears that, it is difficult to ascertain whether environmental description, i.e., 'is' can be differentiated from ethical prescription, i.e. 'ought' which is prior and subordinate. So there is close relationship between the two 'is' and 'ought'. "In that perspective we can come to the conclusion that it is possible to form ethical prescription on the basis of environmental description".¹⁷

The Relevance of Environmental Ethics in Bangladesh

From the above discussion it can be said that the possibility of environmental ethics has been proved and this environmental ethics is essential to develop an ecological attitude. This is because in every country the environmental pollution is increasing day by day. Nowadays environmental degradation and pollution have assumed global dimension and even threaten the existence of mankind.

¹⁵ Holmes Rolston, *Environmental Ethics*, Temple University Press Philadelphia, (1988): 231.

¹⁶ Holmes Rolston, op. cit., 231.

¹⁷ M.N. Mansur, op. cit., 118.

Indeed we are exploiting nature without any restrictions. When we use the nature, we think that the production of goods is more important than the people. We also think that we have no obligation to future generations to conserve resources. If this trend continues, it will destroy the whole environment. The Secretary General of U.N.O. said: "If the environmental problems are not taken up with due considerations, we will have reached such a staggering proportion which will be beyond our capacity to control".¹⁸ In Bangladesh there are three most severe environmental problems i.e., deforestation, air pollution and water pollution etc. This environmental pollution is an artificial one since it originates from the activities of man. Fauna, flora, rare species and natural habitats are being overwhelmed by man made developments. Today we are really faced with an environmental crisis of massive proportions. This is because the main cause of environmental crisis is water pollution. The crisis of the environment gives rise to various problems such as the pollution of our lakes, rivers, smokes filling our cities and devastating effect of pesticides on food chains. In Bangladesh water is polluted by industries. There are many hazardous and dangerous polluting industries situated in the cities of Bangladesh. In Dhaka at Tejgaon area, food processing industries are situated near the chemical and heavy metal processing industries. At Tongi a pharmaceutical industry is situated along with a pesticide producing industries. Tannery industries of Hazaribagh are also situated in the midst of densely populated residential area. These examples are repeated in the cities of Chittagong, Khulna and other small cities of Bangladesh. Industrial plants are usually located along large rivers which dispose untreated wastes directly into the rivers, although the effluents contain 10 to 100 times the allowable levels permissible for human health. There are 1176 Industrial unites in the country that heavily pollute the environment. At present, about 75 different industries are freely discharging their untreated wastes into the Dholai beel, Bongshi river and dholai canal at Savar. About 2 lakh people of 12 villages around the Savar export processing zone (EPZ) face serious health risks due to tremendous pollution, as industries dump their untreated liquid wastes into surrounding water bodies, ignoring the government's environmental law. Two decades ago, the villagers of this area used water, for drinking, cleaning and irrigation purposes. Today that water has turned pitch-black, thoroughly poisoned from the liquid waste of the industries. The most affected villages are Modhupur, Santaki, Kanda, Kaika Bari, Basak Bari, Dagortali, Sukandi, Bash Bari, Maji Bari, Namopara and Nayapara. As a result, the cultivation of boro in winter gets hampered and fishing by the villagers in other seasons has come to an end.

¹⁸ Robert Repetto (ed.), *The Global Possible: Resource, Development and the New Century* (New Delhi, Segments Book Distributors, 1986), 97.

Bangladesh had luxurious and extensive forests in the past. At present, the forest cover is decreasing very rapidly. The causes of deforestation are multiple and complex. The major direct causes of deforestation are agriculture and land cleaning, shifting cultivation, logging for timber and industry, fire, uncontrolled and wasteful commercial loggings, illegal feelings, fuel wood collection and large scale development projects. Other major causes of tropical forest destruction are grazing. Land cleaning for cattle production causes very extensive forest destruction, particularly in the Sal forest at *Gazipur* district. The large scale of deforestation process has caused serious ecological imbalances resulting in desertification, soil erosion, floods and cyclones affecting agricultural production besides colossal damage to life and property.

In Bangladesh another foremost cause of environmental crisis is air pollution. Air Pollution is caused mostly by diesel run vehicles. According to AQMP report, the air pollution decreased routable in the beginning of 2003 when two stroke vehicles were withdrawn and CNG-run 4 stroke three wheelers were introduced. But towards the end of 2003, the pollution level rose because of the increase in number of diesel run vehicles. The main pollutants affecting human health are particulate matters and chemicals. Particulate matter referred to as black carbon pollutants is a mixture of solid and liquid particles in the air including dust, sort, smoke and dirt. The other pollutants are chemicals like nitrogen dioxide ozone, lead, carbon monoxide sulfur dioxide. Nowadays air pollution of Bangladesh has reached an intolerable height as the authorities concerned have failed to take proper steps and to implement laws on the issues. Emissions tests are irregular in our country.

Moreover, the Government of Bangladesh has not shown much interest in environmental impact created by the industries. Where and when a new factory is proposed, the government is very interested in creating jobs. About 1176 industrial units are freely polluting the environment. The concerned authorities have identified these industrial unites and legal procedures have been initiated against them. At the same time, a division Bench of the High Court asked the concerned department to ensure pollution control measures in 903 industrial units that have been identified as polluters. The order was served in July 2001. A long time has passed since these initiatives were taken. However, the scenario of industrial pollution has not improved.

In estimation of the above discussions, it can be said that environmental pollution is a severe socio-ecological problem in Bangladesh. It is a moral issue also. A large number of people have been facing various impacts of the problem. Environmental pollution and its damaging impacts on environment are increasing day by day and it is very dangerous in its figure. In Bangladesh there is lack of ethical concept i.e., human consciousness towards natural environment as well as pollution. People do not realize the magnitude of the problem of environmental

pollution. Environmental pollution should be controlled to preserve the nature. Free deliberation is a power of human beings, which is absent in the case of other creations and creatures of nature. So, the sense of morality appears only in the case of human beings. Therefore, as a moral agent we should control or minimize the environmental pollution and preserve the nature. The only way we can avoid environmental disaster is by through awareness about environmental pollution. Secondly, love and respect for nature can be more developed by augmenting knowledge of environmental ethics. Without the knowledge of it the environmental problems cannot be solved easily. Therefore, ethics must be inculcated in human beings at a very early age i.e., the importance of the social environment should be taught to children; such as how people have changed their ways of life, relationship between humans and their environment etc. Thirdly, women are integral part of the environment and they are in charge of the health of the family. So, they can be involved in all programmes, policies and legislation on housing, shelter, water supply, sanitation and disposal of solid waste. Women are the first teachers of human beings from the time children are born. Therefore, educating women in ethical values of the environment would be a very important step in the direction of the preservation of natural resources. They should be given extensive training in the use of domestic water requirements. Fourthly, the government of Bangladesh does not take proper steps to preserve our environment yet. So, they should change their outlook towards the environment. The government of Bangladesh can take up programmes for imparting environmental education by creating the Centre for Environmental Education. But this centre alone cannot serve all the requirements. Many voluntary and non-voluntary organizations can come forward and conduct environmental awareness campaigns. The government of Bangladesh should make the pollution control board responsible for direct legal action. But it is not enough that they have investigatory and advisory legal powers only. They should have executive powers to implement them properly. The student community can also be trained through the environmental clubs to create awareness and impart environmental education, shaping it as a 'movement'. Fifthly, environmental pollution can be controlled by applying value theory. To make it more effective, we can apply an environmental policy. This policy should be implemented in such way as to ensure the maximum public interests.

In this country, unplanned expansion of various industries, without thinking its ultimate impact towards the future of our descendants, is appearing as a serious concern for irreparable environmental catastrophe. More importantly, amassing of industries in urban areas, industrial pollution began to produce its staggering environmental effects and the problems of pollution became steady more widespread in recent time. The conditions of natural water bodies air, and soils are fast deteriorating because of that unplanned urban industrialization, thus

exposing the whole environment to the ultimate danger. For example, it has been established by huge number of scientific researchers that disposal of 'Tannery industries' is a real source of potent carcinogens. On the other hand, varieties of industrial emissions, occurring locally, polluting the ambient air and thence water and soil too, therefore, the situation is became a major concern for us.

Conclusion

Nature itself is valuable to all of us and it includes various important values e.g. its life-supporting feature, economical, aesthetical, historical, scientific, cultural, religious, and recreational values and so on. So we must take steps to control all sorts of pollutions and need to preserve our nature as its pristine form. The aforementioned industrial pollutions need to be controlled or minimized to its acceptable limits by applying environmental ethics and valuable theories. The current policies prevalent in these days may not be enough to combat the situation that are caused by the growth of unplanned industries and problems we are facing today, therefore, formulation o newer polices through ethical considerations as by enhancing our knowledge of environmental ethics, need to be taken into account. Sometimes it is sensed that policies, devoid of ethics, is adopted to favor the private benefit for some individuals, as they tend to ignore the ethical issues and pay more attention to their personal gains, but society as a whole would be deprived. Therefore, to make it more effective, we do need to formulate and apply a right environmental policy and to make sure that is implemented to ensure the maximum public interests.

আইবিএস-এর কয়েকটি প্রকাশনা

- ১৯৯১ সফর আলী আকন্দ সম্পাদিত। *বাঙালীর আত্মপরিচয়*।
- ১৯৯২ আবদুল করিম। *বাংলার ইতিহাস: মোগল আমল*।
- ২০০৯ মাহবুবর রহমান ও স্বরোচিষ সরকার সম্পাদিত। *প্রীতিকুমার মিত্র স্মারকগ্রন্থ*।
- ২০১০ মাহবুবর রহমান ও স্বরোচিষ সরকার সম্পাদিত। *বিশ শতকের বাংলা*।
- ২০১২ মাহবুবর রহমান সম্পাদিত। *রাজশাহী মহানগরী: অতীত ও বর্তমান*। ২ খণ্ড।
- ২০১২ শাহানারা হুসেন। *প্রাচীন বাংলার ইতিহাস*।
- ২০১৫ স্বরোচিষ সরকার সম্পাদিত। *বাংলাদেশের ভাষানীতি ও ভাষা-পরিকল্পনা*।
- ২০১৫ স্বরোচিষ সরকার সম্পাদিত। *জাগরণ ও অভ্যুদয়*।
- ২০১৫ মোহাম্মদ নাজিমুল হক সম্পাদিত। *বরেন্দ্র অঞ্চলের ক্ষুদ্র নৃগোষ্ঠীর আচার-অনুষ্ঠান*।
- ২০১৫ *বাংলাদেশ চর্চা দেশে বিদেশে: সটীক গ্রন্থপঞ্জি* সিরিজ (মুজিবুদ্দ, ভাষা, সাহিত্য)।
- 1983 S A Akanda edited. *The District of Rajshahi: Its Past and Present*.
- 1991 Abdul Karim. *History of Bengal: Mughal Period*. 2 Volumes.
- 2010 Md. Shahajahan Rarhi. *Index to the Journal of IBS* (1976-2009).
- 2011 Shahanara Husain. *History of Ancient Bengal: Selected Essays on State, Society and Culture*.
- 2015 *Bangladesh Studies Home and Abroad: Annotated Bibliography Series* (Economics, Society, Law, Statistics, Trade and Commerce, and Education).