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FOUNDER EDITOR
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PM's remarks on climate change

Development plans shouldn't contradict our commitments

PRIME Minister Sheikh Hasina on Wednesday reiterated her government's commitment to the fight against climate change, giving a vivid description of how the once-dreaded future is already at our doorsteps and wreaking havoc in parts of Bangladesh. There is a possibility, she said in parliament, without offering specifics, that some four crores of people from 70 upazilas in 19 districts in the country might be displaced due to climate change. The PM also said the average temperature of Bangladesh went up by one degree Celsius in May and by 0.5 degree Celsius in November. Among the more visible features of the changing climate, she added, are the increase in average rainfall and other weather events, outbreak of different insect-borne diseases, the salty water of sea now entering up to 100km into the river during summer, etc. All these, in short, present a grave threat to the continuation of life as we know it.

These also underline the need for urgent action to address the immediate concerns, and for measures tailored to meet the needs and challenges of the future. The PM in her speech talked about the various initiatives that the government has taken, including the formulation of Bangladesh Climate Change Strategy and Action Plan, to increase the national capacity to combat the adverse impacts of climate change. Her pronouncements are reflective of Bangladesh's increasingly assertive role in the global climate change negotiations. We have two points to offer to this: first, any plan, national or regional, will not be effective without a greater involvement of the local people and the local government; secondly, there should be a political commitment to address the discrepancies between the government's climate strategies and its current approach to development works, which are often found to be not environment-friendly and contrast the official line on climate change.

Over the last decade, the government has undertaken a rash of projects and initiatives that experts say would hurt the environment, as well as expanded coal-fired power generation which risks "locking Bangladesh into a carbon-intensive development path", as a UN report warned in 2019. The government's single-minded fixation on development, unmindful of its environmental repercussions, is self-defeating, to say the least. It's important to realise that for any development to be sustainable, these discrepancies must be brought down to a minimum. We urge the government to keep these points in mind as it carries on with its commendable leadership in the global fight against climate change.

Women, Business and the Law

Why are we lagging behind other SA countries?

IT is disheartening that despite our professed commitment towards women's empowerment, we have actually fallen two notches in the World Bank's Women, Business and the Law (WBL) 2020 study. The WBL study evaluates countries based on constraints on women's freedom of movement, law's affecting women's decisions to enter and remain in the workforce, laws and regulations concerning job restrictions and the gender wage gap, gender differences in property and inheritance laws, and constraints that women face when starting and running a business, among others. Bangladesh now ranks 171 out of 190 nations, lagging behind other South Asian countries, such as India, Bhutan, Nepal and Sri Lanka.

The dismal ranking of Bangladesh is hardly surprising though. By and large, women in Bangladesh earn about half as much as men, with the gender gap increasing as we move to the informal sector. More than one-third of women in the labour force are actually unpaid family members, according to another report by the World Bank titled "Voices to Choices: Bangladesh's Journey in Women's Economic Empowerment". There continues to be gender gaps when it comes to asset control—non-agricultural ownership of land is 12 times higher for men than it is for women. Meanwhile, only 1.7 percent of enterprises in the formal sector are owned by women, adds the report.

Rather than pay lip service to women's empowerment, Bangladesh needs to do more to dismantle barriers to women's economic participation. Among other things, Bangladesh needs to pass a legislation guaranteeing equal pay for work of equal value, repeal discriminatory laws that hinder women's access to land and other resources, improve women's capacities to take on jobs in higher-paying industries and occupations and enforce policies and schemes that support women entrepreneurs and make credit easily available to them. At the societal level, we must challenge patriarchal values and norms which deem women—and by extension their labour—inferior to men.

LETTERS TO THE EDITOR

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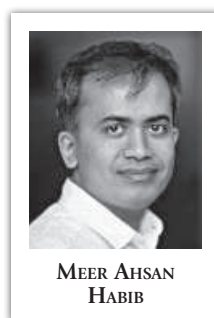
Please postpone the polls

The condition of the students observing fast unto death demanding deferral of Dhaka north and south city corporation elections is deteriorating by the day. A student of Dhaka University was taken to Dhaka Medical College Hospital after he fell sick during the hunger strike. The students as well as the Hindu community have every right to protest as the date for the polls, scheduled for January 30, coincides with Saraswati Puja. I feel it is a matter of common sense to not allocate a day for polling despite knowing that it would clash with a major religious festival.

Despite being a Hindu festivity, people from other religions too join the celebrations of Saraswati puja. I earnestly hope that the Supreme Court will consider the appeal that has been filed to postpone the date so that both the occasions can commence with peace and harmony.

Suzanna Chowdhury, Dhaka

Localised Digital Service Tax: Points to ponder

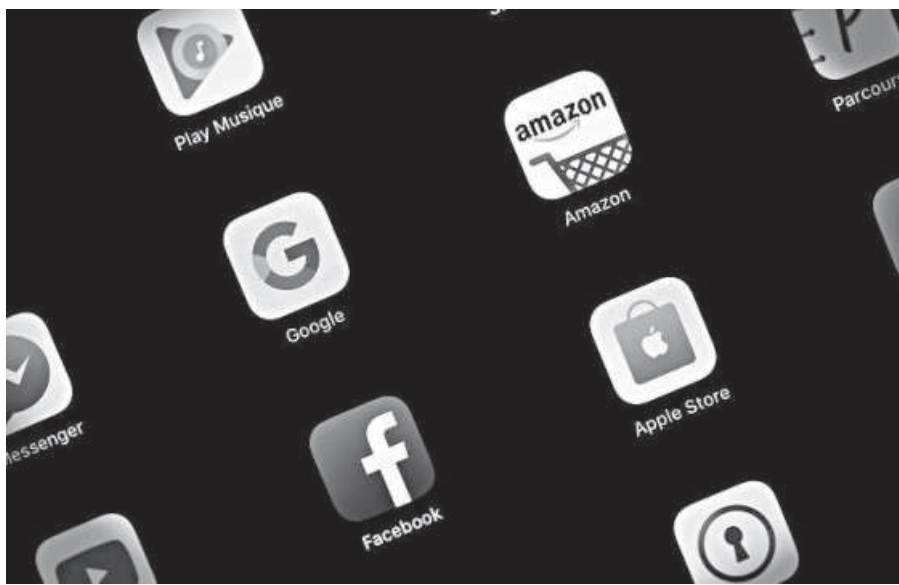


MEER AHSAN HABIB

GLOBAL trade is being disrupted by the tax disputes over technology giants who mostly operate from Silicon Valley. According to 2019 statistics by Statista.com, six out of the 10 largest companies in the world by market value were technology companies. No wonder that technology giants like YouTube, Amazon, Facebook and Alibaba are causing disruption to the national economies to a much greater extent than international trade and tax rules.

There are strong chances that tech fight (on tax between Europe and the US) may weaken world trade. US President Donald Trump has been an unlikely ally to the US tech giants and has protected them from the digital tax imposed mainly by the European countries. President Trump said that the enactment of the French version of "Digital Service Tax" discriminated against the United States and could lead to retaliatory tariffs. But later, his Treasury Secretary Steven Mnuchin softened the stance and urged countries to adopt a multilateral deal and suspend the targeted tax for digital services by US tech giants.

When it comes to Bangladesh, the country is yet to table a plan on how it would work on this issue. *The Daily Star* published an article on November 23, 2017 and later a writ petition was filed in the High Court Division which issued a Rule Nisi calling upon the respondents to show cause as to why they should not be directed to take immediate necessary steps to realise appropriate tax, VAT or any other government charges from the revenue earned by the internet companies such as Google, Facebook, Amazon, Yahoo, YouTube etc. The regulating agencies later directed the scheduled banks to collect 15 percent VAT on payment made to social media and online advertising platforms including



Facebook, YouTube and Google. While banks are yet to establish a technical mechanism to determine the volume of such payment from Bangladeshi consumers, the tech giants in question have remained outside the tax purview.

According to a report published by *The Daily Star* on August 31, 2019, digital marketing is a Tk 2,000 crore market. However, we do not have any data on the actual revenue figure that the tech giants are earning from Bangladesh. As stated in the article on taxing the tech giants, there are quite a few services by the technology giants from which they earn a significant amount of revenue. So, if we combine all kinds of services by the tech giants, the market size of the digital business will be much higher than Tk 2,000 crore. Unfortunately, government agencies have so far been unable to table a strategy and find a way to bring the technology giants under local financial (tax) and operational regulations. Both Facebook and Google have made it clear that they wouldn't set up their offices in Bangladesh. Why would they, when they are able to do business without any resistance? Plus, there are international companies that are working for companies like Google and safeguarding their interest. In November last year,

online business in Bangladesh started receiving an instruction that asked the local online businesses to submit their Business Identification Number (BIN) to Google. Google started collecting the BINs when a multinational company that provides audit and assurance, consulting and tax services advised Google to do so. It is very likely that Google will hand over these BIN numbers to the competent tax authority in Bangladesh indicating the volume of digital business it has done with a local company. It will then be easier for the taxing authority to collect 15 percent VAT on the volume of business and Google will be able to continue its business as usual. Slapping 15 percent VAT on digital marketing and keeping the tech giants outside the financial and legal purview is a very narrow and self-deceiving attempt.

As stated in the beginning, technology is a powerful variable in international trade, and tech giants will use its power to the fullest extent possible to keep itself in the driver's seat. President Trump may not like Big Tech but it is very likely that he and his government will retaliate against other countries taxing the technology giants based in the Silicon Valley. In the past, Trump's administration has strongly postured

against India when India considered the prospect of data localisation—the White House even considered capping H-1B visas. It also announced an inquiry into France's proposal to tax Facebook, Google, Amazon and Apple. There is a good chance that the matter might end in tariffs for France. This is something Bangladesh has to consider if it is really serious about taxing the technology giants.

Other stakeholders are the tech giants. It is unclear how they will react to thinner profit margins in Bangladesh. There is a possibility that they could acknowledge market leverage while lobbying through third parties. At present Google is doing the exact same thing. The other end of the spectrum is that they could threaten to pull out of the market, leaving Bangladesh with no direct substitutes. One possible outcome of a proposed tax could also be a loss of possible future investment in Bangladesh. If the government decides to tax technology giants on revenue generated in Bangladesh, it should work regionally with countries like India, Indonesia and Malaysia and internationally with France, Spain, the EU and the UK which are seriously considering taxing a fair share of the revenue of tech giants. At the country level, government agencies including the Bangladesh Bank, National Board of Revenue, Banking Division, ICT Division and Legislative and Parliamentary Affairs Division must work in close collaboration to realise this objective. Each of these agencies will have specific roles—NBR will identify the areas related to digital services, Bangladesh Bank and Banking Division will work on policies and procedures and regulate digital transactions, ICT Division will take care of the technical issues and last but not the least, Legislative and Parliamentary Affairs Division will draft and facilitate enactment of required laws to hold the tech giants accountable. At the moment, Bangladesh could be too big of a market to be ignored by the technology giants—a market that is growing very rapidly.

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Of Camels and Unicorns



BLOWN' IN THE WIND



SHAMSAD MORTUZA

IN the first few minutes of 2020, nearly 30 animals, mostly apes, were burnt to death in Krefeld Zoo in West Germany. A mother and her two daughters, who lived in the neighbourhood, confessed that the sky lanterns that they had released while celebrating the New Year were responsible for setting the ape-house in flame, killing almost all the inmates. This news of accidental death of animals gave this year an ominous start.

Meanwhile, the claimed extinction of a whopping one billion animals across Australia in an apocalyptic bushfire added a further twist to the plot of death by fire, in which Mother Nature appeared to be in an avenging mood. Earlier, California offered a similar story. The mass death tally of Australian critters is ricocheting around the internet, evoking public empathy. Almost as a footnote, the news of camel culling has surfaced. We are told of the Australian government's decision to shoot down 10,000 feral camels. This is not the first time they are doing it. The timing of the news, however, could not have been worse. While people are warming up to the ceaseless kangaroo hugging images, there is a rather discriminatory attitude shown towards these once-imported-gone-native animals. Apparently, these animals have become pests to the Australian ecosystem and are encroaching upon the limited water resources of the aboriginal population down under. Yet these are the animals that were brought from the Indian subcontinent in the eighteenth century to travel across the arid lands of the continent. Once motor vehicles became available, these animals lost their utility and were left in the wild. Now their number has grown exponentially, and the government feels systematic culling is as the only solution to the immigrant species.

In a parallel universe, on January 3, a "rogue" military man was shot down from an eye in the sky. He was guilty of waging an asymmetrical war, helping out freedom fighting men in Syria, Lebanon and Iraq—running a proxy war for Iran. While the West tarnished him as an ignominious villain, in his own country, Iran, this army general was deemed as an emblem of national pride. The murder brought the East West twain at loggerheads, heightening the possibility of an epic battle with potential seeds of WWII. We entered a near mythical plot where, you have to imagine, Achilles had just killed Hector, and the Trojans must retaliate despite their dwindling might. As the virtual audience, we got glued to screens of different shapes and sizes, anxiously waiting for the Iranian retaliatory response. The media hype

in epic proportion, and the world sympathy seemed to be with the Iranians. We could sense the scripting of the revenge plot; we waited in apprehension just as we watch and wait while the three translucent dots quiver in our messenger inboxes indicating the typing of a message. Finally, the response came. The sky-lanterns lit up the sky. Tens of missiles were hurled, and the one who received the counter slap, said, "All's well"! I don't know whether the response was from the Bollywood movie *Three Idiots* or not—but it became apparent that neither party had serious intention of escalating the situation (maybe Iran's presence in the Oil market is an issue). The intended targets got enough time to evacuate to minimise the damage. But one presumed target, which was not a target at all, got hit by a missile (or two) killing 176 people on board of a Ukrainian commercial plane. They say, innocence is the first casualty of war. That is why, Agamemnon the Greek

goals or ideas, because that is one of our basic instincts.

While the Xenophobic fence building has its temporary appeal and benefits, in the long run it does not help anyone. Microsoft CEO Satya Nadella, for one, has spoken out against our Big Brother India's new Citizenship Amendment Act that promotes a myopic view. His microblogging caused an uproar in the Tweetdom, and he had to clarify his position with the following:

"Every country will and should define its borders, protect national security and set immigration policy accordingly. And in democracies, that is something that the people and their governments will debate and define within those bounds. I'm shaped by my Indian heritage, growing up in a multicultural India and my immigrant experience in the United States. My hope is for an India where an immigrant can aspire to found a prosperous start-up or lead a multinational corporation benefiting

in certain historical juncture, and are now treated as feral camels.

I feel there are lessons to be learned from this story of camels and unicorns. There are lessons to be learned from the smokescreens in the Middle East. Our neighbour is currently undergoing a serious economic crunch. According to WION TV, there is going to be a job cut of 16 lakh in India. Their unemployment rate has shot to 8.5 percent against our 5 percent (nationmaster.com). India's agrarian economy is suffering as the producers are not getting the fair price, while their bad-debts are hurting their banking sector. Although signs of such economic regression are brewing on the horizon, I don't think any Bangladeshi would consider India as a dream destination, let alone create Unicorns there. It is true millions of Bangladeshis are working in India to roughly fetch about USD 4.5 billion in remittances; but thousands of skilled Indians are



Bushfires near Nowra, New South Wales.

commander in chief had to sacrifice his own daughter before setting off for Troy.

I wish I had some theory to string up my fragmentary narratives. But it is heartening to see the Iranian population has risen up to the state lies; the US is also processing presidential impeachment not being hoodwinked by the smokescreen in the Middle East. It is equally inspiring to see the way volunteers and professionals in Australia have come in support of the surviving animals—the cravings for human hugs by the kangaroos and koalas show how all our lives and predicaments are laced together. Deep down the humans and the non-humans are a part of the same ecosystem handcuffed to the same destiny. Often we cross borders, pursue greater

Indian society."

Nadella is deft enough not to present his hypothetical Bangladeshi immigrant in religious terms. Then again this is not a narrative that we should glorify. We should focus on strengthening our own tigers than chasing a mythical unicorn in India. The religious harmony that we have in this country is often dampened by human greed. We receive bad press for land grabbing, evoking fear in a community, or disrespecting minority rights by ignoring their holy days. If we can prove to the world that we can host 1.1 million Rohingyas on our land, we can also give respect to our brothers and sisters with different beliefs. The fate of Bangladeshis who crossed the borders is not that rosy either. They had their utility

siphoning more than that from our economy.

The world is fast becoming a dangerous place. Only at times of danger, we unite and seek for a common purpose. The only way we can deal with the steaming tension is by making ourselves resilient. We can do so only by making ourselves contributing members of society, contributing to the not only national but also global growth of science, technology and culture. It is a slippery slope—if we are not careful, we may slide into the abyss and soon be considered feral.

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PHOTO: SAEED KHAN/AFP