

The Daily Star

FOUNDER EDITOR
LATE S. M. ALI

DHAKA FRIDAY APRIL 3, 2020, CHAITRA 20, 1426 BS

Allow perishable goods to leave Ctg port

Related offices should make special arrangements

THE storage space in Chattogram Port is quickly running out as reefer containers used to transport perishable goods have piled up because of limited delivery in the past few days amid the current nationwide lockdown enforced to contain the spread of the coronavirus. Importers waiting to accept the delivery of items such as fish, fruits, onion, garlic and ginger are also facing delays in getting the necessary documents from banks and different government offices for the movement control order.

Vessels are still arriving at the port and goods and containers are continuing to be loaded and unloaded, but because imported products are not being delivered quick enough, different yards of the port are getting congested and the port authority has had to arrange for alternative means of power to supply enough electricity for the additional number of reefer containers that have piled up. But for how long can this continue? Surely there is a limit to the extra number of containers that the port can handle, as well as the amount of time it can store them. Moreover, these containers are filled with perishable goods that have an expiry date. And if they are not delivered fast enough, all these items will go to waste and importers may have to face heavy losses.

Despite the port operating round the clock, the fact that other related offices are not providing the same volume of services is what is causing this delay. But the government should have been aware of this, and made provisions so that importers could get their products delivered on time and so that the port did not become overburdened with containers.

It is of course understandable why operations of different offices are being hampered at this time. However, it is unacceptable that poor management and planning should lead to such delay and potential losses when they can be mitigated with better coordination. The government needs to ask the other service offices to make special arrangements in order to clear the delivery of perishable items and ensure that the port authority receive the support they require.

Patients shouldn't suffer during shutdown

Public transport for essential services must be made available

THE lead photograph published in *The Daily Star* on Thursday reveals a grim situation faced by many who are dependent on the public transport system for essential services such as medical treatment. While restrictions on movement are surely a precautionary approach during the present crisis, the shutdown has created obstacles, among others, for those who are sick and need to visit hospitals—often from many miles away—on a regular basis. The photograph is of a patient from Gazipur who requires regular dialysis every week and was seen waiting for over two hours in the scorching heat for some kind of transport to go to a hospital for kidney diseases. There are many such patients in need of regular treatment and for them the absence of public transport can have devastating consequences.

The restriction on vehicular movement implemented nationwide is meant to tackle the spread of coronavirus; now it seems to have taken a toll on many, especially those who do not have the means to own a private transport.

We understand that hospitals are struggling to face the challenge to provide treatment to patients symptomatic of Covid-19, but at the same time, they must have provisions for medical care to other patients who have various serious ailments and are in need of critical care. They cannot be left out as in many cases their lives depend on certain treatments. Recently, a schoolboy in Khulna who was suffering from cirrhosis died without treatment after being turned away by three hospitals and a clinic. It is comprehensible that medical facilities will be under pressure during a pandemic, but that is no reason to ignore critical patients requiring immediate action.

We suggest that during such hardship, hospitals need to step up to aide patients in more ways than the usual. They should be welcoming to all patients, irrespective of their sufferings. Hospital authorities can come to an agreement with the owners of CNG-run auto-rickshaws to enable a feasible mode of transportation for the patients under the guidance of the responsible authorities. The government can also assist in arranging transportation under special regulations for patients who need to commute long distances for urgent treatment. As the medical problems need a collaborative approach during this moment of crisis, we hope that the respective authorities (including those of the hospitals) will carry out their responsibilities with dignity and diligence.

LETTERS TO THE EDITOR

letters@thedailystar.net

Using shutdown properly

One may feel bored, lonely or exasperated when stuck at home for days. Staying at home is not all about being online all day long, using the cell phone constantly, lying on the bed, sitting on the couch or watching the TV. We can use our time in a more productive manner.

This stretch of time can be well spent with members of the family. This is the perfect time to settle the differences with them, if any, and also share all that we couldn't make time for earlier. We must consider ourselves lucky that we have got plenty of time to strengthen our relationship with our family members by providing care and mental support to each other. Also books can become the perfect companion during such times. Whatever we do, we must ensure that boredom does not get the best of us.

Susanta Kumar Paul, by email



Fahmida Khatun

MACRO MIRROR
SINCE December 8, 2019, when a first known case of pneumonia with unknown aetiology was found in Wuhan City, China, the world has been badly tangled up in the novel coronavirus or Covid-19. From a public health emergency termed by the World Health Organization (WHO) on January 30, it has been termed as a pandemic by the WHO on March 12. Defying all efforts by the world to tame the virus, its spread remains uncontrolled.

The effects of Covid-19 are of course not confined to just public health only. The global economy is now integrated through trade, remittances, investment and foreign aid. So the pandemic has given rise to economic challenges coupled with uncertainties and unpredictability both at global and national levels. Countries have already started to brace for the aftershocks and will continue to feel the heat of economic slowdown in different ways. Disruption in the supply chain, lower production of agriculture and industrial goods, and closure of aviation, tourism, restaurant and hotel businesses are having a knock-on effect on the job market. Countries continue to lay off workers, and companies are slashing down salaries and payments, and freezing recruitments. This is almost clear now that the consequences of the coronavirus outbreak will be felt well beyond the middle of 2020 and lead to the hardest and longest global recession so far.

There are a few conventional measures which are taken during an economic downturn. The objective of governments is to boost demand and increase spending to create vibrancy in the economy. At present, there is depressed demand because people are staying at home and limiting their expenditures. They are losing jobs and other sources of income. However, we are also observing supply shocks. Both global and domestic supply chains have been disrupted due to the closure of factories, reduced production and lack of supply of goods and services in the market. So through fiscal and monetary responses governments aim to restore and stimulate economic activities, overcome supply shocks and increase aggregate demand.

To tackle the devastating impact of Covid-19 on the economy, a number of affected countries including Bangladesh have initiated policy responses. Most policy responses by the countries have been in two areas: fiscal and monetary. Fiscal measures included stimulus packages, such as direct financial support for the affected sectors, expansion of

social safety nets and cash transfer to the low income groups, exemption of various taxes and fees, allocation for immediate health preparedness and food distribution at a lower price for the poor. Monetary policy responses include mainly quantitative easing to increase liquidity in the financial system. This means that central banks will buy treasury bonds and bills from commercial banks so that banks in turn can provide loans to customers. The other method of monetary policy response is to reduce policy rates such as repo and cash reserve ratio (CRR). The repo rate is the rate at which central banks lend money to commercial banks in case there is any shortfall of funds. CRR is the share of a bank's total deposit which is to be maintained with the central bank in the form of liquid cash. Many countries have already reduced these rates drastically.

ratio was only 9.9 percent in FY2019 while the tax-GDP ratio was 8.9 percent. On the other hand, implementation of the annual development plan (ADP) of the government also remains unfulfilled when compared with its original allocation in the national budget. This allows the economy to maintain a budget deficit within the 5 percent limit as projected by the ministry of finance.

The economy also suffers from some other weaknesses. High growth has been unable to create adequate jobs in the economy. University graduates find it difficult to get jobs. Youth unemployment rate is 10.6 percent as opposed to the national unemployment rate of 4.2 percent, according to the Bangladesh Bureau of Statistics (BBS). The unemployment rate among the youth having a tertiary-level education is 13.4 percent. It seems the unemployment rate



People form a queue on Nabapur Road in Old Dhaka to collect relief materials distributed by a local business house amidst the coronavirus lockdown in the country, on March 29, 2020.

PHOTO: ANISUR RAHMAN

Till now, Bangladesh has far less cases of Covid-19 compared to many countries. But the coronavirus is still distressful even though Bangladesh has been doing relatively well in terms of economic growth. In FY2019, the growth of Gross Domestic Product (GDP) in Bangladesh was 8.15 percent. As a result of high growth, the country has been successful in reducing its poverty level during the past one decade or so. But the short-term economic scenario has not been all that impressive in recent years. In FY2020, except for remittances, all other major economic indicators have shown negative growth. For example, both export and import growth were negative during the first eight months of the current fiscal year. Revenue collection has remained low during the first six months of FY2020. Indeed, revenue-GDP

increases with higher education.

The other feature of the current growth pattern is that it has not reduced disparity in the society. Inequality of both income and asset distribution is very high in Bangladesh. Higher growth has benefitted a small group of rich people much more than the poor people. BBS data indicate that the income share held by the richest 5 percent of the households in Bangladesh increased from 18.85 percent in FY1992 to 27.89 percent in FY2016. On the other hand, the income share held by the poorest 5 percent of households fell from 1.03 percent in FY1992 to 0.23 percent in FY2016.

In the wake of Covid-19, the achievement of various short-term and medium-term economic objectives may become difficult for the government of Bangladesh. Therefore, there may be a

COVID-19 IN INDIA

Road ahead for the world's largest quarantine



Pallab Bhattacharya

"EXTRAORDINARY TIMES require extraordinary solutions"—that is how Indian Prime Minister Narendra Modi summed up the worldwide response to the coronavirus pandemic during a video conference on March 30 with the heads of all of India's embassies and high commissions across the globe. To drive home his argument, Modi pointed out how, even in an era of globalisation, most of the countries retreated into quarantines with an extensive impact on the international transport system, financial markets and the global economy.

Modi himself opted for "extraordinary solutions" when he took the unprecedented and early steps in response to the pandemic to reduce the risk of importing the infection, and thereafter to prevent a large outbreak in a country of 1.3 billion people. He began with a "Janata Curfew" for a day and quickly followed it up with a total nationwide lockdown for three weeks, creating the world's largest quarantine with concomitant socio-economic costs. He is also repeatedly sending out a strong message of social distancing as a key tool to stop the spread of the contagion. According to the health ministry data, India went from 100 cases to 1,000 cases in 12 days. By contrast, cases in the developed countries rose between 3,500 and 8,000 during the same timeframe. However, it must be recognised that given the density of India's population, any strategy to deal with the coronavirus has to go much beyond lockdown and social distancing.

How is India, with its huge geography and population, going to combat this pandemic? Coronavirus has already affected more than 2,000 people in India and snuffed out over 50 lives. Health officials in the country contend that it has not yet reached the dreaded stage of community spread though a very

limited local-level transmission of the contagion seems to be coming to the fore. It is important to note that more than 50 percent of the confirmed coronavirus cases in India have a travel history.

India's strategy to contain Covid-19 is evolving as per the situation. The latest component of that strategy has two main objectives: 1) identifying "hotspots" where "unusual" transmission of the contagion has been observed, and 2) significantly scaling up testing which will allow informed decisions for isolation and quarantine of individuals and localities. The decision to ramp up testing proceeds from the premise that more and

for indigenous development of testing kits has been set up in Visakhapatnam, Andhra Pradesh where manufacturing is supposed to start in the first week of April.

Delhi, the country's capital, its satellite city of Noida in Uttar Pradesh, financial capital Mumbai, and Maharashtra's cultural capital Pune, Bhillwara in Rajasthan, Ahmedabad in Gujarat, and Kasaragod and Pathanamthitta in Kerala are the clusters identified by the government. And understandably so, because a majority of coronavirus cases and deaths have been reported in Maharashtra, Kerala and Delhi.



A group of students wearing protective masks wait to buy tickets at a railway station amid coronavirus fears, in Kochi, India, on March 10, 2020.

PHOTO: REUTERS/SIVARAM

more of it holds the key to successfully combating Covid-19.

According to the Indian Council for Medical Research, 129 government laboratories are functional with a testing capacity of 13,000 tests per day, along with 49 accredited private labs which have around 16,000 swab collection centres. As of March 30, 38,442 tests have been done with 1,334 tests in private labs across the country. The manufacturing capacity of India's first indigenous kit, developed by a start-up in Pune, is being scaled up to produce nearly one lakh kits per week. A manufacturing facility

The government is going for a rigorous cluster containment strategy which involves demarcating an area of three kilometre radius around the epicentre, a buffer zone of additional five kilometre radius, and ensuring all quarantine protocols are followed here, according to Lav Agarwal, a joint secretary of the health ministry. As per this approach, to contain local transmission, one needs to isolate the house of a Covid-19 positive patient and then go in pursuit of tracing his or her contact list and keep all of them under surveillance.

As contact-tracing is a time-consuming

need for review and changes in the fiscal projections made in the national budget for FY2020. The stimulus package of Tk 5,000 crore offered to the affected sectors for navigating through the troubled period may increase budget deficit slightly. However, given the urgent need for economic revival, an increase of budget deficit up to one percent may be acceptable. In fact, depending on the duration of the coronavirus crisis and its effects on health and the economy, larger stimulus packages may be needed to soften the blow of Covid-19. Not only do the export-oriented sectors need support, the small and medium enterprises (SMEs) also require support to stay afloat. The affected SMEs should be offered loan at 5 percent with a longer repayment period.

The hardest hit by the coronavirus outbreak—that is, the lower income group, the informal-sector workers, and the women—will need direct cash support till the economy bounces back. The government's plan to expand the existing transfer programmes that benefit more vulnerable households is a welcome step. Besides, ensuring adequate food supply for lower-income households, particularly those dependent on daily wages, through increased allocation for the Open Market Sale programme is also a praiseworthy measure.

In case of the monetary policy responses, the lowering of the repo rate from 6 percent to 5.75 percent, and the reduction of CRR from 5 percent to 4.5 percent, are expected to generate liquidity space. However, only the genuine victims of Covid-19 should enjoy the opportunity to delay their non-performing loan classification, and the truly affected businesses and individuals should get the loan facility.

For Bangladesh, the Covid-19 pandemic should be an opportunity for prudent macroeconomic management which is gradually decaying given the inefficiency in both expenditure and revenue mobilisation. This is the time when the government has to prioritise its spending. It has to identify activities and spending which are immediate, and which can wait for a few months. This will have to be done pragmatically so that expenditure reduction does not affect employment and the income of people. Similarly, the perennial policy neglect as regards health should be reversed by much more allocation in the health sector. Covid-19 is a testimony to our unpreparedness in the health sector with a meagre allocation despite our proclaimed economic growth.

As the ministry of finance is set to work towards the formulation of the upcoming budget for FY2021, these are some of the issues which need to be at the centre stage.

Dr Fahmida Khatun is Executive Director at the Centre for Policy Dialogue (CPD).

exercise, the strategy is to demarcate the three kilometre radius as the epicentre and it would be sealed. All residents in this area would be asked to stay indoors to facilitate complete sanitisation. Sources in the Integrated Disease Surveillance Programme said, "Normally, we define any area where there are more than ten Covid-19 positive cases as a cluster. Places where there are several clusters are treated as hotspots."

Seeking to dispel apprehensions of community transmission, Agarwal said only a "minuscul percentage" of people asymptomatic of the coronavirus have tested positive in India. India is working proactively to significantly boost its capacity for carrying out largescale Covid-19 testing and serology efforts to allow surveillance and clinical research and control the spread of the virus. Four labs have already been notified as testing labs by Indian Council for Medical Research, and other labs that have the infrastructure to carry out the tests are being readied, officials at the ministry of science and technology said.

A six-member Science and Technology Empowered Committee comprising senior officials drawn from the health ministry, Department of Biotechnology, Cabinet Secretariat, National Disaster Management Authority and the Prime Minister's Office, is responsible for coordination among science agencies, scientists, industries and regulatory bodies and for taking speedy decisions on research and development related to the Sars-Cov-2 virus and the Covid-19 disease. Actions are in place keeping in view the critical need to increase the testing facilities for Covid-19.

Also, the scientific institutions supported by various ministries have come together and initiated multidisciplinary projects for repurposing of drugs, gathering in-depth information on various drug candidates to allow informed decision-making for Covid-19 treatment, and developing mathematical models to track the disease spread and models to predict the medical equipment and auxiliary requirements.

Pallab Bhattacharya is a Special Correspondent for The Daily Star. He writes from New Delhi, India.