

The Daily Star

FOUNDER EDITOR
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DHAKA WEDNESDAY NOVEMBER 4, 2020, KARTIK 19, 1427 BS

Stranded migrant workers' quandary should be resolved quickly

They can't be left high and dry!

IT is a common sight to see our stranded migrant workers agitating on the streets. It is either to demand more flights to get to their workplaces in various countries in the Middle East, or for resuming flights that have remained suspended since the end of March, or to demand to have their visas extended, as we saw on Monday, when several thousand stranded workers waiting to return to Malaysia held demonstrations in front of the foreign ministry demanding that the government take immediate measures to review their visas. There are as many as 25,000 workers who had come back home, either on leave or because of Covid-19, since the outbreak of the pandemic, but could not return to Malaysia after its authorities announced they will not be taking in any foreign workers till the end of this year. Malaysia may have its own compulsions and employ measures as it deems fit to prevent the spread of the virus, but for Bangladeshi workers, their visas are running out and they will lose their jobs if they are not renewed.

One of the sectors hardest hit by the pandemic is overseas employment and expatriate workers. A large number of our ten million expatriates working abroad had to return home to Bangladesh after having their jobs terminated or after being furloughed, which means that while they retain their jobs, they earn nothing during the period of their absence. Many of them returned home without adequate remuneration. At home, most of them were without any work. These are the ones whose problems the government should address urgently.

As for the stranded workers employed in Malaysia, the relevant ministries should ensure that their jobs are not terminated because of expired visas. Covid-19 has imposed on us a *force majeure* on which no party has a hand, but all the parties can work together to reduce the burden of unemployment that our workers are facing. We shouldn't overlook the fact that there are ten million of our nationals working abroad. These workers have added to increased remittance flows that is likely to increase by eight percent by end of 2021. The consequences of them losing their jobs will be grim. We hope our government will be successful in convincing the Malaysian government to consider these factors and extend the visas of these workers so that they may resume their work when Malaysia opens its doors to foreign workers.

Bangladesh crowned champion in global robotics contest

This shows our students have a lot to offer, if given proper support

WE heartily congratulate the team of young innovators who have brought laurels for the country after becoming the champion in the biggest global robotics competition for high-school students titled FIRST Global Challenge, competing against 173 countries. The three-month-long annual contest, styled after the Olympics, was held online this year due to the pandemic. The 10-member Team Bangladesh won 117 points to secure the top position, followed by Chile with 115 points. Last year, in the third edition of this competition, the Bangladesh team stood seventh. In this year's event, the team members, all mentored by the Tech Academy, engaged in social media and technical challenges testing their skills in the fields of robotics and engineering. The gradual progress of our participants through the years indicate their growing skills and familiarity with a global-level challenge, which raises our hopes in the future of our students.

The recognition, however, comes at a time when there are mounting concerns about the future of STEM, which stands for subjects related to the broad categories of science, technology, engineering and mathematics, in Bangladesh. Available studies mapping the trajectories of students show declining interest or involvement in these subjects, especially science. Today, an overwhelming number of students cannot study science, while an increasingly large number are not interested in it at all. While some of the reasons for this may be personal, most are structural.

For instance, according to a report by *The Daily Star* in 2017, many schools and colleges do not even have a science department or club, although all educational institutions have business studies or humanities departments. Of the institutions that have science departments, few have well-equipped laboratories. There is also a huge scarcity of well-trained science teachers and quality textbooks. Schools often impose qualifying marks on students willing to take science after passing grade eight, due to limited seats, which also works as a barrier. These restrictions and resource constraints are responsible for the declining numbers of science students. According to a BANBEIS report in 2015, the number of students studying science at the secondary level reduced at a rate of 48 percent from 1993 to 2015. The rate was 36 percent at the higher secondary level between 1995 and 2015.

We need to change this scenario. We need to make it easy, attractive and even remunerative for students to study STEM and build a career out of it, since an economy cannot progress without a healthy number of graduates leading its innovation landscape. We need qualified teachers and quality textbooks, guided by a modern education policy reflective of the urgency in this regard. We urge the government to take necessary steps in this regard and extend all policy, funding and infrastructural support to remove existing barriers, so our young students can lead the country in the coming days.

Covid-19 and the road to recovery in Bangladesh

Our interventions must tackle poverty, unemployment and inequality



SELIM RAIHAN

COVID-19 has generated hugely distressing effects on the economy of Bangladesh. While there have been some signs of economic recovery, the process of recovering is not uniform across sectors. Also, there are marked differences between economic and social recoveries. When it comes to the question of recovering from the crisis, the dominant discussion in Bangladesh is still on the economic recovery. However, the economic recovery process is not set apart from the social recovery process. There are valid concerns that the recovery processes in the areas of poverty, employment, health and education have become unsettled.

In the case of economic recovery, in recent months there are some positive signs concerning two dominant drivers of growth in Bangladesh—exports and remittances. In the absence of any comprehensive government support during the crisis time, remittances are working as informal social protection for families under distress. This situation is a reflection of the heightened urge to support families at home.

There are some reasons for the remittance surge in recent months. Lockdowns and the downturn of economic activities in the leading remittance-source countries compelled the shifting of the channel of remittances from the informal to formal. Incentives provided by the government helped as well. There are also cases of people losing jobs in the Middle Eastern countries and therefore, sending all their savings back home. However, looking at the current economic situation and the projections of economic growth in countries in the Gulf, Europe and North America, there are concerns about the sustainability of the positive trend in remittances flows in the days to come. In the case of exports, the current positive growth may not sustain as there is a second wave of virus infections in major export destination markets. This situation may affect these already weakened economies further and reduce the demand for our exported items.

When we talk about the recovery, we should keep in mind that the recovery is happening at the cost of an intergenerational trade-off. Recovery can be fast, but the adjustment cost of recovery can be high.

Both remittances and exports generate direct and induced effects on the economy. In the case of exports, the direct effects include foreign exchange earnings, employment generation and profits for the exporting firms. Similarly, the direct effects of remittances are the inflow of foreign exchange and the rise in incomes of remittance recipient households. The induced effects of exports and remittances rely on the strengths of the multiplier effects they have in the economy. Empirical studies have shown that the growth impacts of exports and remittances in Bangladesh come predominantly from these multiplier effects. In this context, one critical concern is that while the direct effects of the positive



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growth in exports and remittances on the economic recovery in recent months might be strong, the induced effects may remain weak for long due to the broken or suppressed supply chains in the economy.

The crisis is still on. The second wave in Europe and North America is on its way. Also, there is a high risk of a second wave in Bangladesh. However, the experiences and learnings gathered so far might help in combatting this. Also, countries may not go for a full scale lockdown this time as they did during the first wave.

If we look at the two crucial components of aggregate demand—consumption and investment—both are still depressed in Bangladesh. As the recovery process is on, consumers are spending mainly on essential items, while the expanded spending on inessential items may remain weak for long. In the case of investments, private investment is showing a slow recovery. The negative growth in imports and low credit growth for the private sector are reflections of depressed private investment.

When we talk about the recovery, we should keep in mind that the recovery is happening at the cost of an intergenerational trade-off. Recovery can be fast, but the adjustment cost of recovery can be high. The adjustment is taking place both at the household and firm levels. Poor people undertake intergenerational adjustments to deal with the crisis when it comes to choosing between current consumption and saving for future consumption or investment. With insufficient government support, poor people are trying to cope with the situation using their own savings, rearranging priorities (i.e. spending less on education, health, entertainment), downward adjustments of daily intake of food, and support from families and friends.

Most of these coping mechanisms, however, require high trade-offs and high opportunity costs. The crisis forces poor households to assign very high weights on their current survival instead of on the human capital development of their families in the future. As a result, these households have to sacrifice prospects for better health, better education and a better life. There will also be a long-term intergenerational effect on the nutritional deficiency of food intake during the crisis period. On top of that, when schools and educational facilities have remained closed for months, it is possible that students

from distressed backgrounds will face a higher burden, and many of them will be out of the education system permanently. All these are restricting strong induced effects of positive growth in exports and remittances from taking place.

At the firm level, the adjustment cost can be high in many manufacturing and services sectors, and in particular for the small and medium-sized enterprises (SMEs). Many SMEs have lost their businesses during the crisis. Given the complexity of receiving loans and other supports through the conventional process, the recovery path for many sectors and SMEs is likely to remain uncertain. The resonant performance of these sectors is critically important for ensuring strong induced effects in the economy out of the positive growth in exports and remittances. However, in the absence of such performance, the recovery of the overall economy will be slow.

The upshots of the above mentioned discussion emphasise on three critical issues for the path to recovery in Bangladesh.

First, the availability of an effective vaccine and mass vaccination is critical for sustained recovery. While we wait for the availability of an effective vaccine, there is a need for developing proper infrastructure and ensuring the required human resources for the mass vaccination of people. At the same time, the enforcement of the rules and regulations related to hygiene practices is vital.

Second, the current discussion on recovery needs to change its focus from the narrow GDP growth rate to broader development issues—poverty, employment and inequality. The economic and social recovery of the country will be weak and fragile if the recovery process doesn't effectively address these three critical development challenges.

Third, an assessment is needed to understand the challenges and constraints in implementing the stimulus packages. As many affected sectors/firms are yet to receive the benefits of the stimulus packages, such an assessment can help in re-designing and re-targeting the stimulus packages.

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Postponing COP26 cannot postpone climate action



SALEEMUL HUQ

THE 26th annual Conference of Parties (COP26) of the United Nations Framework Convention on Climate Change (UNFCCC) was supposed to have been held this week in Glasgow, Scotland under

the chairmanship of the government of the United Kingdom. It has now been postponed until November 2021 due to the Covid-19 pandemic, but it is very important that actions to tackle climate change are not postponed as well. The UNFCCC is holding a number of online events during this month to maintain the momentum.

There are two deadlines to be considered here. The first is that of December 31, 2020 which was agreed upon during the Paris Agreement on Climate Change, achieved in COP21 in 2015. At the time, it was agreed that every country would submit their revised Nationally Determined Contribution (NDC) reports on how they planned to reduce their emissions of greenhouse gases by the end of 2020. Only a very few countries have done so yet and it is important that they all do so before midnight on December 31. The Climate Vulnerable Forum (CVF), which consists of nearly 50 vulnerable developing countries currently under the leadership of Prime Minister Sheikh Hasina of Bangladesh, has launched a campaign for all countries to submit their respective plans in time, even though their emissions are very small compared to other countries. Nevertheless, they are taking the moral leadership on this issue.

The second promise that is supposed to be delivered by December 31, 2020 is climate change finance from developed

countries to developing countries to tackle climate impacts, amounting to USD 100 billion. So far, it is very unclear how much will be delivered by the deadline. Hence, it is important that the developed countries that made this promise deliver it in a clear and visible manner and not try to hide and double count funds that are allocated for development purposes rather than for tackling climate change.

At the same time, developing countries have further demanded that at least half of that amount be allocated to support adaptation in the most vulnerable developing countries—at the moment,

in November 2021. The first item to be discussed is how rapidly every country can take its emissions trajectory down to zero emissions. The good news is that many countries have started setting target years to achieve zero emissions, aiming for 2060, 2050 or even 2040 and 2030. The sooner they achieve it, the better. The CVF countries have agreed to switch to 100 percent renewable energy by 2050, and China has already agreed to achieve net zero emissions by 2060, which is a major step forward. All other countries need to set their target year to achieve zero emissions.



Greenpeace activists ask for concrete climate change resolutions in 2019 at Amsterdam.

PHOTO: REUTERS

only 20 percent is going to adaptation. It is again unclear if this demand is likely to be met.

Hence, the deadline of December 31, 2020 is when all countries have to submit their respective NDCs and the developed countries have to deliver USD 100 billion to the developing countries to tackle climate change.

During 2021, there are a number of other targets that must be achieved before arriving in Glasgow for COP26

As all countries aim to meet their mitigation goals by setting the target year to achieve zero emissions, they also have to agree to a similar global goal on adaptation. This has not yet been done since adaptation is so location specific that agreeing on an aggregated global goal is more difficult than for mitigation. Nevertheless, a global goal such as achieving zero vulnerability may be something that the CVF countries can advocate for before COP26 and get other

countries to agree on at COP26. This would indeed be a major breakthrough.

Finally, the most important issue that has emerged in 2020 is the fact that the adverse impacts of climate change, which are scientifically attributable to human induced climate change, are now occurring around the world. From super cyclone Amphan that hit Bangladesh in May and super typhoon Goni hitting the Philippines this week, to the wildfires in California and successive hurricanes in the Caribbean sea and Gulf of Mexico—all of these point to the fact that we have crossed the threshold of human induced climate change impacts and now have to reckon with the loss and damage that is being caused.

At COP25 in Madrid last year, the vulnerable developing countries argued for innovative finance to fund loss and damage but were defeated, even after the conference was extended for two extra days.

Going into COP26, this issue can no longer be blocked by the developed countries as they have done successfully so far. They have only been willing to discuss insurance as a vehicle to finance loss and damage, but that is no longer enough. At least some of the developed countries have to come forward to offer some form of innovative finance for loss and damage beyond insurance.

It is the responsibility of the United Kingdom as the host of COP26 to persuade some other developed countries to work with the CVF countries under the leadership of Bangladesh to offer such a way forward to finance loss and damage beyond insurance. If we are unable to resolve this issue, it will result in COP26 being declared a complete failure by the vulnerable developing countries. The delaying of COP26 by a year thus presents an unexpected opportunity for the UK's COP26 presidency to be proactive and resolve this issue, even before November, if possible. Failure to do so will put COP26 at risk.

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