

## Laudable progress in graduating out of LDC status

*But the govt must formulate strategy to address future implications*

IT is no doubt laudable that Bangladesh has met all three of the criteria—Gross National Income (GNI) per capita, Human Assets Index (HAI) and Economic Vulnerability Index (EVI)—for graduating to a developing country from a least developed one ahead of the second assessment of its performance by the UN Committee for Development Policy's (CPD) next year. Bangladesh has performed considerably better in terms of GNI and HAI than it did in 2018, and although its position in the third criterion fell, its score is still well above the required threshold.

While these numbers are a testament to Bangladesh's consistency of performance, it should be remembered that the data was collected from March 2018 to April 2020, which means that the unexpected impact of Covid-19 on the economy has not been registered. If and when Bangladesh does graduate out of LDC status, it must be prepared to tackle the repercussions of LDC graduation, including preferential market access for goods (DFQF facility), preferential treatment for services and service supplies, special treatment regarding obligations and flexibilities under WTO rules, subsidies in the agriculture sector, relief on intellectual property rights and scholarships and other forms of financial support for education and research. The benefits it previously enjoyed from various multinational and donor organisations will also be reduced.

The government must, without delay, assess the implications of a pending LDC graduation in light of the unanticipated shock due to the pandemic and take strategic measures to ensure that the country continues on its development trajectory. It must formulate a comprehensive policy framework addressing the possible challenges that the country is likely to face in the lead up to and following the LDC graduation, engaging with various stakeholders nationally, regionally and internationally. The government has reportedly requested the CPD to extend duty-free export facilities and other benefits for Bangladesh till 2030 and is in talks with international bodies for export duty waivers on its products. It must continue these negotiations and also engage with other important trade and development partners for extended transition periods.

## Drug rehabilitation centres need major overhauling

*Patients need to be treated with compassion, care*

A report published in *The Daily Star* yesterday revealed a shocking picture of our rehabilitation centres where patients are treated more like "criminals" rather than with care and compassion. According to a patient who had been admitted to the rehabilitation centres in Dhaka and Gazipur several times, "beating, punching and being left to starve as punishment or giving sleeping pills are the ways of treatment in the rehabs." He said that the inhumane treatment in the centres left a deep scar on his mind and that he still has nightmares. Our reporter spoke to 10 such people who were admitted to rehabs and all of them said they had a similar experience.

What is even more worrying are the reports of deaths at the rehabilitation centres. In the last three years, at least 17 bodies have been recovered from rehabilitation centres across the country, according to police data. The recent death of Anisul Karim Shipon, a senior assistant superintendent of Police, at the Mind Aid Hospital, has brought the issue of mistreatment and torture to the fore. Video footage of the incident showed some staff of the centre pinning him down and beating him up until his body became motionless.

According to the Department of Narcotics Control (DNC), there are 351 residential rehabilitation centres across the country, of which 105 are in the Dhaka metropolitan area. Apart from them, there are many more rehabs that are running without licenses. They do not have trained doctors and nurses despite a gazette notification by the home ministry on July 2, 2005 making it mandatory for the centres to have full-time doctors, psychiatrists, and trained nurses. The result is that, rather than helping the patients to overcome drug addiction, they are causing them more stress and mental trauma.

This culture of abuse and mistreatment at rehabs must come to an end. The DNC needs to have a monitoring mechanism in place so they know exactly what is happening inside these centres. A rehabilitation centre must have a psychiatrist, a clinical physiologist, counsellors and other health workers, and there should also be enough space for patients to do physical activities, according to DNC guidelines. The rehabs that are not complying with the guidelines should be closed immediately. Moreover, people's perception about drug addiction must change; we need to understand that drug addiction is a psychiatric disorder, not a crime.

## LETTERS TO THE EDITOR

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### Two disease outbreaks would be disastrous

As the country tries to prevent a second wave of Covid-19 in winter, in the absence of enough anti-mosquito drives, Aedes population in the capital could go up. Last year's dengue outbreak was unprecedented—101,354 dengue cases were reported out of which 49,544 were outside Dhaka.

Eliminating mosquitoes before the problem gets out of hand is very important. If the authorities concerned fail to take urgent steps to control Aedes mosquitoes, the city may witness a surge in dengue outbreak, which would be even more dangerous amid this ongoing coronavirus pandemic.

Md Zillur Rahaman, Dhaka

# Covid vaccines again expose global inequity



KAMAL AHMED

EACH time we learn about a potential Covid vaccine, there is jubilation throughout the globe. Perhaps, the most widely and closely tracked things in the world now are the most promising vaccines. Though

the Oxford-led consortium had an early advantage in the race to finding an effective vaccine for convenient mass-immunisation, now it seems that Pfizer and Moderna have overtaken them. Whoever succeeds in the race deserves our appreciation and support. Accordingly, both Pfizer and Moderna have received global plaudit. There are about a dozen potential vaccines in the final stages of testing, known as phase three. But, the initial euphoria over Pfizer and Moderna's success is unlikely to last long, particularly in the developing world. Until and unless we hear about other potential vaccines succeeding, a grim future awaits billions of people.

Vaccines developed by both Pfizer and Moderna have been described as game changers. Trial data released by Pfizer shows that the vaccine works well among the over-65-years age group of the population having weaker immune system. Another encouraging thing is the claim made by both of them that there have been no serious safety concerns. Based on the results of trials both of these companies have claimed 95 percent efficacy of their vaccines. Russia has also reported 95 percent efficacy of its vaccine Sputnik, but apparently, western experts are yet to be fully convinced.

Many immunologists, however, have reminded us that "efficacy" means the performance of an intervention under ideal and controlled circumstances and does not necessarily mean "effectiveness", which describes performance under real-world conditions. Both Pfizer and Moderna vaccines are based on experimental technology that's never

been approved before, and therefore, regulatory approval may still require some time. Authorisation for its emergency use, however, is expected in the United States within weeks.

In fact, a leading rights group, the Global Justice says that "Moderna's interest in releasing this data could be more about boosting stock prices than giving a clear picture of this vaccine's usefulness." The group referred to Moderna's other bid earlier this year

countries as it requires a maintenance temperature below 80 degree Celsius. Pfizer is promising only 50 million doses by the end of the year and it's a two-shot vaccine. It hopes to produce one billion doses in 2021 which is dependent on the success of building a cold chain. There are not many cargo carriers, particularly aircrafts, which are capable of carrying millions of vaccine vials safely to various countries. Moderna, however, says its product requires only minus 20 degree

pandemic, as happened during the procurement of testing kits and PPEs.

Moderna has the capacity to produce 1 billion doses of the vaccine in one year, but 78 percent of those have already been bought by richer countries. As a recipient of government funding to the tune of one billion dollar it is assumed that the United States will be the first to receive its first 100 million doses. In its deal the US has kept an option for buying another 500 million doses from Moderna. Moderna has indicated that its vaccine is likely to be priced at USD 35 per dose, which is almost 10 times costlier than the projected price of Oxford backed AstraZeneca vaccine. The United Nations backed project COVAX to assist low and middle income countries is also banking on the AstraZeneca vaccine whose trial data is expected soon. Oxford scientists have made it clear that they are not in a race to release their vaccine before Christmas.

Therefore, it is difficult for countries like Bangladesh to celebrate the success achieved by both Pfizer and Moderna. However, Moderna has promised not to enforce patents during the pandemic. It enables us to explore whether manufacturing this vaccine in Bangladesh is possible. It can be noted here that Bangladesh had mooted the idea of manufacturing vaccines under licensing arrangements in the last Trade and Investment Cooperation Forum Agreement (TICFA) meeting held in August. Now is the time to pursue it seriously.

It would also be wiser to explore possibilities of partnering with other vaccine developers. Covid-19 is here to stay and scientists suggest vaccination could be an annual exercise like other flu jabs. The latest initiative by BSMU to participate in the trial of Sanofi-GSK vaccine is a welcome move. Hopefully this initiative will not face the fate of Chinese Cinovac and make manufacturing collaboration with local pharmaceutical companies possible.

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A picture taken on October 9, 2020 shows a dose of Sinovac Biotech potential vaccine against Covid-19 during the 3rd phase trials at the Acibadem Hospital in Istanbul.

PHOTO: AFP

when it made "another very incomplete media release" that some of the company's executives were accused of cashing in on. Pfizer CEO's stock selling following their trial success was also in the news, though he had denied any wrongdoing by saying the sell order was issued prior to the trial results.

Initial jubilation in stock markets over Pfizer-BioNtech's vaccine, however, seems to have evaporated soon following the markets' realisation that its distribution poses a huge challenge even for the richer

Celsius.

The most crucial thing, however, is the rise of vaccine nationalism. It seems no one is willing to pay heed to the UN Secretary General's warning that "no one is safe until everyone is safe". Question of equitable sharing of a global good has been totally ignored by the richer countries and most of the first batches have already been swooped on by them. Unfortunately, the world is witnessing once again the power of money working against the disadvantaged during the

# How to bring price stability in the market



NAWSHAD AHMED

A common question is how and by whom are prices fixed in the market? The question arises because every now and then the price of one essential consumer item or the other goes up without our notice. The price

is supposed to be established by the "invisible hand", a metaphor used by the renowned 18th century economist Adam Smith, which is the unobservable market force that determines the price of a commodity in a free market.

We need to explore the factors that act behind this invisible hand so that practical steps can be taken to avoid ups and downs occurring in the market. Also, it is important to look for both short and long-term factors behind the abnormal fluctuations in market price. We often overlook the long-term factors and take action based on immediate factors.

For example, when the price of onion went up recently, we read in the newspapers that India had to stop exporting onion to Bangladesh because of supply constraint and that is the reason for the skyrocketing of onion price here. The traders took this opportunity and immediately doubled the price. This is beyond any plausible market theory that explains such behaviour by traders. The shortage does not occur overnight but the wholesalers and retailers create an artificial crisis and raise prices to ensure huge gains for themselves. The Consumer Association of Bangladesh did not find any good reason for promptly raising the price by traders. The government acted upon the situation—it started selling onion, lentil, sugar and soybean oil through Trading Corporation of Bangladesh from early September and issued stern warning against hoarding of the commodities. But the price did not go down since the wholesale and retail traders noticed global shortages of these products and rising international prices, and continued to exploit the situation.

Despite low aggregate demand in the Bangladesh economy due to Covid-19 for the last seven months, the price level of most manufacturing products either remained the same or went down slightly, but ironically, most food items registered an increase in price. Due to drastic fall in employment and concurrent reduction of purchasing power among the poorest people, the government undertook the well-known stimulus packages to boost demand. This resulted in a stable price regime for most agricultural and farm products except fisheries and dairy products whose demand went down. The

price of rice kept rising despite a bumper harvest of boro paddy in the country. The boro rice production reached an all-time high at 20.03 million tonnes in 2020 against 19.57 million tonnes in 2019. Despite achieving national self-sufficiency in food grain production through the use of high-yielding seed and appropriate technology, the food price still remains high in the country. As per the Bangladesh Bureau of Statistics, the rate of inflation in September was 5.97 percent.

Rice is a food item with a long shelf life and so can be stocked and the price can potentially be manipulated. There are about 800 semi-automatic and automatic rice mills operating in the country which can possibly act in unison and keep the mill gate price high, although no formal or informal syndicates have been unearthed by the government. But rise of vegetable prices is a different story. Severe flooding in the northern districts affected the products and is responsible for rise in vegetable prices.

adding all their respective costs to come up with the final unit price.

Although the government's policy is to rely on the private sector for production, transportation and marketing of food grains, the Ministry of Food needs to act prudently whenever necessary. To keep prices stable, the government should increase procurement of rice and build up stock, to help direct producers to receive fair prices on the one hand, and on the other, undertake more open market sales, target food distribution to



The Directorate of National Consumer Rights Protection (DNCRP) analyses price rises and recommends to the Ministry of Food and Ministry of Commerce necessary measures to ease the price level. The DNCRP was founded in 2009 through the Consumer Rights Protection Act, 2009. As per DNCRP, factors that are behind the increase in price are increase in transport costs, huge purchase of paddy by rice millers from the farmers in the expectation of future profits, and large-scale purchase of rice by NGOs and voluntary organisations for distribution among Covid-19 affected people. The government procured only 0.23 million tonnes of paddy and rice against its target of 1.95 million tonnes this year.

Experience shows that if high price of a product sustains for a few weeks, consumers get used to paying this new price. For essential food items, poor people have no choice other than paying the high price but, of course, by cutting consumption of other items. The poorest and marginalised households are worst affected by such abrupt price rises which often sustains for months together.

To achieve a low-price regime, interaction between ultimate buyers and sellers of a product is crucial and elimination of as many layers of intermediaries as possible is desirable. We generally characterise Bangladesh as a seller's market since producers, collectors, transporters, wholesalers and retailers determine the ultimate consumer price by

poor households, and provide emergency relief after natural disasters. We have to remember that many developed countries also intervene in the agricultural sector to maintain stable production and price levels. To keep food prices stable, the Ministry of Agriculture should monitor timely supply of fertiliser, seed and pesticide to farmers, and ensure low cost of irrigation through subsidised electricity supply. The government's Local Government Division should work with the Union Parishads and Paurashavas to create permanent databases of poor families so that these families can be targeted for distribution of food and cash assistance, as and when needed.

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