

Increasing remittance from Non-Resident Bangladeshis

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OVER the past few decades, remittances from non-residents (NR) have become an increasingly important source of external funding for many developing nations, including Bangladesh. While migrants have always been sending money home to their families, only recently has this remittance begun to play an important role in the economies of these countries, and scholars have begun to pay attention. Numerous issues relevant to NR remittance, such as the process of remittance, its influence and effects on national economy, skills-building institutions for increased remittance, etc. deserve close attention.

This article explores some figures on international remittances, identifies the relative importance of NR remittances on Bangladesh's national economy, and examines specific ways to improve these remittances to promote economic and social growth. We also wish to explore the effects of remittance on our national economy and potential for economic and social growth, how, and what kind of, skills-development institutions should be built, and which countries should we try to send our workforce to if Bangladesh wants to increase the volume of remittance.

A. International and non-resident remittance.

It is often difficult to get accurate data on remittances since a good amount of it is sent via informal routes, such as through mail, or through a friend and/or a family member. The official data is quite encouraging for the developing nations. The table below gives an overview of the remittances to all developed nations, and to Indonesia, Thailand, Bangladesh and India.

Remittances of selected countries, 1995-2007: In billions of dollars

Year	Developing nations	Indonesia	Thailand	India	Bangladesh
1995	\$67.8	\$6	\$7	\$6.2	\$1.1
2001	\$96.5	\$1.0	\$1.2	\$14.2	\$2.1
2005	\$167	\$5.4	\$1.6	\$18.7	\$4.3
2006	\$207	\$5.7	\$1.1	\$21.3	\$5.4
2007	\$240	\$6.0	\$1.3	\$25.4	\$6.4

Source: World Bank

As we can see in the Table above, the remittance from non-resident Bangladeshis (NRBs) has seen phenomenal growth; in the last 12 years, it has grown almost six times, from \$1.1 billion to \$6.4 billion. While Thailand's growth remained minimal during these years, all three other countries have gone through remarkable growth; Indian remittance grew almost four times, and while less than India in volume, and far less

than India in gross volume, the growth of remittance in Indonesia and Bangladesh has been almost six-fold. According to the World Bank, in 2001 NRB remittance was around 2% of Bangladesh's national GDP; in 2007, it stood at an impressive 8.8%. In comparison, remittance in Indonesia, Thailand and India stand at 0.6%, 1% and 2.8% respectively.

In 2001, the top ten countries where the remittances came from were the following, with the

amounts noted in billions: United States (\$28.4), Kingdom of Saudi Arabia (\$15.1), Germany (\$8.2), Belgium (\$8.1), Switzerland (\$8.1), France (\$3.9), Luxembourg (\$3.1), Israel (\$3.0), Italy (\$2.6) and Japan (\$2.3). Kuwait, Oman, Bahrain -- where NRBs reside in substantial numbers -- fall to 12th, 13th and 15th places, respectively. During that same year, the top ten developing nations which received remittances were the following:

India (\$10.0), Mexico (\$9.9), Philippines (\$6.4), Morocco (\$3.3), Egypt (\$2.9), Turkey (\$2.8), Lebanon (\$2.3), Bangladesh (\$2.1), Jordan (\$2.0), and Dominican Republic (\$2.0).

These numbers have led the analysts to conclude that the growth of money sent from abroad has exceeded the development assistance provided by the foreign governments and private capital flows. The implication of this phenomenon is enormous; if the remittances can be harnessed to grow at this rate, individual governments may not have to be dependent on foreign aid! The analysts have also established that these remittances now account for almost a third of global external finance. Furthermore, the real figures of remittances are considered to be considerably higher than the numbers mentioned above, since a large amount is delivered through informal channels.

For Bangladesh, it is more important to recognise that remittances can dramatically increase the national gross domestic product (GDP) by a significant percentage and, hence, will play a vital role in shaping the economic progress of the nation. In numerous countries around the world remittances constitute a large percentage of national GDP. According to IMF Yearbook, in 2001 remittances from the non-residents of

Tonga, Lesotho, Jordan, Albania and Nicaragua constituted 37.3%, 26.5%, 22.8%, 17.0% and 16.1% of their national GDPs respectively. And, The World Bank data suggests that in 2004, remittances accounted for approximately 31%, 25%, and 12% of GDP in Tonga, Haiti, and Nicaragua.

B. Ways to increase the flow of remittance.

Based on the numbers above, it is conceivable that Bangladesh can increase its remittances as well. While the NRB remittances will reach, at the current rate of growth to an approximately \$10-12 billion dollars a year by the year 2012, the government can play a pro-active role to accelerate this growth in a number of ways. Analysts suggest that with appropriate measures taken, the remittances can grow substantially higher than what they are now.

In order to achieve the goal of increasing remittances, the government will have to tackle 4 major management tasks: (1) Increase the number of people working in the countries where most of the remittances come from; (2) Build skills-building institutions, train and send skilled workers to earn, sometimes, two to three times more than the unskilled work-force; (3) Create and increase a desire among the NRBs to send money

home; and, (4) Create sufficient, capable and, most importantly, reliable infrastructure to facilitate remittance.

In an article titled "Promoting NRB Investment," (in The Daily Star, February 25), the author Mr. Dewan Sadek Afzal, hit the nail on the head. The government needs to create an NRB secretariat to look into the issue, learn from those who already have the experience (e.g. India) and from the NRBs on the ground, formulate policies, and create a mechanism to help accomplish the dream of the NRBs. However, this is only one part of the whole picture; the government must also create the infrastructure to send larger numbers of skilled workers abroad and allow them to send larger amounts of money home, using cheap, easy, quick and reliable methods.

Given the significant benefits of improving the efficiency of the remittance system, a governmental forum (consisting of Canada, France, Italy, Japan, Russia, the US, and the UK), in cooperation with the World Bank, came up with a set of recommendations published in a report titled "General Principles of International Remittance Services." This document provides a set of security measures, and some excellent recommendations to improve banking and other issues. However, the following are some

important and immediate recommendations the government can begin to work on:

(1) **Reduce remittance costs:** Cost is a significant factor for small, individual transfers. The IDB estimated that the total cost of sending money to Latin America and the Caribbean amounted to almost \$4 billion in 2002, approximately 12.5% of the total remittances to the region! The World Bank also noted that reducing costs allows the remitters to have more disposable income, resulting in more remittances;

(2) **Establish as many remittance centers as possible:** Set up remittance points at as many places as possible, with employees speaking the language of the remitters. Often, because of the language barrier, workers do not use the official channels; make it simple, quick and welcoming for those who want to send money;

(3) **Negotiate with the governments of the countries:** This will help to increase the volume of money that can be sent legally; alternatively, negotiate for more frequent legal remittances.

(4) **Establish faster and safer methods of transferring money to the recipients:** Often, the long delays in receiving the money, perhaps because of the local postmaster's negligence, the distance to the local banks, insecurity of traveling with money,

etc. discourage remitters from sending money through legal channels, and the government loses the opportunity to use valuable foreign currency. The government needs to eliminate these obstacles, real or imaginary, as soon as possible by establishing centers with prompt and safe services.

The World Bank and IMF have reported that the efforts to reduce remittance costs through creating competition have paid off, and the cost has declined considerably for many countries. For example, in US-Mexico corridor, in 1991 the cost of sending \$300 from the US to Mexico was \$26; in 2005, it dropped to \$11! These institutions are hoping to report that the reduced cost as well as efficient and safe transfer of money will result in a much larger volume of remittance. Bangladesh can easily follow this path, and, with other measures taken, hopefully the remittances in the coming years will be far more encouraging!

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Genocide in Afghanistan?

In almost all Nato nations, the Taliban have been completely dehumanised -- a historically tested signal that perpetrators of the crime of genocide carry unmitigated intentions to eradicate the dehumanised group. Politicians, the armed forces, the media, and even the general public in the West associate the Taliban with irrational fanatics, intolerant fundamentalists, brutal assassins, be-headers of women, bearded extremists, and terrorists.



We are not the Taliban!

LIAQUAT ALI KHAN

LOGANEERS, propagandists and politicians often use the word "genocide" in ways that the law does not permit. But rarely is the crime of genocide invoked when Western militaries murder Muslim

groups. This essay argues that the internationally recognised crime of genocide applies to the intentional killings that Nato troops commit on a weekly basis in the poor villages and remote mountains of Afghanistan to destroy the Taliban, a puritanical Islamic group.

Nato combat troops bombard and kill people in Taliban enclaves and meeting places. They also murder defenceless Afghan civilians. The dehumanised label of "Taliban" is used to cloak the nameless victims of Nato operations. Some political opposition to this

practice is building in Nato countries, such as Canada, where calls are heard to withdraw troops from Afghanistan or divert them to non-combat tasks.

Dehumanisation

In almost all Nato nations, the Taliban have been completely dehumanised -- a historically tested signal that perpetrators of the crime of genocide carry unmitigated intentions to eradicate the dehumanised group. Politicians, the armed forces, the media, and even the general public in the West associate the Taliban with irrational fanatics, intolerant fundamentalists, brutal assassins, be-headers of women, bearded extremists, and terrorists.

This lustrous negativity paves the way for aggression, military operations, and genocide. Promoting the predatory doctrine of collective self-defence, killing the Taliban is celebrated as a legal virtue. To leave the Taliban in control of Afghanistan, says Nato, is to leave a haven for terrorism.

A similar dehumanisation took place in the 16th and 17th centuries, when Nato precursors occupied the Americas to purloin land and resources. The killing of native inhabitants was extensive and heartless. Thomas Jefferson, the noble author of the Declaration of Independence, labeled Indians as "merciless savages." President Andrew Jackson pontificated: "What good man would prefer a country covered with forests and ranged by a few thousand savages to our extensive Republic, studded with cities, towns, and prosperous farms."

Promoting the predatory doctrine of discovery, the United States Supreme Court later ratified the pilgrims' crimes, holding that "discovery gave an exclusive right to extinguish the Indian title (to land). The Indians were fierce savages... To leave them in possession of their country was to leave the country a wilderness."

The predators have not changed their stripes a bit. They come, they demonise, they obliterate. They do all this in the name of superior civilisation.

The facts

The Nato website lists its killings in Afghanistan. These killings are also reported in the world media, often with a shameless tone of gratitude, as if Nato forces are engaged in wiping out cannibals. In 2007 alone, Nato helicopters and precision guided munitions bombed and killed over six thousand "Taliban."

Read the following about the recent attacks, which Nato itself reports, and smell the scent of genocide: On January 19, Nato launched a preemptive strike relying on "credible intelligence" that the Taliban were planning to mass on a Nato base. The attack killed two dozen "insurgents" in the Watapor District of Kunar Province, though the exact number of casualties could not be confirmed because of the rough mountainous region. The world media reported that numerous civilians were killed and 25 bodies were buried in just one mass grave.

On January 12, Nato forces conducted what it calls a "precise strike" on a compound in Kapisa Province targeting Taliban leaders. Nato claimed that the civilians were cleared from the compound before

the attack. The claim is absurd because any removal of civilians from the compound would have alerted the battle-hardened Taliban that an enemy attack was imminent.

On September 20, 2007, Nato forces launched "Operation Palk Wahel" to kill and remove the Taliban from an area in the Upper Gereshk Valley. Numerous civilians were killed. The evidence of the genocide was so obvious that Nato admitted that it "was unaware of civilians in the vicinity of the target and unfortunately it appears that a number of non-combatants were caught in the attack and killed."

The law

The Convention on the Prevention and Punishment of the Crime of Genocide (entered into force, 1951) is binding on all states, including the 26 member states of Nato. The Genocide Convention is a law from which no derogation is allowed. It provides no exceptions for any nation or any organisation of nations, such as the United Nations or Nato, to commit genocide. Nor does the Convention allow any exceptions to genocide "whether committed in time of peace or in time of war." Even traditional self-defence -- let alone pre-emptive self-defence, a deceptive name for aggression -- cannot be invoked to justify or excuse the crime of genocide.

In murdering the Taliban, Nato armed forces systematically practice on a continual basis the crime of genocide that consists of three constituent elements -- act, intent to destroy, and religious group. The crime, as defined in the Convention, is analysed below:

Act: The Convention lists five

acts, each of which qualifies as genocide. Nato forces in Afghanistan are committing three of the five acts. They are killing members of the Taliban. They are causing serious bodily harm to members of the Taliban. They are deliberately inflicting on the Taliban conditions of life calculated to bring about their physical destruction in whole or in part. Any of these three acts, committed once, constitutes the crime of genocide. Nato combat troops have been committing, and continue to commit, these acts through multiple means and weapons.

Intent to destroy: The crime of genocide is a crime of intent. It must be shown that Nato combat troops and the high command ordering these troops have the requisite intent to destroy the Taliban. Mere negligent killings do not qualify as genocide. The statements of Nato's Secretary-General Jaap de Hoop Scheffer and those of Nato spokesmen leave no doubt that the Nato conducts military operations to "hunt and destroy" the Taliban.

Pre-emptive strikes to kill the Taliban are sufficient proof that Nato troops and commanding generals have specific intent to destroy as many Taliban members as they can find. The weekly murderous planning and intelligence gathering to locate and eliminate the Taliban leaders and members further demonstrate that the killings in Afghanistan are not negligent, accidental, or by mistake. For all legal purposes, Nato's incessant and deliberate killings of the Taliban are powered with the specific intent to destroy a religious group.

Religious group: The Genocide Convention is far from universal in that it does not protect all groups from genocide. Its protection covers only four groups: national, ethnic, racial and religious. (Political groups are not protected.) The Convention does not require the complete eradication of a protected group as a necessary condition for the crime of genocide. Even part destruction of a protected group constitutes the crime.

It is no secret that the Taliban are a religious group. (They may also qualify as a national (Afghan) or ethnic (Pushtun) group.) The Taliban advocate and practice a puritanical version of Islam. The Convention does not demand that the protected group advocate and practice a form of religion acceptable to the West or the world.

The questionable beliefs and practices of a religious group are no reasons to destroy the group. That the Taliban are armed or support terrorism or oppress women are unlawful excuses to commit genocide. (All the reasons that Hitler had to murder Jews would be simply irrelevant under the Convention.)

The holding

It may, therefore, be safely concluded that Nato combat troops and Nato commanders are engaged in murdering the Taliban, a protected group under the Genocide Convention, with the specific intent to physically and mentally destroy the group in whole or in part. This is the crime of genocide.

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Feasibility of metro rail for Dhaka

Once the metro is introduced, traffic congestion would be drastically reduced and traffic load would be diverted to the underground. People will be able to travel from anywhere to anywhere else in the DMP area by subway, without using any other transport.

SHAFIQU ALAM

THE platform should be set before starting a mega project like underground metro rail, that means a feasibility study should be carried out. What is the meaning of the term "feasibility," and when is this study undertaken?

The feasibility of a project like an underground subway means --

- Finding the best option out of the possible alternatives
- Cost of the complete set-up
- Passenger servicing capacity
- Affordability
- Coverage of the metro network
- Effect on traffic congestion after introduction of metro
- Return of money and no subsidy from government
- Environmental impact
- Sustainability of such a project
- Future expansion
- Effect on the city after the project
- Methodology of construction and

its significance, considering the economy

- Economic gain after such a project
- Track record in the other countries

To find out the possible alternatives, we have to understand why traffic congestion takes place. The causes are: (1) Dense population. (2) Lack of roads, and (3) Mixed traffic.

The possible solutions to these problems are mass transit & elevated expressway.

Mass transit is of two types, one is the heavy metro (underground metro) and the other one is the light metro (LRT: sky train/mono rail).

Considering the population and growth rate, we have to focus on the passenger carrying capacity and speed, which are much higher in the case of underground metro than in the LRT. An elevated expressway for BRT was also an alternative, but speed and passenger carrying capacity are about 5-6 times less

than metro rail.

Again, we cannot increase the area of the roads to 25-30% from the present 7% by constructing expressways above all the roads. That is why an underground metro is the most feasible option.

The metro fare should be just like bus fare considering the economic condition of the people. People of all classes will be able to use metro.

For expressways, one will have to pay additional toll with fare, which will be a burden. Normally, expressways are used for the highway buses to move from one end of the city to the other.

80% of the city dwellers would get a metro station within one km or less distance, all the city entry points will be connected to this network, and all the busiest areas will be covered.

Once the metro is introduced, traffic congestion would be drastically reduced and traffic load would be diverted to the underground.

People will be able to travel from anywhere to anywhere else in the DMP area by subway, without using any other transport.

Environmental impact is a matter of great concern because the present transport system causes heavy pollution (emissions from the mechanised vehicles have made the environment toxic, hot and humid). In contrast to this, an underground metro is totally free from emission. Hence, the environment will become human-friendly day-by-day.

Sustainability and future expansion are two important points. Considering earthquakes, cyclones etc., an underground metro is the most feasible solution for mitigating traffic congestion, because subway tunnels can withstand vibration in the magnitude of Richter scale 9.2 due to sand cushioning.

Future expansion is possible here because we see that 6 metro lines cross a single station in Paris and London, and more than one station in many cities, which is absolutely impossible for mono rail, sky train or expressways.

Internal Rate of Return (IRR) is above the standard value for private infrastructure project; hence, no subsidy is required from the govern-

ment, whereas IRR is negative for mono, sky- and expressways.

Both Cut and Cover (CC) and Tunnel Boring Machine (TBM) methods are used for the construction of tunnels. TBM is very slow, and costlier (4-5 times) than (CC). If we use TBM, we have to use cut and cover for the stations, that is another drawback of TBM. The selection of the construction method depends on the soil condition, economic condition and depth. As there is always a chance for future expansion, we must use the shallow depth, keeping the provision for future expansion. India has used (CC), and will use TBM for going under the Ganga river. Our soil is suitable for (CC).

Underground Metro Rail has a proven track record of 150 years, and most of the densely populated cities are using this environment friendly transport. When the first network beneath the surface becomes saturated, they go beneath the first one, and so on. When there is no chance of further going underground, then the space above the surface can be used.

The effect will be visible when the metro goes into operation... no congestion, no emission, integrated security, and special amenities with

better aesthetics.

Feasibility study reports should be considered before tender. In a private infrastructure project, the investor studies the feasibility of the project before participating in the

bidding. And the investor would complete the final portion at his own cost after the LOI.

Finally a request to all -- please don't compare Dhaka with New York, because of the economy and

percentage of roads, and because they are a developed city for many years... we can compare our condition with that of Kolkata's.

Engineer Shafiqul Alam is a freelance contributor to The Daily Star.



Go underground to avoid this!