



BUDGET 2014-15

A few conceptual notes

BIRU PAKSHA PAUL

THE budget of 2014-15 has been a big surprise to many quarters, including the World Bank and the IMF, who thought that Bangladesh would plunge into a poor growth puddle due to political turmoil. If any foreigner had stayed in Dhaka in October to December of 2013, he would have seen how political parties repressed citizens' basic rights.

The Bangladesh economy proved its resilience once again. Achieving 6% growth along with 7% inflation is no mean feat when India is floundering in 5% growth. Pakistan's case is even worse. If the government can induce investment and the opposition parties give up *hartals*, attaining 7% growth won't be miraculous. This writing, however, intends to address some technical or conceptual issues which can be corrected next time:

Deficit: The term, 'budget deficit,' as shown in Tables 1 and 3 (in the budget document) is technically faulty. The right term should be 'budget balance' because the numbers -- such as Tk. 67, 557 crore, or 5% of GDP -- are already negative. Also, 'budget deficit' is itself a negative notion. As a result, when a negative number appears against budget deficit, it makes us think of the amount as *budget surplus* -- which is not the case. Let the number be negative against *budget balance* in the accounting table. The finance minister can explain it as *budget deficit* in the speech.

Non-development: The term 'non-development expenditure' is inappropriate. It should be replaced with a term like 'fiscal expenditure' or 'public expenses.' The word, non-development, does injustice to modern development economics when it sits before 'expenditure.' A lot more unpalatable is the case when 'non-development' lies before 'capital expenditure.' It does not convince us that capital expenditure is guaranteed to be non-developmental. Many things outside the annual development programme can be developmental too. Development does not mean investing only on, say, roads and highways. Helping institutions or facilitating our cultural life is also developmental. If a good pay can improve someone's health and thus productivity, we can still call it 'revenue expenditure,' but no one should brand it as 'non-developmental.' Revenue and capital expenses help an economy grow by augmenting its consumption and investment. And growth is the main driver of development. When there is a whole host of items in the revenue and capital expenditure that contributes to development both directly and indirectly, the word 'non-development' sounds improper in the budget.

Point-to-point: The measure of point-to-point inflation is confusing to ordinary people. It gives a partial picture because it measures the change in the price level of the same month, say June, of two consecutive years. The best measure is the average of the last 12 months' inflation. Point-to-point inflation may be a good indicator for the central bank to understand the direction of inflation, but not a solid picture of it. Often, point-to-point inflation can be lower than the 12-month average inflation. Then some policymakers may use this number in an opportunistic way, camouflaging the real picture. It is always better not to burden the budget speech with economic jargon and technical terms. It should be made farmer-friendly as much as possible.

Poor: On page 7 of the budget speech, the finance minister said, "...in a poor country like ours, we need more time to ensure overall social security." While the minister's patriotic intent is beyond doubt, his inadvertent use of the word, 'poor' is self-degrading. Nowadays, even developed countries dare not call us 'poor.' They rather define us as 'developing.' Gone are the days when Western snobs labeled us as 'a basket case,' 'a third-world nation,' or 'poor.' Gone are the days when 70% people lived below the poverty line in our country in the stagnant 1980s. Now the number is below 30% and it ebbs every day. Today, Bangladesh is a growth generator, aspiring to be a middle-income nation, and no longer 'poor.'

Taka in crore: In this age of globalisation, we should let global readers understand our national documents easily. The conversion of taka figures into US dollars and using million or billion where needed instead of crore seem necessary, particularly in the English version of the budget. Adding a separate page of acronyms in the appendix would be much appreciated.

Speech length: It is a relief that the finance minister kept his speech shorter than before. Now the budget speech has gone below 100 pages including tables. Still there is room for reducing its obesity. Political rhetoric can be shortened if it is not possible to delete. The table of contents is superfluous. Why is the 'Vision 2021,' which is broader than a five-year plan in perspective, inserted in the budget that is invariably an annual statement? We do not include a five-year plan in a yearly document.

The writer is Associate Professor of Economics at the State University of New York at Cortland.

CROSSWORD by Thomas Joseph

- ACROSS
 1 Rooster features
 6 Storybook elephant
 11 Skater Ohno
 12 Wise saying
 13 Coastal grass-lands
 15 Pitcher's stat
 16 Flow out
 17 "- was saying..."
 18 Long steps
 20 Fuming
 21 Brewery sight
 22 Cooking mint
 23 School paper
 26 Mexican money
 27 Whirl
 28 Golf support
 29 Purr producer
 30 Cheese choice
 34 Horace's "- Poetica"
 35 Lobed organ
 36 Presidential nickname
 37 Cop's aerosol
 40 Online messages
 41 Come up
 42 Brawl
- 43 Musical sounds
 Down
 1 Jobs for a gumshoe
 2 Eye-popping pictures
 3 Back biter
 4 Diner sandwich
 5 Eventually
 6 Zingers
 7 TV spots
 8 Atlantic resort
 9 Long in the past
 10 Dwells
 14 Help in crime
 19 Infamous czar
 22 Canary snack
 23 Houdini feats
 24 "Don't bother explaining"
 25 Doesn't change a thing
 26 Eyes
 28 "- she blows!"
 30 Singer Green
 31 "Splish Splash" singer
 32 Humble
 33 Shortstop Jose
 38 Peach center
 39 Paid player

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42						43			

Yesterday's answer

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M	E	M	O	R	I	A	L	D	A
			P	A	D		O	G	R
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W	A	R	M	E	M	O	R	I	A
B	I	O		B	U	G		O	V
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R	E	U	S	E		A	P	A	R
S	E	A	N			N	E	S	T

CRYPTOQUOTE

MDY ZOXYFM IGXEJGEY OF BVFML
 BGKY JS VZ FOBSIY JXOBSVFOX
 CVWKF

--EYVWEY YIOVM

Yesterday's CRYPTOQUOTE:
 THERE'S NO SUCH THING AS WRITER'S BLOCK. THAT
 WAS INVENTED BY PEOPLE IN CALIFORNIA WHO
 COULDN'T WRITE.

--TERRY PRATCHETT

A XYDLBAAXR is LONGFELLOW

One letter stands for another. In this sample, A is used for the three L's, X for the two O's, etc. Single letters, apostrophes, the length and formation of the words are all hints. Each day the code letters are different.

Time running out

SAIFUL HUQ OMI

THE underlying truth about the border tension between Bangladesh and Myanmar has different aspects; the central one, for sure, is the Rohingya issue. The news about the border tension is framed as if it all started in May 2014 when they opened fire on us, and one of our brave souls, Mizanur Rahman, died in the attack. Except that the tension did not start when Mizanur Rahman was killed. It started years ago, and the issue still remains alive. Rohingyas have remained at the epicentre of the whole tension.

From the research we have done, we know that the Rohingya Solidarity Organization (RSO) was much stronger decades ago. RSO and a few other armed militant groups started to regroup after the June violence in 2012. They started to recruit new members. Funding from the Middle East as well as from Turkey is playing a role here.

It seems that the US, UK, EU, UN and human rights organisations have either completely failed to stop the ongoing slow-burning genocide in Myanmar or they have been lax in taking steps against it. Taking up arms is becoming the RSO's only option. It is perhaps not the most logical consequence but an inevitable one, stemming from the decades of injustice to a community, which, according to the UN, is the most persecuted group in the world.

Two years ago, everyone thought Aung San Sui Kyi would have a

landslide victory when the elections took place. In my latest visit to Myanmar, I realised that it was getting to an interesting point now. No one can guarantee that NLD, Sui Kyi's party, will win with a landslide. Thein Sein, the leader of the military backed government, wants to capitalise on the situation to win popularity and play the Buddhist card again by bringing up the Rohingya issue to the centre of discussion. Let's not forget, Buddhist votes will decide who wins the election. It is for this same reason that Sui Kyi had decided to remain silent at the beginning. By keeping mute over the issue Sui Kyi thought that she would reassure her communal voters that she was with them, no matter even if they were the prime perpetrator of genocide.

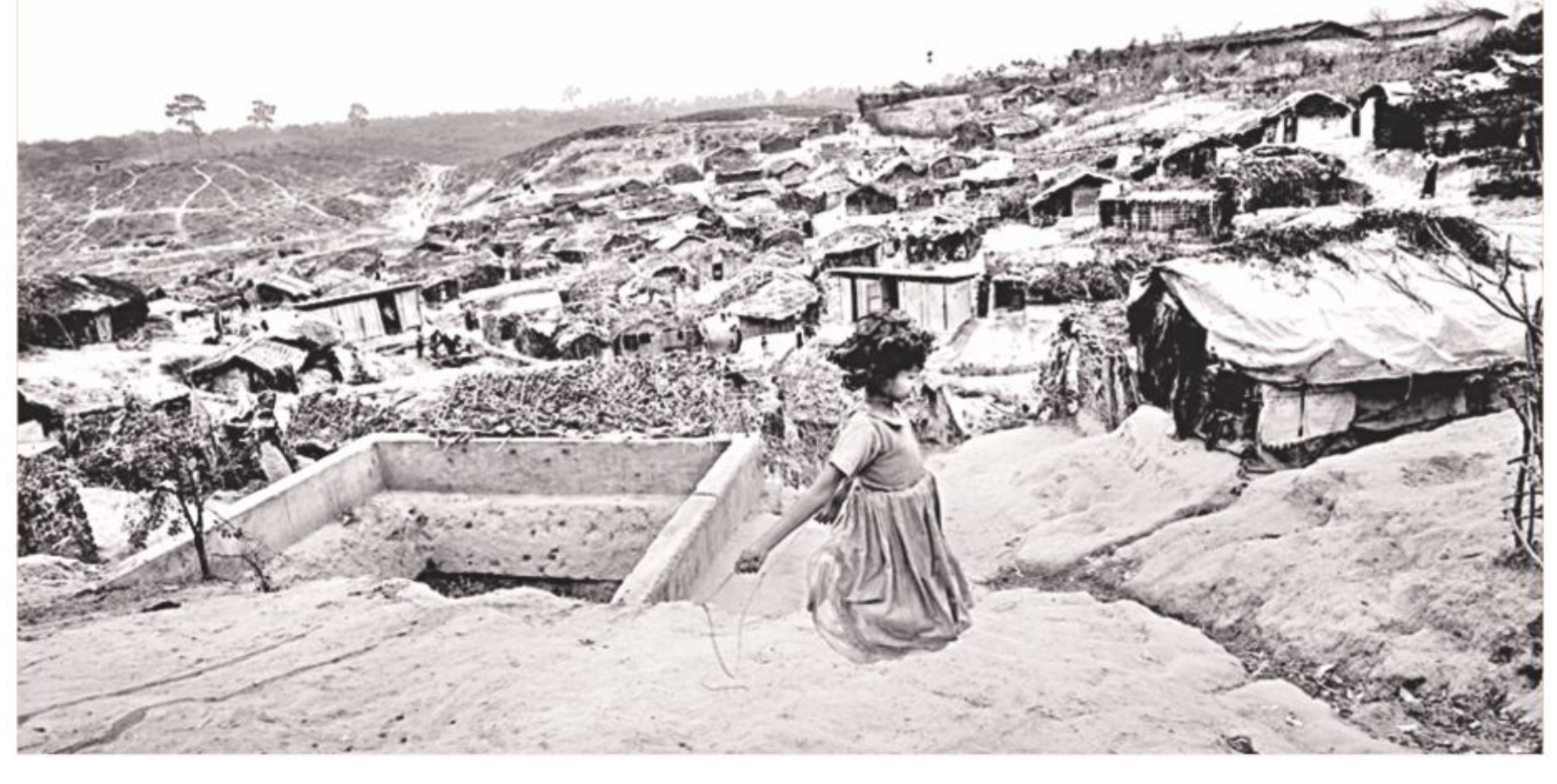
"Create unrest on the borders, generate jingo nationalism within the citizens, unite them with it and make them forget the real issues" -- a typical strategy for an unpopular government. It is not the first time that this strategy has been used to unite voters. Think back to the India-Pakistan border issues -- Kashmir, Kargil and so on -- our own tensions with India; Narendra Modi's flaming rhetoric promising deportation of illegal Bangladeshi immigrants. How many more examples do we need? It is a political tool used as leverage to incite communal sentiments during elections.

It is also not just a matter of the refugees. There is rampant drug trade going on at the border. Myanmar's army runs and controls the billion-dollar business. With the ongoing

operations against Yaba in Bangladesh, the Myanmar army may become irate. They are losing money and the BGB is leading the operation against the traders. The rise in lawlessness at the border coincides with the use of Rohingyas as 'mules' trafficking drugs across the border.

Let us all accept that we have a problem and stop the blame game. A good way to start would be to have a count of how many Rohingyas are in Bangladesh, since no official census has been taken so far. We have to engage with the international community in such a way that repatriation to Rakhine becomes possible. We must also be proactive in making sure the influx does not happen again, i.e. making sure that crime against humanity are not being committed. Till then, the Rohingyas seeking refuge in Bangladesh can be given temporary status that will make them feel safer and less vulnerable, so that they do not fall, unwittingly, into the hands of traffickers, criminals, political radicals and so on. Let us deal with a human issue in a humane way. Let's stop portraying them only as criminals when some of our own political leaders are controlling criminal activities in that region of Cox's Bazar. How many more like Mizanur have to die before we realise that we need to act fast? Let's act wisely; let's lend our hands to those who need it the most, let's lend our hand before the outstretched palms are radicalised and used against our interest.

The writer is a photographer and activist.



World Cup Football Brazil 2014 উপলক্ষে

র্যাংগস টিভিতে বিশাল ডিস্কাউন্ট

সনি কালার ম্যাট্রিক্স সমৃদ্ধ ও বছরের ওয়ারেন্টিয়ুক্ত র্যাংগস

৩৪" টিভি মাত্র

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সাথে ৯,৫০০ টাকায় ডিজিটি প্রেয়ার

১৪", ২১", ২৯", রহিন টিভি

মাত্র ৭,৮০০ টাকায় ১৪" রহিন টিভি সাথে ২,২৫০ টাকায় ডিজিটি প্রেয়ার

মাত্র ৯৯,৭০০ টাকায় ২৯" রহিন টিভি সাথে ৯,৫০০ টাকায় ডিজিটি প্রেয়ার

১৯", ২২", ২৪", ৩২", ৩৭", ৪০"

১৯" মাত্র ১৬,৭০০/=

+ ব্যাংক ডিজিটি প্রেয়ারে বাকল অফার

+ ফ্রি ওয়াল হ্যাং ও প্রফেশনাল ইন্সটলেশন

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