

Preparedness is key to our fight against Ebola

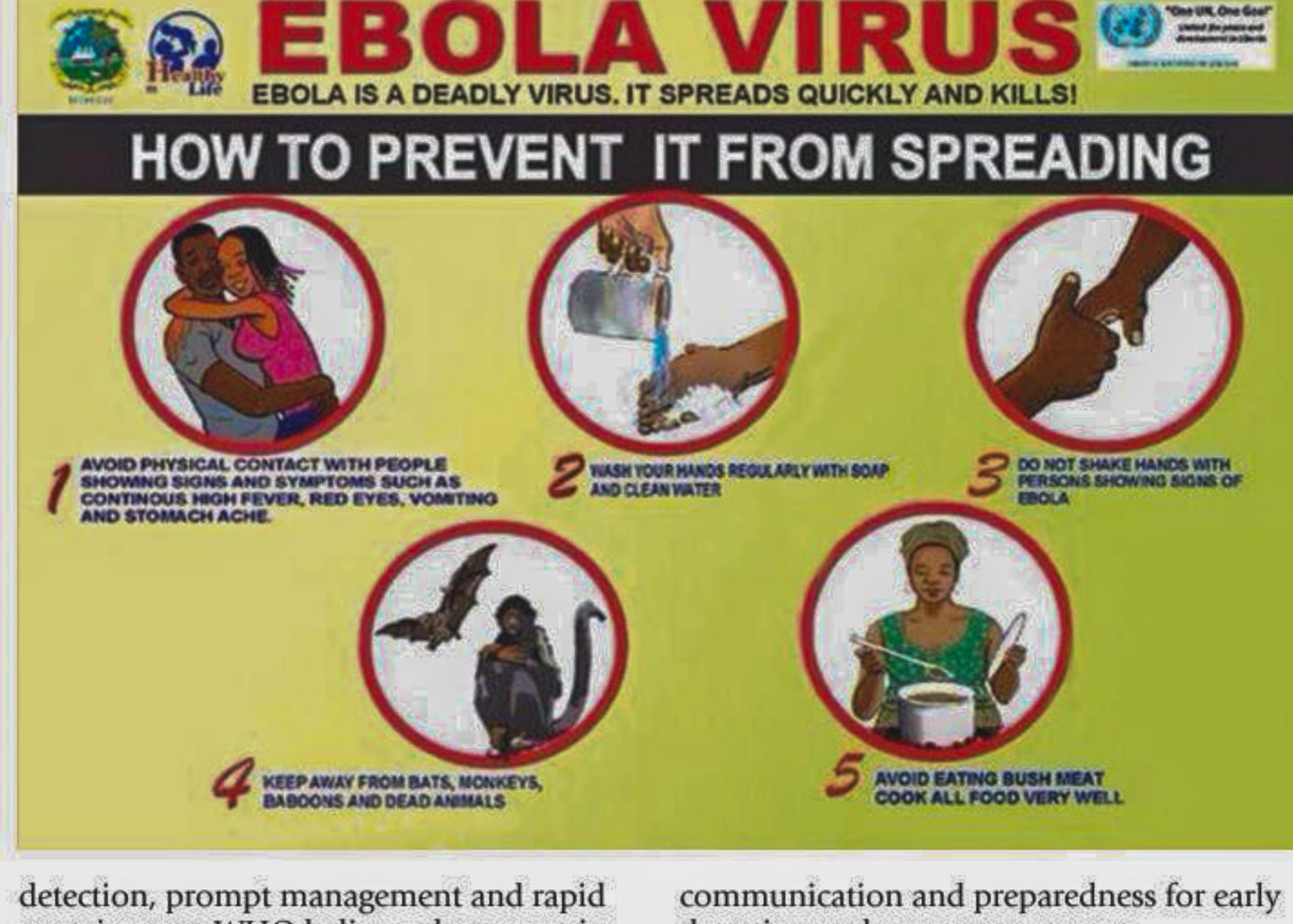
DR POONAM KHETRAPAL SINGH

WHO has declared the current outbreak of Ebola Virus Disease in some countries in West Africa a public health emergency of international concern. The main aim of this declaration is to contain the existing outbreaks and prevent further spread of Ebola through an internationally coordinated response. The declaration also serves as an international alert so that countries can prepare for any possible cases. It will help mobilize foreign aid and action to fight Ebola in affected countries. As of today, there are no cases of Ebola in the 11 countries of WHO's South-East Asia Region. This is the time to step up preparedness. A successful public health response will need strong health systems with sensitive surveillance, infection control and community mobilization.

Since 1976, when the Ebola virus was first detected in Africa, it has been responsible for several outbreaks within a few African countries. The virus moves from its natural reservoir to humans through animals. Ebola is associated with high mortality and no vaccine or cure is available at present.

The current outbreak of Ebola virus disease in the four West African countries Guinea, Liberia, Nigeria and Sierra Leone, has been ongoing for months. It has caused the highest number of cases and deaths and the widest geographical spread ever known for an Ebola outbreak. This complex outbreak involves multiple countries with a lot of cross-border movement among the communities. The large number of cases in peri-urban and rural settings makes this one of the most challenging Ebola outbreaks ever.

Though risk of spread of this disease to countries outside Africa is currently assessed to be low, there is an urgent need to strengthen national capacity for its early



detection, prompt management and rapid containment. WHO believes that countries with strong health systems can quickly contain any imported cases using strict infection control measures.

While global focus is on Ebola, we must not forget that several pathogens have been and shall continue to threaten the world. Since the discovery of Ebola virus in 1976, more than 30 new pathogens have been detected. SARS and Influenza are two such pathogens which caused pandemics in this millennium. Fortunately, both could be contained in a short period.

The International Health Regulations, IHR (2005), call upon countries to be transparent in sharing information on diseases that may have the potential to move across countries to facilitate an international response. IHR regulations also specify, among others capacities, surveillance, response, laboratories, human-resource, risk

communication and preparedness for early detection and prompt treatment.

The 2009 pandemic of influenza clearly demonstrated the importance of IHR (2005) as countries shared information on disease spread in real time to enable the global community to mount a coordinated response. Since the inception of IHR (2005), countries of WHO's South-East Asia Region have been striving to strengthen their national capacities. Substantial progress has been made. More work is yet to be done. Many countries have developed plans to achieve the desired level of competence before June 2016. To supplement the national efforts and address the gaps, WHO has established several networks of institutions of excellence and collaborating centres.

In the ongoing Ebola outbreak more than 100 WHO staff are deployed in the affected countries to support national health authorities. Hundreds of global experts have also

been mobilized. An accelerated response is being implemented through a comprehensive plan in West Africa. WHO has sought international financial aid of USD 101 million to effectively implement this plan.

No infectious disease can be controlled unless communities are informed and empowered to protect themselves. Countries must provide accurate and relevant information to the public including measures to reduce the risk of exposure.

Ebola virus spreads through contact with body fluids of the patient. Avoiding this contact prevents transmission of infection. In communities and health care facilities, knowledge of simple preventive measures including hand hygiene and standard infection control precautions would be crucial to the national public health response.

WHO does not recommend imposing travel bans to or from the affected countries. A ban on travel could have serious economic and social effects on these countries. A core principle of IHR is the need to balance public health concerns without harming international travel and trade. The risk of infection for travellers is very low since person-to-person transmission results only from direct contact with the body fluids or secretions of an infected patient. People are infectious only once they show symptoms. Sick people are advised not to travel and to seek medical advice immediately if Ebola is suspected. All countries should be alert and have the capacity to manage travellers from Ebola-infected areas who have unexplained febrile illness.

Preparedness, vigilance and community awareness will be crucial to success in our fight against a complex public health emergency like Ebola. It will take effective national efforts to support an internationally coordinated response.

The writer is Regional Director, WHO South-East Asia.

Why lending rates must go down

BIRU PAKSHA PAUL

MONETARY policy has been working fine particularly for the last three years. The litmus test for an effective monetary policy is whether it can maintain low inflation because macro stability is impossible without moderate inflation. Recently, Bangladesh Bank (BB) has brought down inflation from 11% in late 2011 to 7.4% even after maintaining output growth of more than 6%. This is no mean feat. BB targets to push inflation further down to 6.5% by 2015. While BB's success in inflation is undoubtedly commendable, its handling of the lending rates seems insufficient. Our average lending rate is as high as 13% while deposit rates are around 8%, leaving a big spread of 5% that appears to be detrimental to a developing economy. Lending rates must go down to boost investment and thus to accelerate growth in the country.

The lending rates and the ensuing spreads (lending rates minus deposit rates) are remarkably high in Bangladesh, making the banking business a vigorous attraction of financial greed. That is why many capitalists in our society form various syndicates and lobby for opening new banks when prospects of abundant profits in other sectors do not look that bright. These lobbyists with huge political clout often pressure the central bank to get new banking permits while BB knows it well that the existing banks are enough at this moment to serve the economy.

Lending rates may go up and down based on inflation, which must be less than the lending rate to make the real interest rate (the lending rate minus inflation) positive. A real interest rate of 3% or so is desirable in developing economies where real interest rates higher than 3% will simply impede investment growth. That was the case in early 2012 when the average lending rate was 14% and inflation was 11%, making the real interest rate 3%. Now inflation has come down to 7.4% and the lending rate should be in the vicinity of 10%. The bankers, however, show an opportunistic ratchet effect in lending rates; they raise lending rates when inflation rises but do not lower the rates when inflation drops. Here the central bank has to intervene and find out where the institutional factors lie that create this downward rigidity of lending rates. What prevents lending rates from falling?

Apart from inflation, another excuse for not lowering lending rates is the prevalence of high deposit rates. But this should not be the case. First, lending rates still can go down by another 2% without affecting deposit rates, lowering the existing spread of 5%, which is already high. Second, deposit rates can be of 7% or lower if inflation can be pushed further down to 5 to 6% so depositors do not end up having a negative rate of real return. Actually, the depositors in developing economies should be happy as long as their savings just fight inflation. If savings have handsome real rate of returns, many potential entrepreneurs will like to save rather than to invest and take risks. This saving-investment gap will create excess liquidity and dampen 'animal spirits' of investment in the economy. Keynes viewed saving as a vice in this respect.

Essentially, the whole spectrum of interest rates should be pulled downward to make the economy more functional than it is now. Based on the floor of inflation, deposit and lending rates should step up sequentially. For example, if inflation is 6%, the deposit rate should be 6.5 or 7% and the lending rate should be 9 to 10%. Of course in the face of huge non-performing loans, which were 9% of total loans in December 2013 and now are 11%, it is hard for the bank owners to reduce the lending rate. Here comes the question of efficiency of fund management and careful disbursement of loans. If many banks can ensure close to 99% recovery, why others cannot?

The issue of lowering lending rates is not simply normative, it is an issue of existence in the age of liberalization and free capital flows. Bankers are digging their own graves by keeping lending rates stubbornly high when domestic investors can now borrow from foreign funds at a single-digit lending rate. Fortunately, many investors are not still aware of these foreign funds or they do not like to encounter the bureaucracy to access these sources. Time is coming when these obstacles to access foreign capital will die out, skyrocketing the demand for foreign funds. Then many domestic banks will sit on idle liquidity. Some desperate banks will extend a substantial chunk of credit to potential defaulters, wealth-loving politicians, money launderers, or stock market speculators – a group of overnight fortune-makers to which high lending rates do not matter at all.

Lending rates in Bangladesh must go down to embrace the challenges of globalization and to avoid these unpleasant consequences.

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BIMSTEC

Dhaka secretariat can play a vital role

SAMAN KELEGAMA

THE first BIMSTEC Secretary General, Ambassador Sumit Nakandala, a seasoned Foreign Office diplomat from Sri Lanka, assumed office in the new BIMSTEC Secretariat in Dhaka on 10th August 2014. The decision to locate the BIMSTEC Secretariat in Dhaka was finally taken at the 3rd BIMSTEC Summit in Nay Pyi Taw, Myanmar in March 2014. Bangladesh supremely qualifies to host the Secretariat as it centres the BIMSTEC regional grouping with India virtually bordering it, Sri Lanka and Nepal to the West, Bhutan to the North, and Thailand and Myanmar on the East of it. Perhaps this is the first time that Dhaka is hosting a regional grouping Secretariat and it should be proud of this accomplishment.

Unlike many other regional groupings, BIMSTEC is a sectoral cooperation driven organization. Starting with six sectors for sectoral cooperation in the late 1990's (trade, technology, energy, transport, tourism, and fisheries), it expanded to seven more sectors by 2005 (agriculture, public health, poverty alleviation, counter-terrorism, environment, culture, and people-to-people contact). Each member country has been assigned one, two or three sectors to coordinate. Although BIMSTEC mooted a Free Trade Agreement (FTA) at its first Summit in 2004 and Trade Negotiation Committees (TNCs) were formed to work out an FTA, there has hardly been any progress over it, perhaps due to the two key members of the grouping, viz., India and Thailand embarking on an FTA in 2004. As its new name – BIMSTEC: Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation – suggests, it is a multi-sectoral cooperation framework and that remains its key component. This approach creates many layers of cooperation to ensure quick integration.

Clearly what we see in the BIMSTEC is economic integration pursued through cooperation agreements among countries of the region which

is policy-induced integration in contrast to market-driven integration. In this context, the BIMSTEC Secretariat has to play a vital role with existing BIMSTEC's structures in driving the integration process. So far, the role of the Secretariat was played by the BIMSTEC Working Group (BWG) based in Bangkok under the supervision of the Department of International Economic Affairs of the Thai Foreign Ministry and with the consultation of the BIMSTEC member country Ambassadors (or the representative) in Thailand. Monthly meetings took place until 2010 (and less frequently thereafter) to push forward the cooperation agenda in each sector and for identifying policy adjustments necessary for such cooperation in order to report to BIMSTEC's Senior Officials Meetings. Given that this was a loose arrangement, there was little positive outcome from the BWG.

Now the BIMSTEC Secretariat in Dhaka will take up the role of the BWG and direct and guide the activities of the organization. The Secretariat may focus on a few items to produce results rather than focusing on a grand agenda and dilute its efforts. The ADB completed the BIMSTEC Transport Infrastructure and Logistic Study (BTILS) and this could be a starting point for action. BTILS supported by ADB will enhance regional connectivity and for this purpose, concrete projects have been identified for implementation.

It may be noted that ADB has become BIMSTEC's development partner since 2005 and the ADB's successful involvement in promoting economic cooperation in the GMS (Greater Mekong Subregion) can be easily replicated in the BIMSTEC region with the much required funding from the ADB. BIMSTEC transport infrastructure connectivity will also benefit from the ongoing initiatives of the BCIM (Bangladesh, China, India and Myanmar) corridor. Thus, focusing on transport integration with subregional infrastructure investment support will be a good starting point for the Secretariat. Some of these transport integration is linked to the Asia Highways and Trans-Asia Railway project that was initiated by ESCAP sometime back.

Three other areas that may be considered for immediate cooperation are: tourism promotion in the region using the BIMSTEC Buddhist circuits, fisheries cooperation in the Bay of Bengal – first by compiling a Directory of BIMSTEC fisheries organizations, and the Information and Communication Technology (ICT) sector which is closely related to transport integration. Strangely, ICT has not received much emphasis in BIMSTEC's sectoral cooperation dialogues. There is also a need to strengthen the BIMSTEC Chamber of Commerce network to complement the policy-driven integration in such sectors with the much needed market-driven integration.

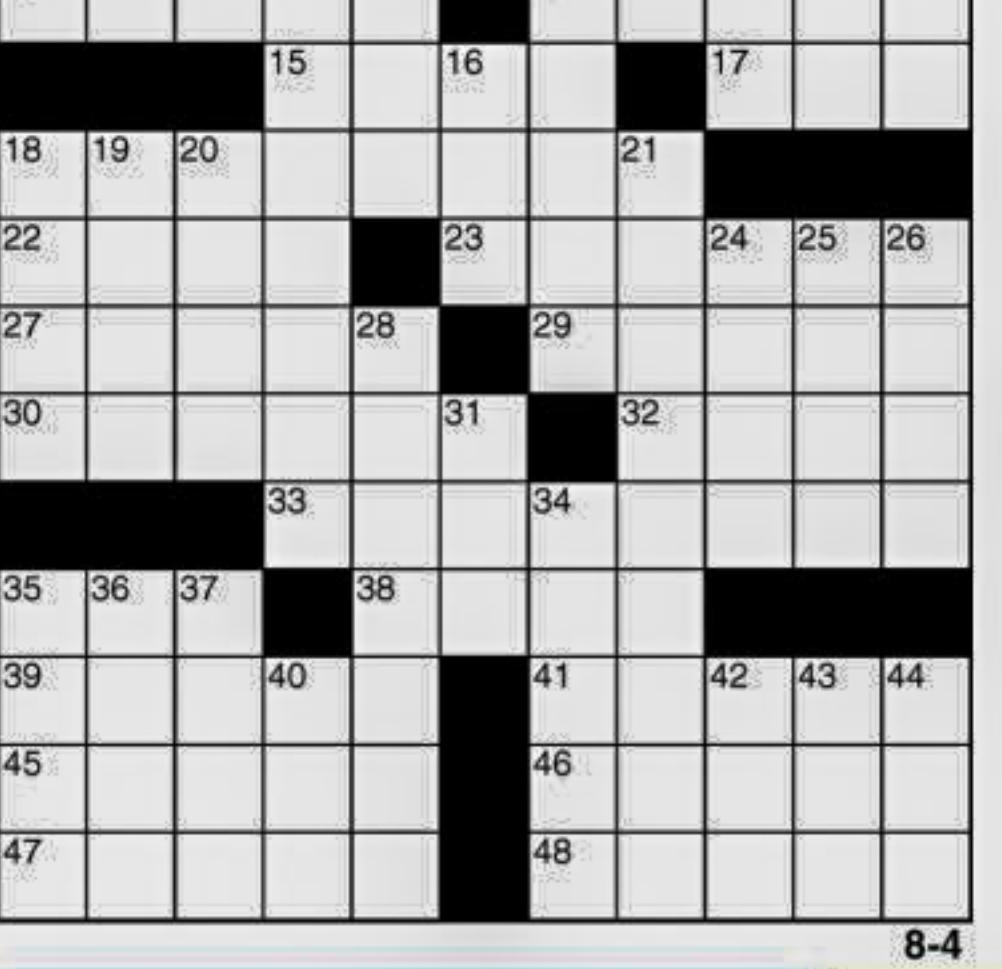
The third BIMSTEC Summit declaration directed the TNC to expedite its work to complete the FTA by end-2014 to boost the current intra-regional trade from 2.5% to a higher level. If this does take place, the workload for the Secretariat will further increase. In the absence of a Charter, BIMSTEC leaders should empower the Secretariat to steer the organization in-between Summits as it will be the nerve centre which will coordinate all functions. It should not be in a position akin to the SAARC Secretariat in Kathmandu where very little powers have been delegated; rather it should be like the ASEAN Secretariat in Jakarta where power has been delegated by the ASEAN Heads of State to drive the organization. The recent remark by the Indian Prime Minister, Modi, that the SAARC Head Office should be located in Delhi is perhaps the manifestation of a similar line of thinking in regard to Secretarial powers.

Unlike SAARC, BIMSTEC's economic agenda is less vulnerable to regional politics and therefore it should now also look at building a strong link between South and East Asia. This is essential for South Asian countries to join the ASEAN led RCEP (Regional Comprehensive Economic Partnership) in a future date, for RCEP will be the building block of a future Asian Economic Community, that in turn will give full meaning to the idea of Asia's Century.

The writer is the Executive Director of the Institute of Policy Studies of Sri Lanka.

CROSSWORD by Thomas Joseph

ACROSS
1. Tooth points
6. Potential oak
11. Victorious
12. Radium discoverer
13. Holmes' creator
14. Halt
15. New Haven school
17. Went ahead
18. Offensively obvious
22. Den
23. Worried
27. Jordan's capital
29. Roofing material
30. Betrayed surprise
32. Writer Ferber
33. Hats, hoods, and helmets
35. Huck's friend
38. Fabricworker
39. Basketball's Shaquille
41. Social blunder
45. Weigh-in need
46. Spring month
47. Hawks
48. Dodge, as duty
1. Atlantic catch
2. First numero
3. Pig's place
4. Lie detector
5. Javelin
6. Stresses
7. Pool stick
8. Test type
9. Stand
10. Must have
16. --Vegas
18. National symbol
19. Eastern monk
20. Targets
21. Wire sender
24. Walk in water
25. Sicily volcano
26. Precious
28. Sewing kit items
31. Week part
34. Painter Edgar
35. Fling
36. A single time
37. Diner buy
40. The whole amount
42. Work wk's end
43. Fragrant tree
44. Moose's kin



8-4

AXYDLBAAXR 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.

Saturday's Cryptoquote: FRIENDSHIP MAY, AND OFTEN DOES, GROW INTO LOVE, BUT LOVE NEVER SUBSIDES INTO FRIENDSHIP. - LORD BYRON

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Yesterday's answer



8-4

BEETLE BAILEY



11-6



The writer is the Executive Director of the Institute of Policy Studies of Sri Lanka.

by Mort Walker



HE CAN'T EVEN WAIT TILL I OFFER HIM A COOKIE



GREG & MORT WALKER



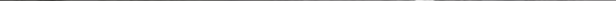
BALONEY

GRINGER

GRINGER



HONEY



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