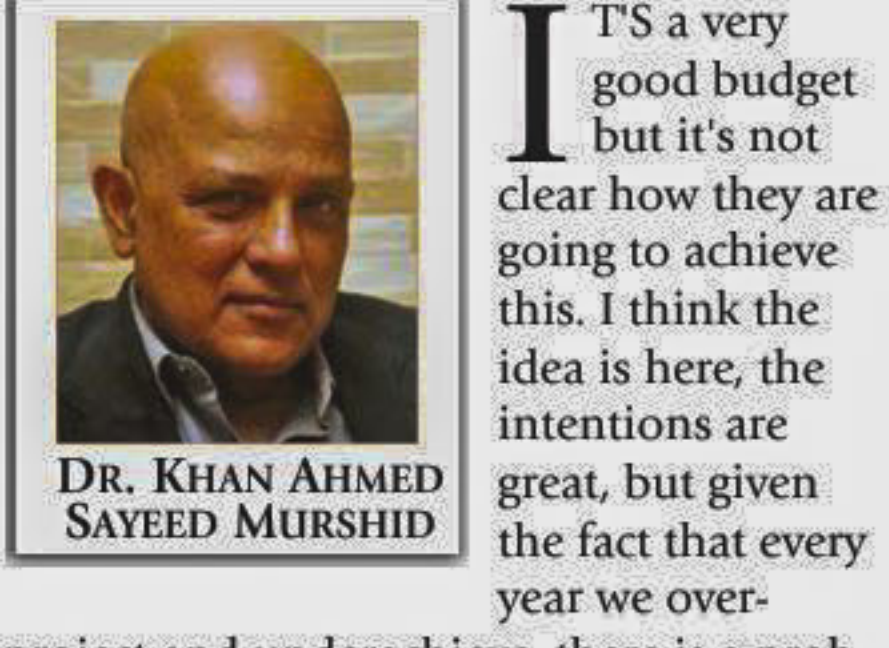


LET'S TALK BUDGET

# "We can't realise this budget without fundamental reforms"

# How will the government arrange the money?



**DR. KHAN AHMED SAYEED MURSHID**

IT'S a very good budget but it's not clear how they are going to achieve this. I think the idea is here, the intentions are great, but given the fact that every year we over-project and underachieve, there is a problem of credibility. This is what one needs to worry about. As I see it, the only way we can come out of this impasse – because this is a problem that has not only been with us but is also increasing over the years – is by introducing fundamental reforms, in terms of governance, implementation regimes, incentives and so on.

When we talk about reforms, NBR would be an obvious place to start. I think we have tried various implemental processes and there have been incremental improvements, but they have not really delivered [the desired results]. The thing is, incremental improvements on the big targets that we have set up [is not enough]; we need fundamental reforms in order to work at a different level altogether. This is going to be a paradigm shift.

As for unutilised funds, it's a perennial problem. We have unutilised allocation in many sectors, many projects remain incomplete, unattended to, often forgotten. Our absorptive capacity for all kinds of funding, external or internal, is a problem. This is a not lack of planning, but a lack of institutional capacity. We don't have the human resources, skills, managerial capacity, and incentives in place to do this, because you need high quality monitoring and evaluation. We have to monitor projects on a much more regular basis than we do. These are the difficult things we need to do. I don't think we can just set up our goals and indulge ourselves. In a way, we always end up talking



about the big things, but we need to identify the smaller things that perhaps do not need a lot of money but could have a noticeable impact. For instance, we have continuing problems in imports and exports, in the Ease of Doing Business, which hinders investment. These are things we keep on of talking but do very little to improve them. At the end of the day what matters is your ground level reaction. That is where the change has to come, and that is a combination of many things, including poor governance.

One example that keeps presenting itself is the example of huge amount of

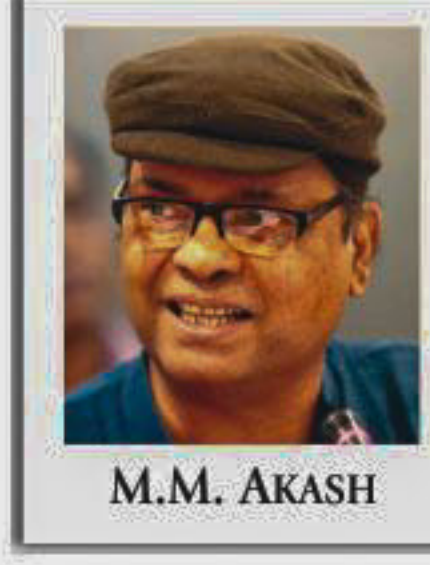
imported items lying scattered all over the place in the Dhaka Airport. There is a syndicate that is basically there for harassing you for money. There are many examples like that.

I also want to highlight that we need more allocation in education and research. Research remains a foster child. But I think that is the key to everything. As a land and resource scarce country, we need to do everything in our power to promote our human resource, the only resource, the most important resource that we have, and that we should maximize. Although we know the return of investing in research is very high, and

many other countries have realized that and are spending heavily on research, unfortunately that realization is missing in our government. Of course, the realisation does not have to come only from the public sector.

The private sector—BGMEA, pharmaceuticals or other companies need to invest heavily in research. Maybe the government can provide certain incentives to the different groups such as social science researchers, engineers, and scientists.

Dr. Khan Ahmed Sayeed Murshid is the Director General of the Bangladesh Institute of Development Studies (BIDS).



**M.M. AKASH**

I must say that the budget is too ambitious in terms of size. It's 15.5 percent larger than the current FY's initial budget and 29 percent higher than the revised one. The main challenge, therefore, will be to arrange the money for the inflated budget. The government is expecting to increase its revenue by 37 percent when compared to the revised estimate of the revenue in the past fiscal year. Generally in the past several decades, the normal rate of revenue increase was between 10 to 15 percent. At best, it can be 20 percent. There is every chance of failure in the attempt to collect this huge amount of revenue with the poor capacity of the National Board of Revenue (NBR). If the revenue earning attempts fail, then budget financing would be a great problem for the government. And that will need revision of all the targets of the development sectors as well as the non-development ones. This thus may jeopardise all the priority plans of the budget which aimed to achieve the projected growth of 7.2 percent.

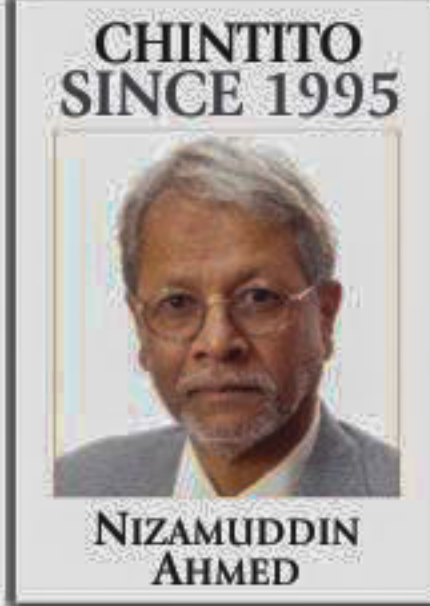
There is a good sign of increasing expenditure on education sector upto Tk.52,000 crore. It is much expected and obviously, we welcome this timely move. But the question on how the money will be spent still remains.

The government initially proposed a universal 15 percent VAT rate. The business community argued against this initiative, stating that as small and medium entrepreneurs do not have sales record, how will they be able to calculate the proposed VAT. Though the government has backed out from the original plan, I think it should have taken a discriminatory stand in this regard. It should have gone for a lump sum tax for the small and medium enterprises. But the proposed 15 percent VAT should be imposed on the big entrepreneurs, as they can afford it.

I was not surprised to see that the budget for public security and police sector has been increased by 54 percent. If you compare the general rate of growth of the budget, which is 17 percent, then the government is obviously giving excessive importance to this sector. But this expenditure on public security is still acceptable.

M.M. Akash is a professor at the Department of Economics, University of Dhaka.

# Not a perfect ending



**CHINITO SINCE 1995**

THIS is your Chief, whatever you meant by that. Can you hear me? You had everything throughout six decades of your life organised almost by design. The mop on your head was groomed to perfection. I always suspected that the few strands that came to rest on your forehead at the end of a busy working day were also tailor-made.

Pardon me for two editorial lapses already: one, I should not have referred to your head full of hair as a 'mop' in a public forum, and two, for misrepresenting your habitual demeanour, for honestly I never ever saw you 'busy'.

Your office desk could be mistaken as a table ready to be served in a posh restaurant, so spick-and-span it always was, and yet you were News Editor, Managing Editor, Executive Editor, Press Secretary to a caretaker government, Press Councillor at a Bangladesh mission, and CEO of a TV channel. In Facebook language we say, 'Iyamnne ki?'

If there was a prize for the 'best

dressed media personality', you would win indubitably. Sometimes we take refuge in journalistic jargon when 'hands down' sounds too ordinary for special people. I cannot credit your immaculate bearing to Cadet College education for I too am an ex-cadet. Don't tell me your Momenshahi was any different from my Jhenaidah. They all made us wake up at five and turn in by ten with lots of physical and academic exercises, and fun and games in between.

You led an almost spotless but chequered career that would be the envy of the finest business administrators. With your natural flair, you could take over the administration of any corporate house with the confidence and authority of always having been there.

My earliest memory of you and a newspaper is during your admin stint with the Bangla daily Sangbad in the early 1980s in Old Dhaka. Over dinner somewhere you convinced me to contribute a sports column, albeit occasionally. Once while receiving my article ball-point-penned in a sheaf of A5 newsprint paper, customary then, you narrated the hilarious folly of one your staff, who had translated the title of the then regular TV series Marcus Welby, M.D. as Marcus Welby Mohammad. I will never forgive you.



**Syed Fahim Munaim atop the under-construction The Daily Star Centre on October 20, 2009.**

More than a decade and half later, after *Morning Sun*, UNB and the Bangladesh Embassy in Japan, you emerged as the Managing Editor of *The Daily Star* when I was 'Advisory' Sports Editor at its Dhanmondi premises, while also teaching at a university. You took so much interest in the sports page that they made you Executive Editor. Your other virtue was you were an avid reader of

*Chinito*. When *The Daily Star* commenced 2006 with the construction of its own building (at its present location), the management rightly thrust on you the status and burden of 'project director' to oversee matters on its behalf. You made life difficult for the consultants and the contractors. As an in-house consultant, I was actually on your side, but you also made me

walk the extra mile to see that this leading English daily got a decent building.

Your reputation must have spread high and wide because soon after you were invited to join the Caretaker Government 2007-2008 as press secretary to the Chief Advisor. You managed difficult press conferences with your astuteness and the experience of handling people like us.

After you joined Maasranga Television as its Chief Executive Officer 2010, you asked me every time we met, and they were not few, that you and I should meet to discuss a television programme about which I had hinted. Frankly, the distance and the traffic jam kept putting me off, although I looked at your building every time I plied on the Kakoli-Uttara road. The jams may one day go, but you have traversed beyond human estimation.

So perfect and precise were you throughout life that the public outcry against a recent Maasranga report on the knowledge of GPA-5 achieving students and possible consequences, and your sense of responsibility, must have affected you to the core. The incomplete human being could have swallowed the bitter pill and survived.

I never asked you why you called me 'Chief'. There would always be enough time later to sort out such nitty-gritty among friends, I thought. It kind of sounded good on you. It still does, even in silence.

Rest in peace, Syed Fahim Munaim, known as Tipu to everyone who knew him. May Allah (SWT) grant you a blessed place in Jannah.

The writer is a practising Architect at BashaBari Ltd., a Commonwealth Scholar and a Fellow, a Baden-Powell Fellow Scout Leader, and a Major Donor Rotarian.

**QUOTABLE Quote**

**ALDOUS HUXLEY**

That men do not learn very much from the lessons of history is the most important of all the lessons that history has to teach.

**CROSSWORD BY THOMAS JOSEPH**

**ACROSS**

- 1 Complains
- 6 Highway exits
- 11 Love, in Livorno
- 12 Creamy color
- 13 Scout's job
- 14 is bold
- 15 Antlered animal
- 16 Play-ground game
- 18 Back at sea
- 19 Bind up
- 20 Early hour
- 21 Director Spike
- 22 Skipped, as a dance
- 24 Start of an idea
- 25 Soaking spot
- 27 Mob action
- 29 Second election
- 32 In the past
- 33 Plate
- 34 Refiner's stuff
- 35 Do restaurant work
- 36 Bunyan tool
- 37 Pop's
- 38 Relay stick
- 40 Places

**DOWN**

- 42 Bumbling
- 43 "Good-night" girl
- 44 Bakery buys
- 45 Uncool group
- 1 Insertion marks
- 2 Activist Bloomer
- 3 NASA stage
- 4 Paid player
- 5 Dis-platched
- 6 Roof feature
- 7 Gardner of movies
- 8 Aid to esteem
- 9 Like better
- 10 Method
- 17 Deadly cattle disease
- 23 Muffin choice
- 24 Colt creation
- 26 Locates on the dial
- 27 Warren resident
- 28 Large lizard
- 30 Chum
- 31 Owns (up)
- 33 Covets
- 39 Make a choice
- 41 Anger

**YESTERDAY'S ANSWER**

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

**BEETLE BAILEY** by Mort Walker

**BABY BLUES** by Kirkman & Scott