

Heed the views of the youths

Remove the encumbrances to development

THE views of the youths offered through a poll undertaken by the World Economic Forum's Global Shapers Annual Survey hit the nail in the head, pinpointing exactly where the problem lies in the way of our all-round development. There may have been only 672 respondents to a variety of questions related to what affects the country most, but that is the insight of not only the youth of the country, their views are fully representative of the majority of the people also. Corruption, lack of political freedom and security, in that order, are among several other impediments that are exerting a regressive pressure on the country.

It cannot be lost on our leaders that the three issues have to do with the fundamental question of good governance. Lack of transparency, accountability and procedures encumbered by red tape that is pervasive in our country, lead to corruption, in wider sense and not only monetary. That is a disincentive for the young person who would like to participate in development ventures in the country. That is one of the reasons for migration of youth abroad, seeking better turf where there is no bureaucratic barriers, to employ their talents. And it is equally true of politics that has been constrained by shrinking of political space and increase in the level of acrimony in the relationship between the major political parties of the country. Thus we see a trend of lateral entry into politics rather than induction of young talented people from the bottom rung.

What the survey depicts is the reality on ground and the government should address these issues seriously.

Endangered wildlife of Lawachhara

Limit unbridled movement of traffic

AN increasing number of wild animals living in the Lawachhara National Park are being run over by vehicles plying on a road passing through the forest, according to a report in this newspaper. Why would a road be used for movement of heavy traffic in an area that enjoys the status of both a reserve forest and a national park and is home to various rare species of animals, birds and plants? And since the road cannot be relocated overnight, why aren't speed limits being enforced by the authorities as it should be in a reserve forest?

The semi-evergreen forest also has a rail line cutting through it. The whistle of trains and honking of buses, trucks and CNG-run auto rickshaws make wild animals nervous who come out at night in search of food and increase the risks of collision. To make matters worse, the road, zigzagged with frequent steep curves, has insufficient number of road signs warning vehicles. This is, however, only a part of the problem the animals of Lawachhara are facing. The depletion of natural resources continues unabated with trees being chopped off by vested quarters and land being grabbed by local influential people. A bus stop has been built inside the forest which disturbs the tranquility of the environment.

A national park is an area protected by the state for the enjoyment of the general public and the preservation of wildlife. Authorities should have a long-term plan to divert the road and the rail line away from Lawachhara. Meanwhile, the Wildlife (Conservation and Security) Act 2012 should be enforced to save the wild animals of Lawachhara National Park.

Not a Taxing Affair



MACRO MIRROR
FAHMIDA KHATUN

IT is encouraging to note that the National Income Tax Fair is becoming increasingly useful and popular among ordinary tax payers in Bangladesh. In a country with a population of 160 million, but only 1.2 million tax returns, such efforts are effective indeed. Reports say that response from people of various sections has been tremendous. As a result, revenue collection during this year's week-long income tax fair reached a record high (compared to the last six years) of over Tk. 2129.67 crore. People submitted tax returns, paid taxes and collected their e-Tax Identification Number while availing other online services. This reflects the awareness among people regarding their responsibility as citizens of Bangladesh. This also indicates that large sections of people who have the ability to pay and fall in the tax brackets are willing to pay their taxes. As responsible citizens, they know that in order to progress and receive services from the government, they have to contribute towards the government's exchequer.

However, such contributions have to be multiplied with far more efforts, because taxation is a major instrument for mobilising domestic resources for all economies. Tax performance in Bangladesh has not been encouraging till now. The current tax-GDP ratio is well below the requirement for a dynamic economy that looks forward to moving towards the next trajectory of development. The tax-GDP ratio of Bangladesh was only 10.3 percent in FY2016, a rate that has risen from 5 percent in the early 80s, and is still much lower compared to the neighbouring countries.

Despite the government's realisation of the need to increase income tax, its growth has been far less significant. For example, in FY2016 the government originally targeted a 33.3 percent growth of income tax which was revised downwards to only 8 percent. Finally, the actual growth of income tax in FY2016 was 12.3 percent. By FY2019, the country aims to increase its tax-GDP ratio to 15.3 percent. For FY2017, the revenue-GDP ratio has been set at 12.4 percent and the tax-GDP ratio at 10.4 percent. These targets are still not enough to advance at the pace the country aims for - to become a higher middle income country by 2021.

In the context of emerging global economic and political scenario, it is increasingly becoming clear that the flow of foreign aid to developing countries is declining and will continue to do so in the coming years. Hence, domestic resource mobilisation has taken the centre stage in the development discourse. Sustainable development path therefore, may be jeopardised if countries rely on foreign aid to a great extent. Domestic resource mobilisation has also received renewed importance in the Sustainable

Development Goals as an important means of implementation of these goals.

Domestic resources, unlike foreign aid, provide a predictability of resource flow to make allocations for the medium term fiscal planning in a country. Volatility and uncertainty in aid flows create difficulty in budget management. Adequate domestic resources create fiscal space for the country to prioritise its spending in line with the policy priorities and political commitments of the government. It also gives flexibility as opposed to conditionalities of foreign aid which still exist despite developed countries' commitments to do away with aid conditionality under the Paris Declaration on Aid Effectiveness in 2005. Another important reason for improving domestic resource mobilisation through taxation is that it can create the sense of participation

However, in order to enhance efficiency and effectiveness of the tax administration, policy and institutional reforms are key. In view of the size of the population and the prospective number of taxpayers, the need for more human resources and higher skills has been emphasised time and again. Also, the completion of full automation of the NBR is crucial to improve efficiency. Tax evasion and avoidance are problems across various income groups and economic sectors. A study by the NBR indicates that the amount of tax evasion of income tax at source amounts to Tk. 20,000 crore per year. Implementation of e-governance through use of ICT can reduce such evasions. It will also help establish an easy tax collection procedure and increased compliance. Participation of a large number of taxpayers in the income tax fair indicates that people



PHOTO: STAR

among people in the development process of the country. This, in turn, can act as a mechanism to create pressure on the public representatives to be accountable and transparent about the use of resources.

Surely, a conscious effort to expand the tax net and realisation of taxes is being observed in recent years in Bangladesh. Various measures and pledges of the government are reflections of such attempts. E-filing of income tax returns, installment of a tax calculator software on the website of NBR, restructuring of manpower and other facilities of the income tax department, motivational programmes for taxpayers of income and value added taxes, introduction of tax cards for the highest taxpayers, reforms in VAT administration, etc. are expected to bring in positive results.

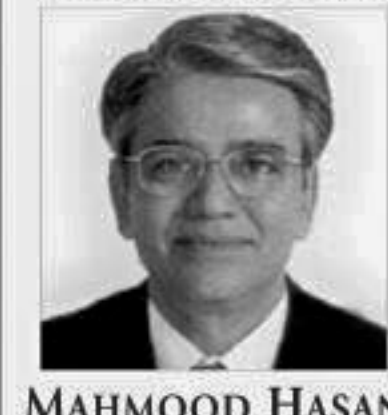
want to have a hassle free tax system that will respect and cooperate with taxpayers.

Effective resource mobilisation efforts also depend on the utilisation of resources. If the taxpayers are not convinced about the services they would get from the government in return, if they are not confident about the utilisation of their hard earned money, people may lack the motivation to pay taxes. Transparency and accountability of resource allocation for development are crucial for higher domestic resource mobilisation. How much of this resource is used for employment generation and poverty reduction are key factors for successful resource mobilisation efforts.

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Populism carries Trump to presidency

FROM A BYSTANDER



MAHMOOD HASAN

THE American Presidential election spectacle has come to an end, much to the glee of the GOP and chagrin of the Democrats. Donald Trump got 59.4 million votes compared to 59.6 million by Hillary Clinton. Yet Trump secured 290 Electoral College votes compared to 232 by Clinton. Though news of Trump's victory stunned the world, global leaders hurriedly sent in congratulatory messages to the President-elect.

Opinion pollsters have misled people by projecting what they thought was the mood of voters. They simply failed to gauge voter anger against the establishment. The media, by constantly demonising Trump, made him bigger than he actually was.

Let us see how Trump made it to the presidency. People in general in every society suffer from a state of inertia despite all the problems they face. There is always anger or dissatisfaction amongst some people against their government. They want change but do not know how to bring it. Occasionally, someone appears addressing the problems that afflict them. People flock towards that popular leader for redress of their grievances.

Contemporary history is full of populists like Marie Le Pen (France), Silvio Berlusconi (Italy), Hugo Chavez (Venezuela), Nigel Farage (Britain), most recently Rodrigo Duterte (Philippines) and now Donald Trump.

Populism seeks to galvanise aggrieved people against an institution or government. It tries to unite the marginalised sections against the traditional rich and powerful elites. It appeals to the baser instincts of voters. Use of powerful slogans about the malaise in the society is its hallmark. Bigotry and exaggerated lies are used to gain the support of angry people. It succeeds in convincing people that the conventional political system is so corrupt and inept that it is unable to deliver the needs of the society. It tries to oust the ruling elites through direct participation of people. Populist leaders can come from any political persuasion - left, right or middle. It is a harmful concept as it polarises the society.

Outsider Donald Trump declared himself to be Republican and jumped

into the electoral ring with a populist slogan to "make America great again". He blasted his way through the disenfranchised lower-middle-income white Americans, haranguing on issues that they loved to hear.

Trump launched his "movement" by injecting fear amongst the marginalised segments of the society dwelling on economic insecurity due to globalisation, changing demography and culture of America, and failure of political elites in Washington to deliver. As these issues resonated among white voters, Trump became increasingly popular.

The American economic recovery after the devastating recession of 2008 created a large majority of households either with lower incomes or without jobs. Income distribution in the US has deteriorated over the past years and wages of unskilled workers have gone down because of excess supply of unskilled workforce. Globalisation drove away jobs from America to other nations with cheaper labour. Trump declared he will bring back jobs and promised better wages and living conditions to the "forgotten men and women".

Trump used xenophobic rhetoric to attract white voters. He addressed the rapid growth of immigrant population as a serious threat to the white dominated

American society. He vowed to build walls and stop immigration from certain countries.

The other issue that he cleverly exploited was the failure of the elites in Washington to deliver. They were unable to work together to move the economy and society forward. There was too much bickering on Capitol Hill between the Republicans and Democrats that made the government immobile.

Hillary Clinton, the embodiment of the existing establishment, could not come out clean over the e-mail scandal that Trump used effectively to wear away voters from her camp. What was worse a week before the Election Day is that the FBI came out with a damaging revelation that more suspicious emails were detected, which immediately dipped Clinton's polls rating. Besides, Clinton failed to stitch together a coalition as Obama did in 2012.

Another aspect that helped Trump to secure the Presidency is the incumbency factor. After eight years of a black Democratic president, white Americans wanted a white Republican in the White House. The voters evidently were not ready for a woman president.

A clever rhetorician, Trump easily connected with the vast majority of people in the most unorthodox language

and did not care about decency. Trump's victory was secured by the large turnout of white votes (58 percent) mostly in the battleground states.

Trump's biggest challenge will now be to heal the wounds of division that he inflicted during the campaign. He has already changed his tone and his acceptance speech was sober and more

Will he [Donald Trump] carry out all the threats he made during the campaign? What will he do for the powerless groups in the American society? That is something we shall have to wait and see.

president-like compared to his campaign rants. The media has also started building a positive image of Trump. Hillary Clinton conceded the election, saying, "We owe him an open mind and a chance to lead".

What is striking is that the GOP not only got the White House but also secured majority in both Houses of the Congress. That is a formidable combination for the new president to get things moving. Dejected Democrats will now have to figure out how they can play the role of the spoiler.

As Washington gets ready for a smooth transition of power to the new President, people around the world will be watching Trump's foreign policy carefully, as it is closely linked to America's security concerns while also observing what he does to the global financial architecture. Will he carry out all the threats he made during the campaign? What will he do for the powerless groups in the American society? That is something we shall have to wait and see.

It was populism that carried Trump to victory and fundamentally changed American political discourse.

The writer is former Ambassador and Secretary.

LETTERS TO THE EDITOR

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Buses must issue tickets

Most BRTC and private buses in the city do not issue tickets these days. Many passengers argue with bus conductors that it is their right to have a ticket as proof of fare payment. Apparently it has become a practice not to issue tickets for reasons best known to the bus owners. Some passengers are even charged for the same fare several times, as it is not possible for bus conductors to remember every face.

The concerned authorities are requested to look into the matter and make tickets mandatory in order to prevent disputes over whether fare has been paid or not.

Ehsan Ul Haque
On email

Why are train coaches being cut down?

As a regular passenger of the Dhaka-Chittagong route, I am disappointed with the Railways' decision to cut down the number of coaches in Turna and Mohanagar trains.

It is very difficult to acquire train tickets as it is. I can't remember seeing a single empty seat in coaches in my past few years of travelling by train. Reducing the number of coaches will make it even more difficult for passengers to get tickets.

As a taxpayer of this country, I have the right to ask whether there is any valid reason behind this decision. Railway is purchasing a number of new coaches, as far as I know. How is it that, instead of increasing the number of trains and coaches as expected, they are now reducing them?

I request the concerned authorities to reconsider their decision and take the citizens' plights into account.

Fahad Abdul Malek
On email



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