

Can Bangladesh become an economic powerhouse?



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THE OVERTON WINDOW
ACCORDING to Pricewaterhouse Coopers, Bangladesh has the potential to become the world's 23rd largest economy by 2050. In a report released earlier this month, PwC also predicted Bangladesh would be the 28th biggest economy by 2030 in terms of its Gross Domestic Product calculated at Purchasing Power Parity. This may not seem like a big deal given that Bangladesh already has the 31st largest economy in the world in terms of total GDP; however, thinking along that line may be misleading given the bigger picture.

First of all, moving up eight places in the ranking will itself be quite an achievement given the urgency with which countries in the modern world are competing with each other on the economic front. Secondly, and perhaps more importantly, the projection shows Bangladesh's economy growing from USD 628 billion in 2016 to USD 1,324 billion in 2030 and then to USD 3,064 billion in the year 2050.

This will put Bangladesh right behind Canada with a GDP of USD 3,100 billion in 2050 having increased the size of its economy nearly five-fold since 2016, whereas the Canadian economy, over the same period, would have only doubled its current size as would the world economy. This amazing potential for Bangladesh to rapidly increase the size of its economy has even been highlighted by PwC's report which says, "We project Vietnam, India and Bangladesh to be three of the world's fastest growing economies over this period [between 2016 and 2050]".

With an average annual growth of about 5 percent, largely because of its "youthful and working age population", Bangladesh does have the potential to make rapid progress. But as a report by the Centre for Development and Employment Research showed, 25 percent of the population in Bangladesh between the ages of 15 and 29 — numbering around 11 million — are currently inactive, i.e. they are neither in the education cycle nor involved with any economic activity. Moreover, and this to some may seem even more perplexing, "the prevalence of unemployment is greater among the higher educated section of the youth".

Given that about 40 percent of Bangladesh's population is comprised of the youth, this is indeed a grim reality. Simultaneously, it is also a classic example of the unfathomably high inefficiency that plagues every sector of our economy. What, after all, could be a better way of wasting, what one could argue, is the country's most valuable and abundant resource, than to leave the youth out of the mainstream economy? And, that too, the most educated sections of it?

But in order to live up to its true potential, the country quickly needs to change this scenario around. Bringing the youth into the fold will not only help the economy by increasing overall productivity, but will also help lower various external costs which in itself will

prove to be of great benefit. Another point worthy of mention is that in order to realise its full economic potential, similar to other emerging markets, the Bangladesh government, according to PwC, would have to "implement structural reforms to improve" its "macroeconomic stability, infrastructure and institutions". And this is where the biggest challenge lies.

The amount of corruption in every sector of our country has become so internalised, that reversing this will not be easy, albeit indispensable for growth. Corruption is not only holding development back through the misallocation of resources, delay in project implementation and completion, but is also wreaking havoc in our banking sector.

For example, although the industry's average default

failed to take any lessons from it. Who is to say that a similar liquidity crisis cannot set us back by years if we continue down the same path? The truth is, no one can, as that is the guaranteed outcome down the path we are pursuing.

At the same time, corruption is also the biggest hindrance we face when it comes to developing our infrastructure. Clearly the infrastructure we have now is completely inadequate to support businesses and other economic activities on a large enough scale. However, even with massive investments coming in from abroad, the pace at which development is taking shape is still quite slow. In the interest of quickening them and to allow businesses to set up and function competitively, the government urgently needs to introduce many structural reforms and changes.



IMAGE: VENTUREBEAT

loan is currently 10.34 percent, it is around 25 percent for the state-owned banks. Even the Governor of the Bangladesh Bank has recently had to admit that "It would be difficult to attain a higher economic growth if the rate of default loans remains high". Though this exact sentiment has been repeated by experts for years now, what we have seen the government do ultimately is to let those responsible for the increase in dubious or bad loans get off the hook scot-free, leaving taxpayers holding the bill.

We have already seen during the 2008 global financial crisis what this can do. We have also seen the eventual outcome of 'bailing' banks out. And yet, it seems we have

The fact of the matter is that Bangladesh has all the tools available at its disposal to rapidly move its economy ahead in the years to come. What it does need is to sort out some of the most basic problems which it has failed to address for decades despite the solutions to those problems being quite clear-cut. And the main reason for that has been a lack of political will. If, however, that political will is found, who is to say that Bangladesh cannot become an economic powerhouse, capable of providing a peaceful and decent life for all its citizens? Now, is that not an end worth pursuing?

The writer is a member of the editorial team at *The Daily Star*.

New EC takes charge

Live up to the obligations

THE new Election Commission (EC) has taken over on February 15. We wish the new team good luck. The new CEC had expressed his resolve to work impartially, but we feel that the articulated good intentions of the Commission must be demonstrated by substantive actions. The first test will obviously be the elections to various posts in 18 upazilas that will commence from March 6. Hence, there is little time to be lost. The new CEC has his work cut out for him, particularly in light of the fact that his predecessor's tenure was mired in controversy over charges of gross inefficiency which has brought into question the EC's credibility.

It is necessary to remind the new Commission that there is a difference in perception of the electorate and the EC about free and fair polls. The previous EC had claimed that elections for all polls held under it were free and fair. Are we to understand that the definition of free and fair polls have undergone a change? Because the outgoing CEC and his team believe that all polls held during his tenure were free and fair, a sentiment not shared by most of the public.

We hope the Commission will get down to the brass-tacks of running one of the most important institutions in the country and work towards restoring its image. The office of the EC is a statutory body which should not allow any sort of extraneous influence to come in the way of fulfilling its task of holding free, fair and transparent elections.

Khasis under eviction threat

Protect their rights

REPORTEDLY, the life of the Khasi people living in Meghatila village in Kulaura upazila is getting harder as they are constantly threatened of being evicted from their homes, or attacked by local Bengalis. What is worse, they say, is that chairmen and local leaders are not only indifferent to their sufferings, but are actually encouraging people to create instability.

With the recent murder of a member of their community, their fear has only gotten worse. This is severely impeding on their daily lives as students and teachers cannot attend classes and SSC candidates feel afraid to even attend their examinations. Whereas one would expect the local Bengalis to come to their aid, when criminals are apprehended, they in fact, lobby the administration to let them off scot-free.

This has, unfortunately, become a recurring theme recently as more and more minority groups across the country face similar threats and lack any form of security. But as people become more intolerant towards minority communities and our administrative mechanisms fail them even more tragically, what does it say about our society and the state of governance in our country in general? Why is the administration not taking any pre-emptive action to protect these groups? And why are local Bengalis becoming so aggressive?

To protect minority groups, uphold the rule of law and save any form of civility, law enforcement agencies and the government must do more to protect minority groups. Local government administrations too, must work for peace and security, through dialogue and inclusivity.

Conducting credible elections

Challenges for the New Election Commission



DR. MD. ABDUL ALIM

THE 12th Election Commission led by KM Nurul Huda has taken the office on February 15. This Commission has been formed by President Abdul Hamid from a list of 10 people

proposed by the Search Committee appointed by Hamid after talks with 31 political parties. The Search Committee consulted with leading civil society leaders to prepare a set of criteria for the post of CEC and ECs, collected names from 31 registered political parties, scrutinised the background of 20 shortlisted persons and finally proposed 10 names to the president.

Both AL and JP welcomed the new Commission while BNP said that the 'desire of the Prime Minister and AL President has been reflected' in the formation of the new EC while further alleging that 'free, fair and neutral polls under current EC is not possible'. Criticising the success of the search committee, economist Akbar Ali Khan opined, "Such a committee has never been successful in picking competent, non-partisan and right persons for the constitutional positions". On the other hand, educationist Syed Manzurul Islam, one of the members of the search committee, expressed his surprise stating "there were three civil society representatives on the list of 10, I had hoped that at least one would find place in the election commission".

Such kinds of debates will continue until the new Commission is able to come up with free, fair and credible elections. I also strongly believe all the stakeholders are now expecting that all future elections in Bangladesh, including the 11th parliamentary elections, to be conducted under this Commission would be credible. One of the main reasons behind such high expectations is that most of the elections held from 2014-16 under the previous led commission were not widely accepted. Moreover, on October 23, the Prime Minister, in an impromptu reaction in her concluding remarks at the AL Council Meeting said, "We don't want to hold any questionable election". She also reiterated the promise "to ensure free and fair elections in a healthy

environment" at the beginning of the joint meeting of the Awami League Executive Assembly and the Advisory Council held on January 30, 2017. Civil society leaders and the international community are also optimistic about the new Commission.

For conducting credible elections, the 12th Commission has to deal with a few critical challenges. The first challenge is to regain trust of the stakeholders on the Commission itself as well as on the electoral process. A recent survey conducted by a national organisation in Bangladesh found that only 8.6 percent residents of Dhaka city had trust in the EC; it is 12.4 percent in other urban areas and 12.1 percent in rural areas. However, we realise

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that building public trust in the election process is of utmost importance to election management bodies around the world. The EC can gain a high degree of confidence through its planning and operation, openness and transparency. It should start stakeholder consultations immediately with political parties, CSOs, media, international community and other professional bodies.

Ensuring political independence of the EC would be another challenge for this Commission. Electoral Management Bodies (EMB) that are independent from interference by other government institutions and political interests, impartial in their decision-making and professional in their make-up, are considered a crucial

component for conducting free and fair elections. The CEC and all other Commissioners have to work 'fearlessly' and must not bend to governmental, political or other partisan influences on their decisions. Also, they have to prevent external influence to alter their decisions, behaviour or actions by the government of the day. The Commission has to put this issue on its agenda, discuss, and take a clear stand on this, and give a message to stakeholders about its political neutrality. Although, the CEC, in a media briefing said that he would not "bow down to anyone, and I hope none of my colleagues will do so", this must be expressed through their activities.

One of the key problems of the recently held elections under the previous Commission was that it failed to establish its authority on the police and local administration. On May 27, 2016, one of the commissioners said, "The Election Commission would not take responsibility for the violence in Union Parishad polls"; this statement proves the helplessness of the Rakib Commission. One of the guiding principles for conducting credible elections is that the EMB has to establish its full authority over the election administration. In other words, the Commission has to be allowed to play the role of de facto government during elections. The new Commission has to think this critical issue, review the legal provision, analyse why the previous commission failed to establish authority on the election administration. If necessary, it should propose revision of law to the government. The best practice is to ensure that the election staff - even if a deputed one - must be accountable only to the EMB at all levels.

One of the important safeguards of election integrity lies in an effective resolution of complaints. When the credibility of elections is called into question, the EMB needs an effective process of complaints adjudication to sift the facts and determine whether transparent election procedures were followed. An effective complaints adjudication system not only lends legitimacy and credibility to an election, it also serves as a peaceful alternative to the violent post-election responses all too common in emerging democracies. Due to non-disposing complaints during the last Union Parishad elections, the last

Commission had to offer an unconditional apology to the HC. The EC should not simply delegate conflict management and mitigation responsibility to security forces and the judiciary. It can, and should, play a key role in resolving conflicts stemming from the electoral process. The new Commission should make a plan for effective resolution of complaints.

Transparency and fairness in all decisions and activities are the key cornerstones for conducting credible elections. Research suggests that EMB meetings that are open to the public are likely to promote greater trust. On the other hand, closed meetings and lack of stakeholder consultation lead to public suspicion about influences on the EMB. By moving away from the arbitrary and opaque processes that usually characterise authoritarian regimes, an EMB demonstrates its commitment to accountability and transparency, and to its role in the transition itself. The new Commission has to carry out their duties or roles in a professional, transparent and impartial manner.

One of the most important ways in which elections can be regarded as legitimate is through the development of credible election administration institutions. To do so, 2017 would be a critical year for the new Commission, as it will conduct Comilla and Rangpur city elections, and the Sunamganj and Gaibandha bi-elections. As for international guiding principles, a Commission, in order to conduct credible elections, has to play three types of roles: legal function, technical function and ethical function/role. To discharge its function properly, the Commission has to play these roles which results in free and fair elections.

Finally, government support is indispensable for conducting credible elections. In some countries, EMB is a department of the executive branch of the government, but such an EMB can conduct credible elections, and this is possible due to government's support. I believe the new Commission will receive extended support from the government, political parties, candidates, CSOs, media and other stakeholders, and the nation will see free, fair and credible elections in Bangladesh.

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LETTERS TO THE EDITOR

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Prevent vandalism in residential areas

An advertisement in today's newspaper highlights the implications, including fines and jail terms, of wall writings and graffiti, from the Dhaka north city corporation.

As a resident of Uttara, I appreciate this laudable move and shall fully cooperate with the city corporation. However, the question remains as to how the vandals will be stopped from rewriting on the walls after they have been cleaned. Will there be any supervision? Will the paid security guards in our sectors be trained and equipped to stop offenders from vandalising the walls especially at night?

I request the concerned authorities to train the security guards in these matters, or take other appropriate preventive steps.

Zubair Khaled Huq
 Dhaka

Mushfiq the batsman

Mushfiqur Rahim is our most dependable batsman. He is also the wicketkeeper and captain in test matches. This is a heavy burden that is adversely affecting his performance in all three aspects of the game.

For his own benefit he should give up wicket keeping and captaincy and concentrate on what he does best - batting. He should also bat up the order.

It is time for BCB to find a new captain and a new wicketkeeper for the coming test series.
 Engr. ABM Nurul Islam
 USA