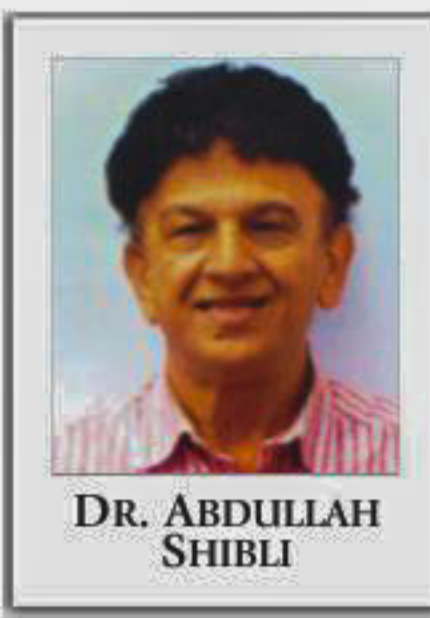


# The megaproject paradox



I have been a voracious consumer of news trivia since my Dhaka University days when I was quite a BBC World News addict.

Recently, on the morning of January 10, as I was listening to BBC Newshour, an odd news header caught my attention. It was reported that China and Australia had a minor tiff over a comment made by the Australian Minister for International Development, Concetta Fierravanti-Wells. In a newspaper interview, she criticised China for constructing "useless buildings" and "roads to nowhere" in many Pacific Islands nations. It may be recalled that China has been engaged in the construction of "megaprojects" in Third World countries, often financing them with soft loans. Beijing, stung by this criticism, hit back by accusing Australia of "behaving like an arrogant overlord."

Closer to home, what made this brouhaha interesting for me are the recent series of op-eds in *The Daily Star* and *Prothom Alo* subjecting our own megaprojects, some of which are supported by Chinese and Indian loans, to careful scrutiny. At a roundtable on infrastructure development in Bangladesh organised by *The Daily Star* and BSRM in December 2017, many participants spoke up against poor planning, cost overruns, delays, and lack of proper management. One of the participants, Dr Ahsan H Mansur, Executive Director of PRI, reportedly said that "Bangla-

desh was setting up the Rooppur Nuclear Power Plant for USD 13 billion to generate USD 2,400 megawatts of electricity but the same amount of power could be generated for USD 2.5 billion or less."

To take another project, the proposed rail connection over the Padma Bridge, many at the roundtable had questioned the wisdom of plunking down almost USD 5 billion on a megaproject which is of questionable economic value. "The railway on the Padma Bridge is a Tk 40,000-crore project, which is costlier than the bridge itself. How many trains need to run on the lines a day to make that investment worthwhile? Is there any analysis of that? No," said Dr Mansur.

Now, megaprojects are ubiquitous. These often take the form of big, expensive infrastructure projects such as bridges, roads, buildings, rail lines, you name it. Whether one likes them or not, they will stay with us. Why? For many reasons.

First, they provide legitimacy to the regime in power. Second, big projects are symbols of the modern era. And finally, the construction of these projects provides a vision of the future. However, megaprojects are also often plagued by cost overruns and delays.

So, the question is, what accounts for this fascination with megaprojects and the mega-problems that have bedevilled these "white elephants"? While each megaproject is a case by itself, they all share some common elements, according to Professor Bent Flyvbjerg, Professor of Major Programme Management at Oxford University Said Business School. He says that megaprojects are systematically subject to "survival of the unfittest" and that might explain why



Megaprojects are symbols of the modern era and provide a vision of the future. However, they are often plagued by cost overruns and delays.

PHOTO: SK ENAMUL HAQ

the worst projects are completed rather than the best. Professor Flyvbjerg's research on megaprojects identifies "megaprojects paradox" and examines its causes, and offers possible cures for cost overruns, benefit shortfalls, optimism bias, strategic misrepresentation, and other issues.

In a publication titled "Megaprojects and Risk: An Anatomy of Ambition," he and others are critical of the mindset that leads political leaders and lobbyists to push for the adoption of "megaprojects." They start the booklet with the following statement: "Wherever we go in the world, we are confronted with a new political and physical animal: the multibillion-

dollar mega infrastructure project," and the offer "the iron law of megaprojects": over-budget, over-time, and over and over again. They blame project managers for the mindset leading to the "break-fix model of megaproject management." This faulty model is built around the philosophy that at some point the project will "break" and will have to be "fixed," but it also has led to delays and cost overruns.

Finally, academicians, policymakers, and politicians have over the years hinted why cost overruns are so common, and often need to be covered up. Professor Albert Hirschman of Yale University in 1967 advised that initial cost esti-

mates of megaprojects have to be concealed, because if people knew in advance the real costs and challenges involved in delivering a large project, "they probably would never have touched it" and nothing would ever get built!

A well-known American politician who appears to have taken Hirschman's advice seriously is Willie Brown, former California State Assembly speaker and mayor of San Francisco. In a fascinating speech in 2013, he admitted that the true cost of megaprojects was always hidden from the public. "We always knew the initial estimate was way under the real cost. Just like we never had a real cost for the [San Francisco]

Central Subway or the [San Francisco-Oakland] Bay Bridge or any other massive construction project. So get off it. In the world of civic projects, the first budget is really just a down payment. If people knew the real cost from the start, nothing would ever be approved. The idea is to get going. Start digging a hole and make it so big, there's no alternative to coming up with the money to fill it in." Willie Brown might sound cynical, dishonest or candid, but he makes a good point.

However, I will concede that cost overruns of 30 percent or more are not extraordinary and can be expected in large and complex projects, and this happens even in the best of circumstances. Once a megaproject is initiated, many factors such as international prices, weather, and political climate in the country are unpredictable. Many large projects take such a long time to build—more than eight-and-a-half years for the average large dam—that they are vulnerable to a kind of entropy, in which even unrelated events can produce huge setbacks. Fortunately, project managers in our country can draw some important lessons from the projects analysed by the Oxford University group, and find some hopeful signs from two successful projects that China is expected to complete on time and within budget. These are the USD 2 billion mass transit light railway in Lahore, and a coal-powered power plant in Karachi, also costing USD 2 billion.

Dr Abdullah Shibli is an economist, and Senior Research Fellow, International Sustainable Development Institute (ISDI), a think-tank in Boston, USA.

# The power of empathy



ALMOST every day we come across positive news about Bangladesh's economic progress, and the individual achievements of creative, entrepreneurial, and innovative Bangladeshis.

However, the good news is undermined by the cracks that are emerging in our social structure. There is a perceptible loss of social capital and trust amongst citizens. If someone were to ask me "what is the central challenge facing our society?" my answer would be: a decline in compassion and empathy for our fellow human beings.

My concern has been intensified by two recent incidents in Dhaka city. The first was the shocking news of an elderly man being assaulted by his neighbours for protesting



ILLUSTRATION: SIMON PRADES

Turning down the volume of the music that is disturbing an elderly, sick man is not a great sacrifice; it only requires that we step into someone else's shoes and make a small adjustment.

One may ask, how did we, as a community, become so insensitive and selfish? It could be because people with influence and power, for a variety of reasons, have abandoned their roles as advocates for respectability, civility, and moral values. As a consequence, the counterculture has made great headway—a culture where wealth and muscle power have taken priority over ethical considerations. We accept this moral decline as the inevitable cost of economic progress. With time we have also begun to conflate wealth with self-worth, ignoring the fact that full humanity includes many more dimensions. There is an insidious danger in this kind of faulty thinking—both the wealthy and the disadvantaged come to believe

that only a materially successful person deserves honour, reward, and privilege. The truth is that in a balanced social order, every individual is entitled to courtesy, respect, kindness, safety, protection, opportunity, and forgiveness.

We are becoming more technologically savvy and materially sophisticated. But there has not been a commensurate upward movement in the emotional and moral curve. We need to seriously reflect on the kinds of power other than wealth and status—the moral power of truth and love—what Gandhi called Satyagraha (truth force). The underlying principle defining this kind of power is simple: Let us try to use the non-violent force of love to bring about social change. And let's treat each individual as if they are part of full humanity. The rest will fall into place!

Milla Ali is a Rabindra Sangeet exponent and a former employee of the World Bank.

*We need to seriously reflect on the kinds of power other than wealth and status—the moral power of truth and love—what Gandhi called Satyagraha (truth force).*

against loud music on the rooftop of their apartment building. The gentleman suffered a heart attack and died. We may ignore the unwritten rule restricting noise pollution. But it is utterly appalling and reprehensible that we live in a society where a human life is worth less than the personal pleasure derived from music and entertainment.

The second incident occurred more than a month ago. An 85-year-old widow was assaulted and forcibly evicted from her apartment where she had resided for four decades. Despite the fact that there was a court case pending on the ownership, a real estate development company along with the property owners reportedly locked up the occupant and her domestic help while they vandalised her apartment. She was then thrown out into the street.

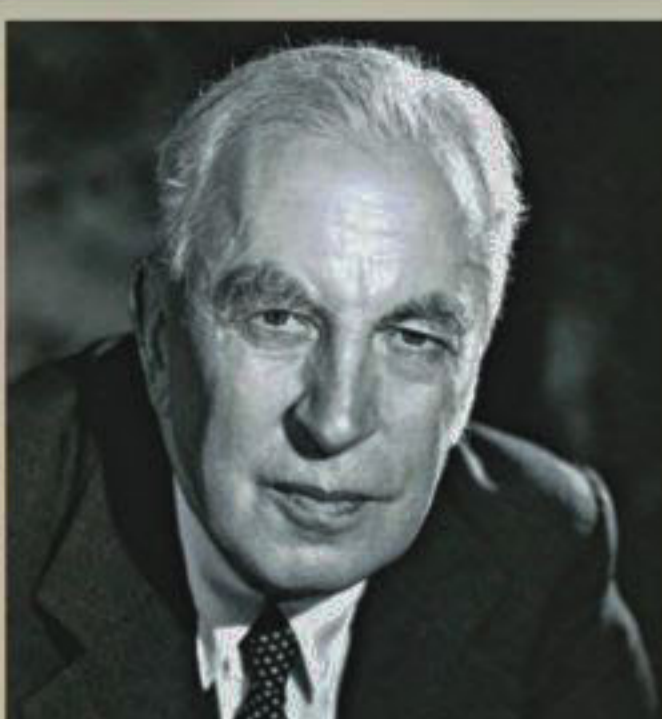
Sadly, the two episodes have reinforced my belief that as we are climbing up the economic ladder, we are becoming less sensitive about the power of human relationship. Each day there are reports about mugging, wife beating, child molestation and rape. While these actions are inexcusable, we could assign part of the blame to economic desperation, psychological and emotional disorders, and lax law enforcement. But the two recent incidents I described above display an utter lack of sensitivity for the "other." They are impelled by the destructive energy of a society that is finding it hard to cope with its transition to a middle-income country and the changing ethical norms. Apart

from the moral aspects of the issue, we need to recognise that this kind of social degeneration results in rising crime levels, political polarisation, and religious extremism—problems that we are already facing as a country.

It is understandable that in today's competitive environment, people want to get ahead in their professions by running on the fast track of their career path. However, material success is not the only indicator of a well-rounded, good life. It's also necessary to be neighbourly, civic-minded, charitable, have respect for the elderly, and to avoid physically aggressive behaviour in public. After all, we want to live in an environment that is harmonious and peaceful. And none of us want our children to inherit a socially polarised, unstable and uncaring world.

Was everything perfect in the past? Of course not. There were racial and gender discrimination, economic exploitation, and social crimes. But since we are making progress in so many directions, why not focus on improving human relationships that will ultimately strengthen the moral fabric of our society? Showing empathy and compassion toward our fellow human beings does not require a social revolution.

## QUOTABLE Quote



ARNOLD JOSEPH TOYNEEBE  
British historian, philosopher of history, research professor of international history

*A city that outdistances man's walking powers is a trap for man.*

## CROSSWORD BY THOMAS JOSEPH

- ACROSS**
- 1 Young ones
  - 5 Appeals
  - 10 Top draft rating
  - 11 Book wrap-up
  - 13 Lively folk dance
  - 14 Store fodder
  - 15 New Mexico's capital
  - 17 Immoral act
  - 18 Washington's capital
  - 19 Wedding words
  - 20 Follower's suffix
  - 21 Meany of "Star Trek: Deep Space Nine"
  - 22 Polish
  - 25 West of music
  - 26 Refer to
  - 27 Use a chair
  - 28 Spots on TV
  - 29 Georgia's capital
  - 33 — culpa
  - 34 New Hampshire's capital
  - 35 Fries source
  - 37 Roman poet
  - 38 Prepare to play
  - 39 Parcel (out)
  - 40 Oozes
  - 41 Ran, as color
  - DOWN**
  - 1 Statue subject
  - 2 Shaq of the NBA
  - 3 Minuscule
  - 4 Place of toil
  - 5 Consider
  - 25 Pottery oven
  - 27 Bends low
  - 29 Carry on
  - 30 Fresh
  - 31 Hackneyed
  - 32 Threw in
  - 36 Snacked
  - 7 "My country — of thee"
  - 8 Sound omission
  - 9 By a wide margin
  - 12 "Code of life" holder
  - 16 Church area
  - 21 Underground passage
  - 22 Rascals
  - 23 Grotesque
  - 24 Draw
  - 25 Pottery oven
  - 27 Bends low
  - 29 Carry on
  - 30 Fresh
  - 31 Hackneyed
  - 32 Threw in
  - 36 Snacked



## YESTERDAY'S ANSWER

CAMERA GIST  
OLIVER OMAR  
MOMENT TATA  
INERT RIGID  
CEDE CANINE  
SOOT NOD  
DUTCHOVEN  
PIT HANA  
USOPEN TOPE  
TAPER BIDON  
OBLIE RACIST  
FLAK ERASER  
FENS PANTRY

**Government of the People's Republic of Bangladesh**  
Bangladesh Regional Connectivity Project-1 (BRCP)  
WTO Cell, Ministry of Commerce  
Level-12 (West Side), Probashi Kollayn Bhaban  
71-72, Eskaton Garden Road, Dhaka-1000

Memo No. 26.00.0000.000.14.001.18-25 Dated: 01/02/2018

### Request for Expressions of Interest (Individual Consultants)

The People's Republic of Bangladesh has received an SDR 8.0 million Credit from the International Development Association (IDA) — a member of the World Bank Group — for financing the cost of the Project, being implemented by the WTO Cell under the Ministry of Commerce and intends to apply part of the proceeds for procuring the individual consultancy services of following position for its Project Implementation Unit (PIU). The development objective of the project is to improve conditions for trade through improving connectivity, reducing logistics bottlenecks and supporting the adoption of modern approaches to border management and trade facilitation. BRCP-1-MOC now invites eligible Consultants to indicate their interest in providing the services. Interested Consultants should provide information demonstrating that they have the required qualifications and relevant experience to perform the services. Details of the qualification requirements and responsibilities are available in TOR:

Position and No.	Education	Experiences	Major responsibilities
Financial Management Expert (Junior Consultant) 01	Bachelor's degree or equivalent in Accounting, Finance, Commerce, or Business Administration. Candidates with higher degrees will get preference.	At least 05 years of progressively responsible experience in financial management in any public/multinational organization or donor funded project.	Ensure smooth flow of funds from the World Bank and GOB into the project to facilitate its implementation; Ensure compliance with laws, rules, and regulations of GOB.
Procurement Specialist (01)	A Bachelor's degree in Engineering, Masters in Procurement/Supply Chain Management, Law, Commerce, Finance, or Business Administration.	Minimum 07 years procurement experience with a Government/ Public Enterprise/UN Agencies, World Bank, ADB or have had responsibilities with a substantial content of his/her position in the procurement area.	Assist in preparing and updating periodically the project procurement plan and use of the web based Systemic Tracking of Exchanges in Procurement for procurement activities; Prepare drafts of Invitation for Bids, Request for Expressions of Interest, Bidding Documents, and Request for Proposals.
Project Manager (01)	Post-graduate degree from any recognized university; Candidates having higher degrees will get preference.	A minimum 15 (fifteen) years of progressively responsible experience at national or international levels in advisory and managerial positions.	Establish and maintain close working relationship with the PD, World Bank and other stakeholders of the project, maintain a functional linkage with the concerned Agencies to facilitate and enhance application of available resources towards project goals.

The attention of interested Consultants is drawn to paragraphs 3.14 to 3.18 of the World Bank Group's Procurement Regulations for IPF Borrowers, Procurement in Investment Project Financing, Goods, Works, Non-Consulting and Consulting Services, July 2016 ("Procurement Regulations"), setting forth the World Bank Group's policy on conflict of interest. A Consultant will be selected in accordance with procedures for recruiting Individual Consultants set out in the Procurement Regulations. A copy of the terms of reference (TOR) and necessary forms of the assignment may be obtained from the address below during 09:00 to 17:00 hours or downloaded from the Ministry of Commerce website at: [www.mincom.gov.bd](http://www.mincom.gov.bd). EO shall be submitted on or before 22/02/2018 at 12:00 Noon in sealed envelope delivered to the undersigned and be clearly marked "Request for Expressions of Interest for Selection of [Name of the position]. Necessary documents in support of educational qualifications and experience & skills shall have to be submitted.

**Md. Hemayet Uddin**  
Project Director (Joint Secretary)  
Email: [hemayet7572@gmail.com](mailto:hemayet7572@gmail.com)

GD-320