

Sino-India ties: A boat ride to a new future?

PALLAB BHATTACHARYA

In a previous article, I had raised the question: can Asian giants India and China navigate through their competing aspirations to become regional and global pow-

ers and find a new template for working together? A tentative answer to this is available after the recent "informal" summit between Prime Minister Narendra Modi and President Xi Jinping on the bank of the Yangtze river in the central Chinese city of Wuhan on April 27 and 28. This was the first time that

the leaders of the two countries held an "informal" summit seeking to leave behind their troubled past. The two countries have taken the first small but potentially significant step towards cooperation, as they agreed to take up a joint economic project in violence-racked Afghanistan, a member of the South Asian Association for Regional Cooperation (SAARC). The details of the project will be decided by officials of India and China soon. Afghanistan has sizable iron ore deposits and both India and China are reportedly eyeing to lend their hand to help the country

exploit the mineral resource. Irrespective of the area in which the joint project will be implemented, what is much more important is that the nuclear-armed Asian countries have agreed to pool in their expertise and resources in the first such initiative in South Asia where rivalries between India and China, and India and Pakistan, loom large. The Sino-India joint project in Afghanistan can also help dispel some of Pakistan's concerns over India's growing presence in that country's developmental efforts because China is an all-weather ally of Pakistan. India has already given nearly three billion dollars of financial aid to Afghanistan besides undertaking power, road and parliament building projects there.

But that is not all. Modi and Xi also agreed that India and China, as two major emerging economies with their vast developmental experiences and national capacities, should join hands to take lead in addressing many of the problems facing the world. To begin with, the issues identified for such Sino-India cooperation are: combating diseases; coordination action for disaster risk reduction and mitigation; addressing climate change; and digital empowerment. They agreed to join hands regarding these issues and create a global network dedicated to meet these challenges.

This augurs well for global peace and stability because India and China have so far been keeping an eye on each other's expanding footprints in economic sectors across the world ranging from South Asia, South East Asia to Latin America and Africa. Of course, China, with its much stronger financial muscle, has been miles ahead of India in this endeavour. Every time, China gets a major infrastructure project, be that in the power, deep sea port or road-building sector or bags a defence contract in a South Asian country—Bangladesh, Nepal, Sri Lanka or Myanmar—it raises the hackles in India. Sino-Indian rivalry also poses a difficult balancing act for small countries, not only in South Asia, but in other parts of the world. That problem will be addressed to a great extent if India and China can indeed jointly execute projects particularly in South Asia. It then remains to be seen if and how the moribund Bangladesh, China, India, Myanmar road initiative is taken forward.

It also remains to be seen how India and China reconcile their different approaches for joint projects overseas. Separately, China has been more transactional in its approach, taking its own manpower abroad for executing them and often getting natural resources from there for its industry, and in the process also creating unrest among the local population since jobs are not created for them. India, on the other hand, has so far been focusing more on generating goodwill by its financial assistance to other countries and undertaking projects there. That is going to be a major challenge.

From India's view point, the Modi-Xi summit was also important in that the Chinese President said the clout of India and China was going up

in Asia and there was "vast space" for future bilateral cooperation. Both the countries acknowledged what a statement by India's External Affairs Ministry called "their overlapping regional and global ambitions as two major countries." This, experts say, is one of the few instances when China accepted India's ambition to be a global player.

For Sino-India cooperation to happen, it is essential they avoid a military faceoff. For this, Modi and Xi underscored the importance of maintaining peace and tranquility across their border and "issued strategic guidance to their respective militaries to strengthen communication in order to build trust and mutual understanding and enhance predictability and effectiveness in the management of border affairs." This is significant because it will reflect on Xi's hold over the People's Liberation Army. Peace along the Sino-India border is prone to frequent threats like that at Chumar in Ladakh in 2014, even as Modi and Xi were having talks in India and then again during the Doklam crisis in 2017. What the two countries must guard against is another border faceoff dissipating the outcome of the Modi-Xi summit. On the final day of the summit, the leaders took a boat ride in Wuhan and the Indian External Affairs Ministry described it as "Sailing in the same boat for peace, prosperity and development!" The world is watching to see if it is going to be smooth sailing.

Pallab Bhattacharya is a special correspondent to The Daily Star.



Chinese President Xi Jinping and Indian Prime Minister Narendra Modi walk together along the East Lake in Wuhan.

PHOTO: MEA/INDIA/TWITTER

Why we should rethink financial inclusion

Financial institutions should ensure that their products are designed to better fit women's needs

TASNUBA SINHA

THE good news is that mobile phones and alternate banking channels such as agent banking are bringing millions of individuals into the formal financial system, meaning they have bank accounts or mobile money account for the first time. This is important because financial inclusion is crucial in helping people save money for emergencies, get loans to start businesses, and ultimately resulting in an improvement in their overall wellbeing.

The bad news, however, is that the financial inclusion gap between men and women in developing economies, especially Bangladesh, hasn't improved in the past six years; 65 percent of the unbanked in Bangladesh is women. The Global Findex Database is the world's most inclusive dataset on how adults save, borrow, make payments, and manage risk and it has been published every three years since 2011. Based on more than 150,000 interviews around the world, the 2017 edition was released by the World Bank on April 19 and provides robust evidence of an increasingly inclusive financial world that is transitioning into a digital economy. For those who work for financial inclusion, this report is perhaps the most significant publication, giving the practitioners a lot to think about where we are and how the world's financial inclusion situation will evolve.

Universally, 69 percent of adults—that is 3.8 billion people—now have a bank account or a mobile money account. This is an increase from 62 percent in 2014 and just 51 percent in 2011. As per the Global

Findex Database, 515 million adults have obtained an account from 2014 to 2017, and 1.2 billion have done so since 2011. While in some economies account ownership has risen, progress has been slower elsewhere, often held back by significant differences between men and women and between the rich and poor. 1.7 billion people around the world remain unbanked and 56 percent of the unbanked population is women. The gap between men and women in developing economies remains unchanged since 2011 at 7 percent.

In Bangladesh, the dialogue surrounding the financial inclusion gender gap has intensified over the past years as key stakeholders explore how best to engage prospective women customers in ways that meet the needs of both consumers and providers situated within different market contexts. Despite such efforts, the gender gap is nearly 30 percentage points. Development organisations and financial service providers have been focusing a lot on expanding women's capabilities, women's financial literacy knowledge and women's ability to use accounts. While this is a commendable and certainly necessary approach, there still needs to be a more critical and in-depth look at the way they are providing the financial services.

If financial institutions want to encourage higher adoption and greater usage of financial services among women then they need to ensure that their products are designed to fit their unique financial lives. They need to better understand the needs of women and create products that serve them. Studies have shown that when women obtain credit, they prioritise household



PHOTO: MSTAR

responsibilities such as children's education and housing. Men prioritise business expenses and large investments such as land. Furthermore, women are more likely to work in the informal sector with lower and less consistent incomes, often interrupting their businesses to take on family responsibilities such as caring for sick children or the elderly. Loan repayments, therefore, can be more flexible and can have shorter durations to accommodate the women's life patterns.

Investing in financial innovations that work with existing informal

networks in ways that enhance their benefits and reduce risk can help millions of women attain greater financial security and access other financial services including insurance, mobile banking services, and others.

And finally, financial institutions and other agencies working with women need to address the barriers that prevent women from benefiting from financial inclusion—whether it's gender norms that undermine women's ability to access financial services on their own right, lack of financial literacy, or lack of information.

At the end of the day, financial inclusion for women is not going to be achieved by trying to make women bankable, but by ensuring that financial services, products, and systems are women-focused. To narrow the gender gap and foster sustainable development, concrete steps that focus on enhancing women's financial inclusion are required.

Tasnuba Sinha works for FHI 360 (formerly Family Health International), a nonprofit human development organisation based in North Carolina, USA. Established in 1971, the organisation has long managed projects relating to family planning and reproductive health.

A WORD A DAY

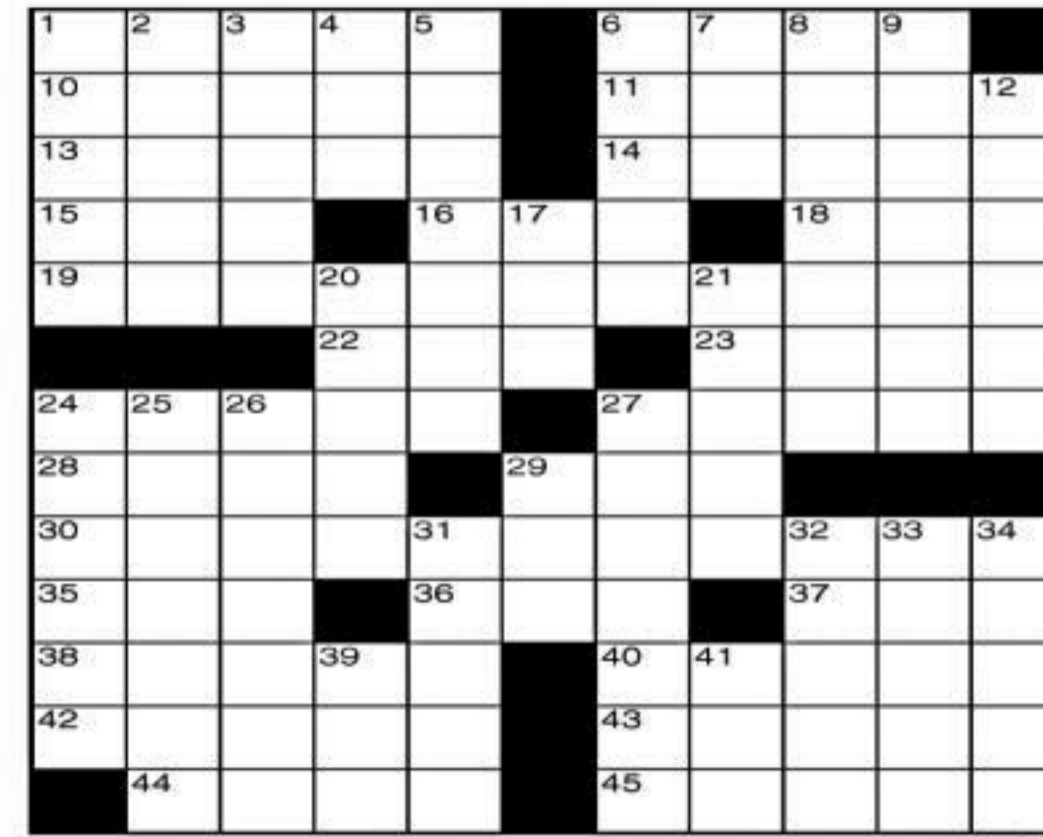


Woonerf
NOUN

A living street, as originally implemented in the Netherlands and in Flanders, including shared space, traffic calming, and low speed limits.

CROSSWORD BY THOMAS JOSEPH

- ACROSS**
- 1 Thoroughly disgusted
 - 6 Asterisk
 - 10 Not available
 - 11 Baseball's Rod
 - 13 Sanctioned
 - 14 Yucca's kin
 - 15 Australian bird
 - 16 Roadhouse
 - 18 Sleep spot
 - 19 Pigeon-holing, in parts
 - 22 Fall behind
 - 23 Carry on, as war
 - 24 Don Draper, e.g.
 - 27 Has a meal
 - 28 Greek house
 - 29 Tour carrier
 - 30 Meteorologist's job
 - 35 Fitting
 - 36 Chapeau
 - 37 Even score
 - 38 "-- like"
 - 40 Grammar topic
 - 42 Extend, as a subscription
 - 43 Heaps
 - 44 Minuscule
 - 45 Fashion
- DOWN**
- 1 Steak choice
 - 2 Foe
 - 3 Brought to light
 - 4 Mex. neighbor
 - 5 Big-billed bird
 - 6 Does a checkout job
 - 7 Playground game
 - 8 Speedy horse
 - 9 Payback
 - 12 Door-stops, oten
 - 17 Old horse
 - 20 Fill with joy
 - 21 Contort
 - 24 Many a soap opera plotline
 - 25 Tear
 - 26 Bond's drink
 - 27 Arguments
 - 29 Sheep sound
 - 31 Like taffy
 - 32 Tuscany setting
 - 33 Bruce who played Watson
 - 34 Gaggle members
 - 39 Boxer Norton
 - 41 Use a pew



YESTERDAY'S ANSWER



BEETLE BAILEY

BY MORT WALKER



BABY BLUES

BY KIRKMAN & SCOTT



Write for us. Send us your opinion pieces to dsopinion@gmail.com.