

Sinecure promotions

Playing with public money

THE fact that seven officers of the rank of secretary have been promoted to the higher rank of senior secretary would not be headline-worthy news under normal circumstances. But when most of the seven have just a few weeks to serve out the age limit, and one of them is due to retire the very next day after his promotion, it is certain to raise our eyebrows. In fact, of the remaining six, only one will serve till June of 2021.

Promotion is a much-aspired objective of any employee; it is the prime motivation. And as we understand, promotions follow certain criteria, merit and efficiency being foremost among them. Then comes one's seniority and time of retirement and, of course, vacancy. However, it seems to us that in Bangladesh, promotions are being used as a handout, a manna if you like, in many cases. Regrettably, this is very pronounced in our administration. Otherwise, how does one rationalise the large number of OSDs (Officer on Special Duty)? Unfortunately, and something that bodes badly for the administration, promotions have been based not on competence or vacant posts but on other extraneous considerations. Presently, according to one report, there are nearly one thousand joint secretaries against 430 vacancies. And according to the report of a corruption watchdog published in June this year, due to irrational promotion, additional secretaries in many cases are carrying out the duties of deputy secretaries, whereas deputy secretaries are doing the jobs of senior assistant or assistant secretaries. Only authorised vacations have budget authorisation for their pay and emoluments.

We should not overlook the fact that promotions and government exchequer, i.e. public money, are umbilically linked. And promotions are not for the benefit of the individual. While one may consider it a right to be promoted, the underlying criterion is that, at the end of the day, all promotions are done to serve the interest of the state. In these cases, the promotions, all but one, will serve everything but the interest of the state.

Tannery estate project still not completed

When will the CETP materialise?

IT is quite disappointing that a project that would make tanneries treat their toxic effluents, so that a river is protected, has still not materialised even after 16 years of its being initiated. The deadline of the Savar Tannery Industrial Estate (STIE) project has been extended again to the end of next year in order to complete the central effluent treatment plant (CETP). In fact, the CETP seems to be a mirage that has led even relocated tanneries to end up polluting the Dhaleshwari river with semi-treated effluents. In addition to the environmental pollution, our exporters are also losing out on business; until the CETP is fully functional, they are not compliant with the conditions of the Leather Working Group certification that would make the exporters of leather goods eligible to get fairer and better prices for their products.

So what is the mystery behind the apparently endless wait for the CETP to be completed? In 2012, the government had floated a tender for construction of a CETP and a Chinese company that won the bidding started the work in 2014 for completion by 2017. But till date, it has not been completed, and the government has extended the project completion deadline yet again. The saga of the disastrous environmental impact of the Hazaribagh tanneries is well-known, especially how it has destroyed the Buriganga River with indiscriminate toxic waste being dumped into it. This led to major global compliant brands to stop buying leather and leather goods from Bangladesh a few years ago because of their environmental pollution, which prompted the government to shift the tanneries to Savar. But without the CETP completed, the tanneries are again dumping partially treated waste, resulting in pollution of the Dhaleshwari River and killing its fish and other aquatic life and depriving fishermen of their only livelihood.

According to the latest progress report, there are still some basic features of the plant that have not been set up. We do not understand why this should be the case when the tanneries have shifted a few years ago. Why wasn't the CETP completed before shifting? Why was the construction of the plant delayed in the first place?

The delays in completing the STIE project seems to be symptomatic of many government projects, the costs of which usually increase exponentially, every time the deadline is extended. Thus the government ultimately loses more funds because of such delays. In this particular project, the delay has severely hampered the environment, in particular, jeopardised the health of another river, and deprived people of their livelihoods. The costs are therefore even higher in this case, and we urge the government to make sure that this latest deadline to complete the CETP is not missed by any means.

LETTERS TO THE EDITOR

letters@thedailystar.net

Yet another act of violence on campus

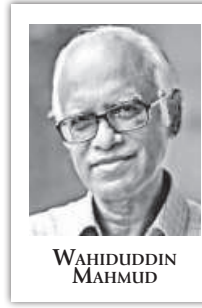
I was deeply shocked to learn about the brutal attack on Ducsu VP Nurul Haque Nur along with 27 of his supporters. It was carried out by the activists of a faction of Muktijuddho Moncho, which is basically comprised of Chhatra League activists. The intensity of the attack was such that it reportedly left one victim fighting for his life and several others hospitalised. Prior to this, Nur and his supporters were attacked by BCL men on other occasions as well.

Following the horrific murder of Abrar Fahad at Buet, one would have expected that such violence and criminal conduct would cease to exist, at least in our educational institutions. Unfortunately, that hasn't been the case. This must end, however. We must nurture values of mutual respect, tolerance and plurality of opinion, taking into consideration the true essence of student activism while keeping our campuses free from violence.

Mahmudol Hasan Tarek, Cox's Bazar

Reclaiming a Moral Economy

GDP growth is not enough



WAHIDUDDIN MAHMUD

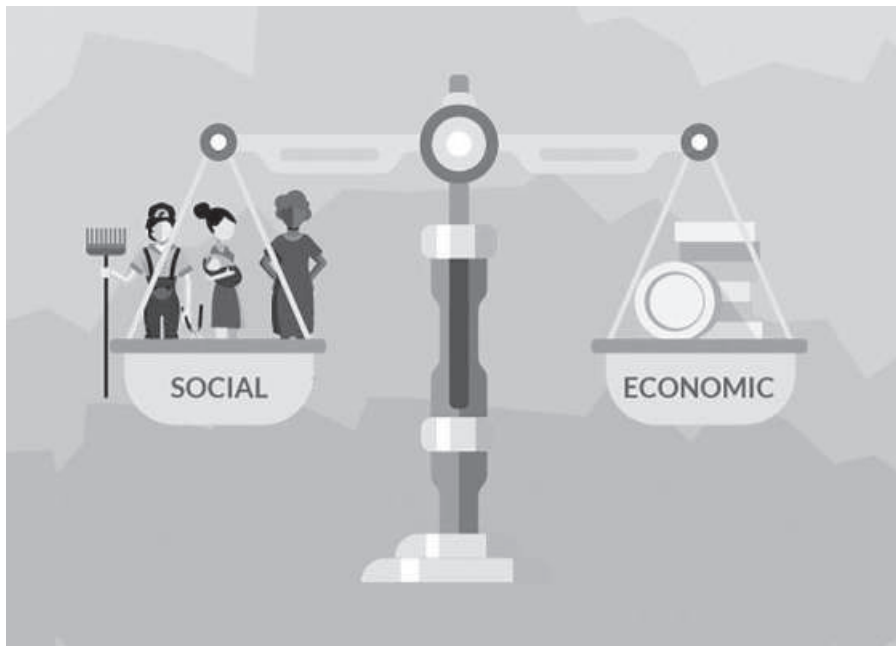
BA NGLA-DESH currently ranks among the fastest growing major economies in the world, notwithstanding some doubts about the growth estimates. In fact, the country's average annual growth in per capita income has been way above the average of all developing countries since the 1990s. Yet, Bangladesh continues to be rated very low in almost all the global development indicators, particularly in terms of the prevalence of widespread corruption. While a close association between the quality of governance and economic growth performance is now widely recognised, the moot question is: how long can Bangladesh continue to progress by defying the growth-governance links?

The usual policy advice is mainly to do with devising and enforcing appropriate policy reforms aimed at building a business-friendly institution, such as to reduce corruption, maintain the basic law and order, ensure property rights, or to address the bureaucratic hurdles—all of which could reduce the currently high cost of doing business. However, these procedural and enforcement problems in the formal governance structure are only one side of the coin; on the other side are the issues of behavioural norms and ethical standards prevalent among various stakeholder groups in society. Administrative reforms towards enforcing accountability and reducing corruption among government functionaries are less likely to succeed without an understanding of how incentives for deviant behaviour arise and behavioural norms are formed. A piecemeal approach to redress the situation is not only likely to prove inadequate, but may also seem arbitrary in its application. This is also true regarding attempts towards preventing unholly collusion among market regulators and unscrupulous businessmen when such collusive behaviour has already become the norm.

The problem can, in fact, be more serious than what it appears at first. Any widespread unethical behaviour is obviously difficult to address because of the sheer magnitude of the problem. A less obvious phenomenon is that, beyond a certain tipping point, the prevalence of such behaviour becomes self-reinforcing and continuously erodes the ethical standards. Consider, for example, the spread of the culture of bribery in

government offices. When bribery is not so widespread, the individual official's financial benefit from bribes may not be worth the cost in terms of searching for a willing client and the risk of being reported and punished, even leaving aside the psychological cost of a guilty conscience. But this cost-benefit calculus of bribery may be reversed when such practice is so widespread that it becomes a behavioural norm with a lesser feeling of guilt, while the risk of detection and punishment is also much less.

The important lessons from this analysis is that unless an anti-corruption campaign is of a scale that can bring the prevalence of corruption well within the tipping point, corruption will again spread as soon as the campaign ends.



If the campaign is prolonged enough, there will ultimately be even less need for punitive actions as new norms of ethical standards take hold, thus favourably altering the initial cost-benefit calculations of corruption. The ethical standards are not thus given, but respond to the timing and extent of the application of formal deterrence mechanisms.

There are numerous other areas of the functioning of the economy where legal and regulatory enforcement mechanisms interact with the evolution of moral standards. The lax enforcement of tax laws, for example, has rendered tax evasion into habit formation among tax-eligible businesses and individuals, thus resulting in a dismally low tax-GDP ratio, which is one of the weakest aspects of our

macroeconomic management. Then there are unscrupulous businesses thriving in an environment of lax regulation, and in the process, driving out the honest ones; the result, for example, are factories that disregard safety and labour standards or markets inundated by sub-standard drugs and adulterated foods posing grievous threats to public health.

George Akerlof won Nobel Prize in economics in 2001 by explaining how food adulterers, unchecked by effective regulation, can capture entire markets. As an increasing number of producers cut cost by adulteration, buyers have to face the increasing risk of getting an adulterated product and are thus willing to pay less and less price, until the honest sellers no more find it profitable to stay

to shake the confidence of depositors in the financial institutions, or money laundering resulting in capital flight, or unlawful grabbing of land including riverbanks, hills and forests that is seriously depleting our already meagre environmental resources. Such malfeasant activities are, however, perpetrated by a certain influential coterie of elites who are usually the beneficiaries of patronage politics; such wrongdoings may not be thus considered as signs of ethical degradation of society at large. Nevertheless, such a culture of patronage politics makes governance reforms all the more difficult, besides directly doing harm to the pace and quality of economic growth. Modern institutional economics have advanced several hypotheses in this regard.

First, if the leading political and economic entrepreneurs are the beneficiaries of the prevailing system of governance dysfunction riddled with unethical practices, they have little incentive to change the system; which is why a big jolt is needed to correct the moral compass of the system. Second, effective governance reforms seek to find entry points in which there are unexploited potentials for all stakeholders to gain from win-win compromises, such as an increase in wage can lead to productivity gains that can benefit the factory owners as well. But such compromises can hardly appeal to the interest groups who continue to thrive by unlawful rent-seeking activities outside the normal functioning of a well-regulated market economy. Third, a government embarking on a simultaneous campaign of law enforcement and moral suasion needs to command the confidence of the people in its integrity and its social guardian role, which may prove difficult in a widespread culture of patronage politics.

Broadly speaking, no society to start with is intrinsically more corrupt or more lacking in moral standards than another. It is a process shaped by political, social and economic institutions through which the moral codes and standards are shaped, evolved and perpetuated. In a fast-growing economy like Bangladesh, with rapid urbanisation and social transformation, societal values are bound to change, for good or for worse. No doubt, our impressive economic progress needs to be recognised and appreciated, but if such progress starts diminishing our moral standards, we need to revisit our values.

Wahiduddin Mahmud is an economist and a former professor of economics at the University of Dhaka. He is currently on the Board of Global Development Network.

CLIMATE NEGOTIATIONS UNDER UNFCCC

An effective platform for branding Bangladesh



MIZAN R KHAN

THE 25th Conference of Parties (COP25) of the UN Framework Convention on Climate Change (UNFCCC) ended just days ago. Already, many reviews, mostly negative, have come out globally including in this newspaper. I called the COPs often a process of "active inaction" in my first book on climate politics published by Routledge in 2014. The zenith of its failure was COP15, held in Copenhagen, which the media later sarcastically called "Hopenhagen/Brokenhagen". How can COP be, then, an effective platform for branding Bangladesh?

Actually, not all COPs can be called a failure. Since the adoption of the UNFCCC in 1992, there have been a few milestones, such as COP3 which adopted the Kyoto Protocol and COP7 which adopted the Marrakech Accords, establishing three funds to support developing countries. COP13 was a success too, adopting the Bali Action Plan. It put "adaptation" on a par with "mitigation", long demanded by the developing countries. The Paris Agreement was adopted at COP21 as a universal, bottom-up process which mandated all countries to undertake emissions reduction progressively under their periodically submitted nationally determined contributions.

Yet I put the title of this piece in a very positive spirit. Based on my long years of negotiating experience, I regard UNFCCC meetings as the most public form of global diplomacy today. Why? Despite all its lacklustre performance, it has great value in branding a country like Bangladesh to global stakeholders who matter in development discourse. Let me explain.

First, climate negotiation, now the number one global agenda, is virtually development diplomacy. Since the publications of the 3rd and 4th Assessment Reports of the Intergovernmental Panel on Climate

Change (IPCC) in 2001 and 2007, climate issues have begun to be treated very much as development issues. Climate change as the most diabolically complex and wicked policy problem touches the very foundational aspects of modern life and development. Without mainstreaming climate change into the development strategy, no country can achieve the Sustainable Development Goals (SDGs). Bangladesh is already ahead in putting a policy-institutional framework along this trajectory. Despite all the climate adversities that keep pounding us each year, we are achieving a growth rate of about 8 percent. This sounds like a miracle to many foreigners.

Second, a huge number of participants attend these negotiations at least twice—in May/June and November/December—each year. No other global negotiations happen so openly, under one roof, with the participation of so many delegates from 197 governments, observers representing a variety of stakeholders, such as NGOs of many hues, bilateral and multilateral agencies, think tanks and journalists. According to one estimate, an average of 25,000 participants attend each meeting. All these stakeholders keep their eyes and ears open to know what's happening around.

Third, since 2014, the UNFCCC has been working on a Gender Action Program and the COP25 initiated a roadmap for implementation of the Action Plan. Bangladesh already has adopted a Gender and Climate Action Plan years back. In gender parameters, Bangladesh stands out among South Asian and many other developing countries including in girls' education, which is one key to solving the climate crisis. This deserves to be shared at COPs.

Fourth, the Chilean presidency was active in promoting this COP as a Blue COP. Before and during the COP, several events took place highlighting the role of oceans in tackling climate change. Just a few months ago, the IPCC published a special report on oceans and cryosphere which highlighted the impacts of climate change and how the oceans can contribute to addressing the problem. The next COP is likely to adopt "oceans and climate change" as a formal agenda.

With the successful delimitation of our maritime boundaries with neighbours, Bangladesh is now developing a Blue Strategy, which is of utmost importance for such a small landmass. So Bangladesh does have concerns to raise at COPs.

Fifth, climate change and human and national security issues are getting intertwined and being recognised as such globally. The UN General Assembly and Security Council got involved with this a decade ago and it will gain further momentum. With its potential to trigger largescale climate-induced displacement thanks to global sea level rise, climate change is very much an existential threat for us, like for many small island states. Here, COP is the forum where we can raise our concerns on this.

Sixth, Bangladesh as a graduating country from the LDCs has a high moral/ethical ground in climate diplomacy. We are innocent victims of actions taken beyond our borders. The major emitters, particularly from developed countries, resort to double standards and moral corruption. While they impose carbon tax or other market instruments in limiting emissions within their borders, they enjoy freeriding in exporting emissions into a borderless atmosphere. They continue to see national interests through the centuries-old, national-territory-based Westphalian sovereignty, held still so dearly by many powers, old and new. But climate change violates the basic human and development rights of vulnerable countries like ours. The no-harm rule is a sacrosanct principle in Western legal system. Obviously, we need a new lens of "pooled sovereignty" with enlightened interests to solve global commons issues like atmospheric instability. With its increasingly declining aid dependency, Bangladesh must lead the way to make the collective voice louder.

Now let me explicate the benefits that the Pavilion of Bangladesh obtained at COP25. Organising this for the first time is just a beginning of showcasing our country. Attended by foreign and Bangladeshi delegates, we were able to project many different faces of Bangladesh. From having the image of one of the most vulnerable, we had been able to change the narrative to a model

of adaptation. This is now recognised globally. Ban Ki-moon calls Bangladesh a "teacher" in adaptation to learn from. Prime Minister Sheikh Hasina, an active leader in climate diplomacy, calls Bangladesh the world's "adaptation capital". So, such a pavilion can reinforce this narrative in COP meetings, which can rightly be regarded as a microcosm of the globe.

In the end, let me reiterate a few issues that Bangladesh should do as preparations for the next COP.

Our garment sector, which drives our export economy, is impacted by climate change in different direct and indirect ways. Based on solid research, we can project the negative impacts on the sector and how the global community can support us to achieve a low-carbon manufacturing process. Already, Bangladesh stands out in having the highest number of environment-friendly garment factories. This year at COP25, IDCOL had an effective presence, and we should encourage more such private-sector participation to showcase their processes and products.

Next, we should initiate some research in earnest on blue economy, to look for its potential and pitfalls from the perspective of climate change. This should be presented at a side event in Bangladesh Pavilion. Finally, the Bangladesh delegation, I must say, fares well in the negotiations. We have the potential of doing a lot better, given that more rigorous homework is done. This warrants analytical exercises well before each meeting to generate novel ideas for consensus-building. For the purpose, the Ministry of Environment, Forest and Climate Change, Ministries of Foreign Affairs and Finance, Economic Relations Division, Planning Commission, along with NGOs and the private sector must work together to put greater efforts in building the capacity of negotiators, focusing on the young generation, to hold our flag aloft in the most visible, most widely-publicised global diplomatic forum.

Mizan R Khan is Deputy Director, International Centre for Climate Change and Development (ICCCAD), and Program Director, LDC Universities Consortium on Climate Change (LUCCC).