

Don't panic but be prudent about coronavirus

Precautionary measures must be sped up

WHILE we are heartened by the Prime Minister's assurance that the government is taking all measures to make sure Bangladesh can handle the onslaught of the coronavirus, we cannot help but feel concerned regarding our preparedness for a possible epidemic, if it comes to that. With three confirmed cases in Bangladesh and given the intense density of population in our cities and towns, there is a new dimension that has been added to the crisis. Thus, the need for preparedness and for taking measures to minimise the suffering of people, should an outbreak of the virus occurs, cannot be emphasised enough.

True, the government has provided hotlines for the public to call and get help, but what about the actual healthcare facilities? According to experts, the high contagiousness of the virus warrants having healthcare facilities solely for Covid-19 patients so that it does not spread. Greater awareness regarding precautions are needed not only among the public, but also health professionals who will be in direct contact with patients. Although the government has started distributing personal protective equipment (PPE) to hospitals, there are still many hospitals that have not yet received them. PPEs and other necessary equipment and measures have to be in place in hospitals on an urgent basis, given the speed with which infection from this virus spreads, as we have seen globally. People have been advised to wash their hands frequently with soap and water as one of the basic preventive measures—how readily available are such facilities in densely populated areas like slums, in bazaars, in schools or even in health care complexes?

Of course there is no value in panicking and feeling helpless. But we must take all the measures that can be taken to prevent infections from spreading. It is a prudent move that the government has postponed the March 17 grand rally in view of the coronavirus crisis and with three confirmed cases in Bangladesh. We hope that other public gatherings will be kept on hold for the time being. We also expect the government will assess the situation and consider what precautions should be taken with regards to educational institutions. The public and health care professionals must stay on alert, especially with regard to the elderly, people with low immunity and those who already have pre-existing health conditions such as asthma and other respiratory problems, all of whom are particularly at risk of being severely affected if infected by the virus.

Don't make customers suffer

Regulators and mobile carriers should resolve the matter

THE ongoing tussle between mobile carriers and regulators has led to a significant decline in investment in the mobile industry. As this newspaper reported yesterday, the mobile industry's combined investment fell 19 percent year-on-year to Tk 3,695.72 crore in 2019, the lowest in recent years. Since a major portion of the investment of mobile operators goes into network expansion and building towers to improve coverage and service quality, as well as for upgrading and maintaining towers, the decline in investment has badly affected their service quality, and the end result is that customers are now getting substandard services.

Under a new licensing regime, only designated tower companies can set up mobile network infrastructure, and mobile operators are prohibited from getting into the business. However, as the tower companies are yet to be operational, mobile carriers have not been able to expand their network for some time now. This too has affected service quality. From the customer's perspective, this is extremely unfair. Why should they have to accept worse mobile phone services even though they have played no part in the issues troubling the industry?

It would be prudent if the two parties came to an agreement, which would spare the customers any further trouble. At the end of the day, the primary mandate of regulators is to ensure that customers get quality service in exchange for their payment. That is why the regulators should take the initiative in resolving the problems that are hampering investment and service quality.

LETTERS TO THE EDITOR

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Justice for Samia Afrin Saima

Even though death does not signify anything positive, yet, I was happy to learn from news reports that the rapist and murderer of a child was awarded the death sentence today. Last year, Harun (accused) took Saima, a nursery student to the roof of the building where they both lived. He then raped and killed the child and later fled to his village.

The rate at which sex crimes are on the rise is very alarming indeed, especially when they involve children. Although such crimes tend to trigger protests nationwide, it seems to wear down overtime. Despite many debates, it barely seems to be having any impact on the horrendous rate of sexual violence. I believe strict and timely punishment is of the utmost necessity. This death sentence should serve as an example for all the perpetrators and put fear in them. Hopefully, more of such exemplary sentencing will help curb such crimes.

Nusrat Jahan, Tongi Pilot School & Girls College

EDITORIAL

Choking global stock markets: The Coronavirus effect



SHARJIL HAQUE

INVESTORS had begun 2020 in an optimistic frame of mind. After all, last year was one of the best for global stocks since the financial crisis. The MSCI world index, which includes stocks of large and well-known companies from 23 developed markets, rose a staggering 24 percent. A survey from the Bank of America taken in the second week of February found that investors expected world economic expansion and corporate profits to continue strengthening this year; so much so that they were planning on raising their exposure to stocks to a 20-month high.

So the change in mood is even more astonishing. The week of February 28 was one of turmoil, which saw all major stock markets around the world plummet, leaving investors bruised and battered. The S&P 500, one of the most widely followed stock indices in the United States, slid by 11.5 percent, which included a 3.4 percent decline on February 24—the biggest one-day fall for two years. Euro Stoxx 50 plummeted by 12.4 percent, Japan's Topix index by 9.7 percent and London's FTSE 100 by 12.2 percent, if anyone is keeping count. This was the worst week for stocks worldwide since the 2008 financial crisis. With the United States in the middle of its longest economic expansion in history, why did prices plummet so drastically?

The answer is, coronavirus. A month ago, investors might have thought that the virus' main impact would be through international supply chains, stemming from closed factories in China. Maybe a reduction in trade with China at the very most. But in reality, that was just the tip of the iceberg. With the deadly virus spreading to South Korea, Italy, Iran, Japan and eventually every continent in the world except Antarctica, investor sentiment took a beating that induced mass sell-offs. On March 4, the US state of California declared a state of emergency after its first coronavirus-linked fatality.

Meanwhile, companies have shut factories, canceled conferences and reduced employee travel. Big multinational firms like Adidas, Microsoft and Apple have already warned

that the virus will eat up their profits this year. To cap it off, the International Monetary Fund now predicts global growth will be slowest since the 2008-09 financial crisis. With major industries ranging from aviation, tourism and oil to commodities and consumer goods all taking a serious hit, some might even say a global recession is not unlikely. It is this collapse in confidence in global economic outlook, amid rising health risks, that led to this tumultuous week for stock markets all around the world.

Those of us observing financial markets and economic activity believe that maintaining confidence is key in preventing financial market volatility

efforts to minimise further spread of the disease and the development of vaccines to prevent coronavirus. Then, and only then, will stock market volatility begin to abate.

So what does this all mean for Bangladesh's stock market and economic activity? We are all hoping to see foreign investment, both in stocks and capital machinery, shift into overdrive and carry our economy onto the next stage of development: eight-percent growth with greater shared prosperity. This looks unlikely if the world economy is about to slow down.

In our own neck of the woods, the story is not as grave but not looking

gold. If there was a large foreign investor base in our market, the same would have happened here, which would have only intensified the ongoing slide.

That said, there are two other channels through which our economy could feel the corona effect. First, export demand from advanced economies could go down if global growth slows. Meanwhile, supply chain disruption due to closed factories or paralysed transportation networks could ramp up prices of the intermediate inputs that we import to produce our final products. The upshot is a bigger trade deficit and lower foreign exchange reserve accumulation. Second, we have migrant workers in countries



A tough week for global stock markets.

PHOTO: REUTERS/ALY SONG

and recessions. In fact, we would argue that the only reason the World Health Organisation has not yet termed Covid-19 a pandemic is because the P-word induces panic and collapses confidence, which in turn can paralyse business expansion, trade and consumer spending: almost like a self-fulfilling prophecy.

In an attempt to raise confidence, the American central bank held an emergency meeting last week for the first time since the financial crisis, and cut interest rates by 50 basis points. And it won't be surprising if other major central banks follow suit. But, to be sure, global investors are well aware that the consequences of the coronavirus may not be so short-lived that simply pumping money into the economy will revive corporate profits. Monetary policy alone cannot fight an infectious disease. What the world needs is coordinated

too bright either. Investors were jittery even when there were no reported cases in Bangladesh, and now that there are confirmed cases of coronavirus within the country, the situation is likely to take a turn for the worse. Since the week beginning on February 24 (and ending on March 5), the general market index (DSEX) slid by 5.4 percent while the blue-chip index DS30 dropped by around 7 percent. A combination of fears over the spread of coronavirus worldwide, coupled with the potential impact of single-digit interest rates on the banking system, which is the largest sector in the Dhaka Stock Exchange, prompted recent sell-offs.

Ironically, not having a large global investor base in the Dhaka Stock Exchange is proving to be a boon for once. Global investors everywhere are reducing their exposure to stocks, and fleeing to safer assets like bonds and

hit hard by this deadly disease. South Korea, Japan, Italy and China are among the top 30 destinations from which we receive valuable remittance earnings. For instance, data from Bangladesh Bank shows that total inflow from these four countries was approximately USD 940 million in the fiscal year 2018-19 or 6 percent of overall remittance earnings, which is by no means a trivial share. Apart from a potential reduction in remittance growth, we also need to be mindful of how to properly hospitalise and treat such workers if they return home.

For now, stock market volatility is likely to continue while investors wait for all this uncertainty to be resolved. We can only hope that the damage to global health, financial markets and the world economy is not long-lasting.

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If not I, then who?

CHINTITO
SINCE 1995

NIZAMUDDIN
AHMED

TRENDING now are a winter holding at around twenty degrees Celsius, finishing office work in a traffic jam, private fogging to rid societies of mosquitoes (members of the Executive

Committee not included), and a side job or business not only to make ends meet but for a wee bit of luxury, such as eating out. And, wow! Do we not have some of the most awesome restaurants?

In vogue too is the rise of mass anger against the corrupt, the abuser (of power), and the inefficient. Thanks to social media and growing awareness among the people—a culmination of education and communication.

The conviction of on-street protesters is deep and emotions run high. Only brute force and deceit, well, perhaps a degree of bribery to the everlasting Mir Zafars, will work to diffuse the snowballing upsurge. Then, not always.

In such mass movements, the leader is not always apparent. A leader may be born before, during or from the ashes of a failed uprising, to lead not the whole movement, but clusters of boiling points.

Their demands are wide and varied. In some regions, they won't relent or rest until a cabinet quits. In another hotspot, they want an ordinance squashed. Some look to democratic practices and vestiges of an illicit, albeit consensual, relationship to remove a despotic, unruly

ruler. They stumble against blocks of majoritarian supremacy.

People in many parts of the world feel that their leaders, despite the oft touted rhetoric of people's power, are working against them, and serving self-interest or, at best, the concerns of a conceited, egocentric group. They are not wrong.

Edited under the guise of egalitarian orderliness, some CEOs would start a war as a personal choice. Another would stoop to divide a country to gain electoral advantage. Still another would invite a foreign abettor to kill and maim his own people; some of whom may have voted for his ascent to prolonged authority.

Leaders under attack from their people to vacate their offices are in no mood to do so. First and foremost, they love power and are narcissistic at their best, but the laughable excuse they put forward is that, if people get their way (remove him) this time round, then every time there will be demands for some elected or nominated person to be deposed.

So be it. If a politician goes sour, then he should be shown the door.

Let us probe this from another angle. In any office, public or private, there are some governing procedures. An employee, installed with full honours because of his qualifications, if not in line with office practice during his tenure, is summarily suspended and/or removed. The sacking is more blatant in a private office, but then some governments are also lately being run along a hire-and-fire regime.

Like me or leave me. Surely a country is more important than a mere office. Some of our university vice chancellors (VC), who reportedly landed in trouble for reasons varying from gainful contracts

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to interference with academic results, and who absolutely failed in maintaining basic law and order, have presented a similar defence "...then every VC will face a demand for removal".

So be it. If a government-appointed VC will flout the rules, will demean the sanctity of education to the world, will shame the party-in-power that appointed him, and will endanger the life of the students, then he should make room for another professor. The process shall continue. No appointment letter should be a guarantee for an undeserving person to complete his term of office. Under that situation, quality suffers, as do the students.

Sports personalities are similarly

affected. Despite failing innings after innings, goalless season after season, medal draught lasting over a decade, still they ignore the loudest suggestion of voluntarily stepping aside for fresh legs. Stardom lends them the license to feel indispensable. Yet truly no one really is. Everyone has a time allotted, extending which forcibly is an act of foolishness.

No person is more affected than stars of the tinsel world. Yet, heroes and heroines plod along in film after film, which is of concern only to the producer. We people can just stop going to their movies. But, then they pop up on our screens, promoting salt and sugar, oil and onion. Had they realised at the height of their career that fame on the silver screen is provisional, they would have invested their earnings in a business of profit. The shrewd among them, of course, do.

Understandably, there cannot be street demonstrations seeking removal of performers, but their obstinate #MeOnly standpoints are counterproductive and a hindrance to progress. The quicker the champions of yesteryear comprehend this natural law, the earlier the talent in the wings will flutter for recognition.

Politics, or for that matter any platform and profession, is not much different from the performing arts or athleticism. "Cannot be removed" is a despotic viewpoint and a misrepresentation of the need of the time. If not I, then surely someone else, can lead us to freedom, fair play and fortitude.

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