

# Covid-19 recovery: Contexts and priorities in Bangladesh



ROUND a year and a half have passed since the onset of the Covid crisis. The Bangladesh economy and the global economy have certainly not

been able to go back to the pre-Covid state. Though there have been some signs of recovery for the Bangladesh economy, the recovery process has remained weak, fragile and uncertain. The effective recovery process also requires a better understanding of the Covid context and setting the priorities right.

The crisis we have seen with Covid for over a year is not just an economic crisis. There is also a big social crisis. Bangladesh has made great strides in the last few decades, especially in reducing poverty. But during Covid, there has been a high jump in the poverty rate. Surveys conducted by SANEM, and some other research organisations, have found that economic fallback, induced by the Covid disruptions, have increased the number of poor people quite considerably. Many have lost their jobs. Many, having lost their jobs, have returned to their villages from the cities, which led to some socio-economic impacts and put the rural labour market under additional pressure. A large part of our economy is informal, and more than 85 percent of the people in the labour market are working in the informal sector. The informal sector has been most affected during the Covid period. Many, who had various

small businesses, either have closed their businesses or are running their businesses at partial scales.

Many migrant workers have returned to the country, and the prospects of their returning to the destination countries appear to be bleak. New employment opportunities abroad are not encouraging as the destination countries are also struggling for their economic recoveries. At the same time, the domestic labour market sees the addition of a new labour force every year. One critical concern is that the pattern of economic growth in the last decade has not been at par with the objective of large-scale job creation. The problem has become more acute during Covid. There is also the big problem of a high degree of unemployment among the educated youth.

The Covid situation is getting worse again. With the imposition of stricter lockdowns, people's livelihoods are facing new challenges. The recovery we have seen in the economy in recent months is likely to be hampered by the new Covid outbreaks throughout the country and globally.

The uncertainty and instability in the global market will continue to affect the export sector and remittances. Until now, the remittances inflow, through the formal channels, remained encouraging. However, there are concerns that the total amount of the remittance inflows, if we consider both the formal and informal channels, may not have risen significantly. Also, in the case of the export sector, the recovery process has remained volatile and inconsistent. Nevertheless, just as the recovery of the export sector is crucial for the recovery of the overall economy, the recovery of the domestic economic sectors and their micro, small and

medium enterprises is critical too.

The Bangladesh government announced several stimulus packages soon after the onset of the Covid crisis. It is necessary to understand whether these stimulus packages have attained their intended objectives. Some evidence shows that the distribution, management and monitoring of the stimulus packages remained inadequate and weak. SANEM has

involved remained long and entailed many bureaucratic complications. There is a common understanding that readymade garments and large firms have benefited the most from stimulus packages. However, micro, small and medium entrepreneurs have not been able to take advantage. Lack of initiatives, transparency, accountability and efficiency can undermine the whole objectives behind the stimulus

with the situation.

First, the availability of effective vaccines and the vaccination of mass people is critical for sustained recovery. At the same time, the enforcement of the rules and regulations related to hygienic practices is vital.

Second, the government's stimulus packages to revive the economy should be implemented more effectively and expanded if necessary. An assessment is needed to understand the challenges and constraints in implementing the stimulus packages to re-design and re-target these packages.

Third, the scopes and allocations of the government's social protection programmes for the old and new poor need to be expanded. The government must address the institutional challenges related to the design, allocation and disbursement of social protection programmes.

Fourth, it is necessary to take policies and strategies targeting the labour market. The government should introduce relevant social protection programmes in line with the ongoing labour market challenges, especially in urban areas.

Fifth, the economy requires some critical reforms in the policies and programmes. The country cannot achieve many developmental goals with a low ratio of tax-to-GDP. The financial sector also needs reforms, especially in the banking sector.

Finally, the current situation demands a departure from the conventional notions. The new reality requires an effective action plan for economic and social recoveries.

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Dr Selim Raihan is a professor of economics at Dhaka University, and executive director of South Asian Network on Economic Modeling. Email: selim.raihan@gmail.com.



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PHOTO: STAR

been conducting quarterly surveys of 500 firms from 15 manufacturing and services sectors since June 2020. It appears from the four rounds of surveys, with the latest one in April 2021, that there is a high degree of heterogeneity among firms and sectors in terms of access to the stimulus packages. Many firms and sectors have been facing several challenges in getting stimulus packages as the processes

packages.

Micro, small and medium enterprises play critical roles in the supply chains of different sectors of the economy, and these have been severely affected by the Covid epidemic. Therefore, the resonant recovery of these enterprises is crucial for ensuring the strong upswing of the overall economy.

A few areas need priority to deal

## Remembering my teacher Shah Abdul Hannan

MD MAHMUDUL HASAN

SOMETIMES in October 2001, I attended a discussion programme at Markfield Conference Centre in Leicestershire, UK. There was a lively debate on Islamic banking over lunch, involving Murad Wilfried Hofmann (1931-2020) and Shah Abdul Hannan (1939-2021). I had the opportunity to meet Murad Hofmann several times in the UK. I knew Shah Abdul Hannan for nearly 27 years and immensely benefited from his erudition, affection and encouragement.

In the debate, Murad Hofmann expressed misgivings about Islamic banking to which Shah Abdul Hannan responded, at times quite passionately. The rest of us were enthralled by the

passion for the Islamic banking system is understandable, as he was deeply involved in the Dhaka-based Islamic Economics Research Bureau which was at the forefront of the Islamic banking movement in Bangladesh. He served as the Chairman of Islami Bank Bangladesh Limited (IBBL) after retirement from government service. Born in Mymensingh on September 23, 1939, Shah Abdul Hannan was a political science graduate of the University of Dhaka where he stood first in his master's degree exam in 1961. After a teaching stint and working as a journalist for some time, he joined the Civil Service and built a long career. Among the important positions he held are Director General of the Bureau of Anti-Corruption (now renamed



Shah Abdul Hannan  
(September 23, 1939 – June 2, 2021)

he delivered at various events as an honoured guest. Not even on one occasion did he impose his views on me or stop me from expressing mine. I had first-hand knowledge of how respectfully he treated his subordinates in office and domestic helps at home.

He was a staunch promoter of bureaucratic honesty and efficiency. I remained awestruck by his uprightness, simplicity and humility. On February 15, 1998, he made a courageous and principled decision to resign from his positions as secretary to the government and chairman of the NBR. Upon retirement from government service, he was without a personal car or a house of his own. After living in a rented flat at Shegunbagicha for a number of years, he moved to his ancestral homestead in the capital's Uttar Goran which was his address till his death.

One day I went to see him in his office at NBR. An officer came to present a self-authored book to him. After receiving the book, he looked the man in the eye and said: *Lehokra kokhono osot hoi na* (writers should never be corrupt). Later I came to know that the man concerned was involved in corruption cases, hence the remark.

Shah Abdul Hannan lived in a part of Dhaka where traffic congestion is a major problem. Travelling even a few miles in any direction from that part of the city took (still takes) hours. While traffic jam is a common excuse for delays, I never found him late for any appointment—social or work-related. He always anticipated traffic conditions and planned his journeys accordingly.

In Bangladesh, people are usually attracted to the power, pomp and outward glory of public servants. It is often their stature in society that sparks interest among university graduates in choosing Civil Service as their career. None of the various perks conventionally associated with

bureaucrats was salient in Shah Abdul Hannan. What attracted me to him was the depth of his knowledge, intellectual rigour and uprightness. Before meeting him, I had actually aspired to be a civil servant. It is an irony that a bureaucrat further ignited my urge for knowledge and motivated me to become an academic, and thus helped change the course of my life.

What I have described above is largely based on my personal interactions with Shah Abdul Hannan. There are innumerable people whom he influenced in public and academic life in a way that many of them remember and acknowledge. After his passing on June 2, 2021, many wrote and spoke to express their gratitude to him for what he did for them. In a personal communication, his long-time friend American economist Forrest Cookson wrote to me: "Even in my old age I am taking a little time to see how I can live closer to the ideals and standards that Shah [Abdul Hannan] set and stood for."

The sorrow over his death reached beyond me to all those who were blessed with his mentorship, advice and support. All of us miss his example and tutelage. Personally, I am deeply indebted to him for being a luminary and a role model for me as a dedicated learner and passionate teacher; and in so many other ways he remains a source of inspiration for me.

How much knowledge and scholarship other students of his weekly classes were able to receive from him depended on the degree of their intent and their receptive abilities. I can say with certainty that the knowledge and inspiration that I gained from him has been a great treasure in my academic life.

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Md Mahmudul Hasan teaches literature at International Islamic University Malaysia. He is the editor of *Asiatic: IIUM Journal of English Language and Literature*.

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scholarly exchanges between these two seasoned bureaucrats and intellectual stalwarts. It was a debate between equals and a stimulating intellectual experience for the audience. When we reached the time limit, the host Manazir Ahsan intervened in a tongue-in-cheek manner and concluded the session.

After the informal session with Murad Hofmann, on the way to the guest room, Shah Abdul Hannan told me retrospectively that he was perhaps too strong in expressing his opinions. I assured him that it was fine. His

Anti-Corruption Commission), Deputy Government of Bangladesh Bank, Member of the National Board of Revenue (NBR), Secretary to the Ministry of Social Welfare, Banking Division, Internal Resource Division (IRD) and concurrently Chairman of NBR. Two of his foundational professional contributions are structuring the value-added tax (VAT) system and reforming the banking sector. He authored dozens of books and regularly wrote for the media.

In addition to his widely acknowledged reputation for integrity

and as one of the finest and most astute civil servants in the history of Bangladesh, tributes are often paid to him. However, the various important positions—both in government and the private sector—that Shah Abdul Hannan held and that brought him prestige and high repute are secondary to me. I knew him primarily as a good human being and my teacher.

When I first met him in 1994, I was a second-year university student, and he was a senior civil servant well known for his honesty, efficiency and sincerity and for his important roles in the government. I was not then (or now) an illustrious person. However, right from the beginning of my acquaintance with him till the end, he made me feel honoured as a human being and as his student. I had hundreds, if not thousands, of interactions with him—face-to-face or otherwise. I travelled with him in Bangladesh and in the UK; I spent long hours with him to learn from his immense knowledge and insight; and I attended his weekly classes (that he ran at his residence and elsewhere) and lectures that

he delivered at various events as an honoured guest. Not even on one occasion did he impose his views on me or stop me from expressing mine. I had first-hand knowledge of how respectfully he treated his subordinates in office and domestic helps at home.

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### QUOTEABLE



**MIA FARROW**  
(Born February 9, 1945)  
American actress and activist

I learned that you can't truly own anything, that true ownership comes only in the moment of giving.

### CROSSWORD BY THOMAS JOSEPH

#### ACROSS

- 30 Nap
- 34 Bed-and-breakfast
- 6 Mamas' mates
- 11 "The Tempest" sprite
- 12 Revere
- 13 Match site
- 15 Stop
- 16 "The Simpsons" bartender
- 17 Sewer rodent
- 18 Writer Chandler
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- 26 Carries
- 27 "Exodus" author
- 28 Cal. column
- 29 1949 film noir classic
- 31 Home run, in slang
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- 33 TV's Kaling
- 34 Writing tool
- 35 Checks from an ex
- 36 Beanie or beret
- 37 Game site
- 38 Tire feature
- 39 Singer Lennox
- 40 Oozes
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