

## Is Taiwan headed the Ukraine way?

### US-China owe it to humanity to avert another global disaster

CHINA is not Russia. Taiwan is not Ukraine. We understand the distinction between their geopolitical circumstances, yet comparisons are necessary, and perhaps unavoidable, given the way the US has provoked China after doing the same with Russia, and given its potential ramifications for the rest of us. Losses suffered in modern conflicts or wars are never restricted to the two parties directly involved. Often, the whole world ends up suffering, as we did, and continue to do, after the Russian invasion of Ukraine. We cannot afford a similar development. Taiwan's historic struggle with China, which claims it as its own, merits sympathy but border disputes of this kind are not uncommon. It was also a mostly well-managed situation until, late on Tuesday, the US House Speaker Nancy Pelosi visited the country despite repeated warnings from the Chinese authorities. China views the visit, the first by a top-ranked US lawmaker in 25 years, as a "major political provocation", and a challenge to its sovereignty. And it has since launched a series of retaliatory actions, both military and economic, against Taiwan for hosting Pelosi. On Thursday, it even fired multiple missiles toward waters near northeastern and southwestern Taiwan, after releasing a plan for six-day military drills that experts called tantamount to a "maritime and aerial blockade" of the island.

China's response so far may be termed as a gross overreaction. But was it totally unanticipated? Did the US rely on China to tolerate its provocation without escalation? Or was this its goal from the beginning? Will the situation deteriorate further? Or will the US and China tone down their rhetoric and back off to give peace – or at least the appearance of it – a chance? What does the escalation mean for the future of Taiwan? There are many questions as well as uncertainties. But one thing is clear: the world doesn't need, or cannot afford, another Ukraine-like situation, which, if we remember correctly, also began with provocations from the US and its western allies. And it is Ukraine, not the US, that is having to pay the price with its blood, bone and sweat. We, too, have suffered heavily with skyrocketing fuel and food prices across the world.

The same fate might await Taiwan, and by extension all of us, if the two superheroes don't take measures to avoid the path of confrontation. China is punishing Taiwan because of US provocations, and it is not something we can ethically support. But the priority right now is to de-escalate the situation by any means. We urge the global leaders to see reason and get back to the diplomatic corridors for all unresolved issues. They must do it for the sake of global peace and stability.

## No end to the sufferings of highway travellers

### Latest robbery shows the lack of security of bus passengers

WE are horrified to learn about an incident of robbery and gang-rape inside a moving bus that took place on the Dhaka-Tangail highway in the early hours of Wednesday. Reportedly, the Narayanganj-bound bus of Eagle Paribahan from Kushtia, with around 25 passengers on board, reached the Hatikumrul intersection of Sirajganj when about a dozen men with backpacks got on the bus, posing as passengers. At one point, they pulled out sharp weapons from their bags, blindfolded, tied and gagged the crew members and passengers, and robbed them all. More shockingly, they then gang-raped a female passenger.

The incident has, once again, exposed the lack of security of passengers using public transport to travel outside cities or between districts. Only last January, a physician of a Tangail hospital, along with other passengers of a bus, were robbed on the Dhaka-Rajshahi-Chapainawabganj route. They also suffered torture at the hands of the robbers. Besides robbery, sexual harassment and rape of women passengers inside moving buses have also become quite common. One may recall the gang-rape and murder of Rupa Khatun, a law student in Dhaka, inside a Tangail-bound bus which still haunts us. It is not that women are unsafe only on long-haul buses; they also regularly suffer sexual violence inside city buses too. In fact, the number of women facing sexual harassment inside public buses is pretty high, as studies have repeatedly found. Only last week, a female student described how she jumped off a moving bus in Dhaka to save herself from sexual predators posing as crew members. The situation is extremely worrying.

As regards the latest incident, it is evident that the bus crew members had no awareness of the possibility of highway robbery. They didn't care enough about the safety of passengers either. Why would they take passengers from the middle of the road after midnight without any inspection whatsoever? And where were the highway police at the time of the incident? We urge the government to arrest all the culprits and punish them as soon as possible.

As it is, our roads are already unsafe as crashes continue to claim lives in large numbers. The addition of risks like robbery or sexual harassment speaks volumes about the total chaos and anarchy that prevail in the transport sector, thanks to the inaction and mismanagement of the road authorities. We urge the government and transport authorities to take preventive measures to ensure the safety of commuters from both inside and outside threats, especially at night.

# Why is Bangladesh seeking IMF support in the first place?



#### BLACK, WHITE AND GREY

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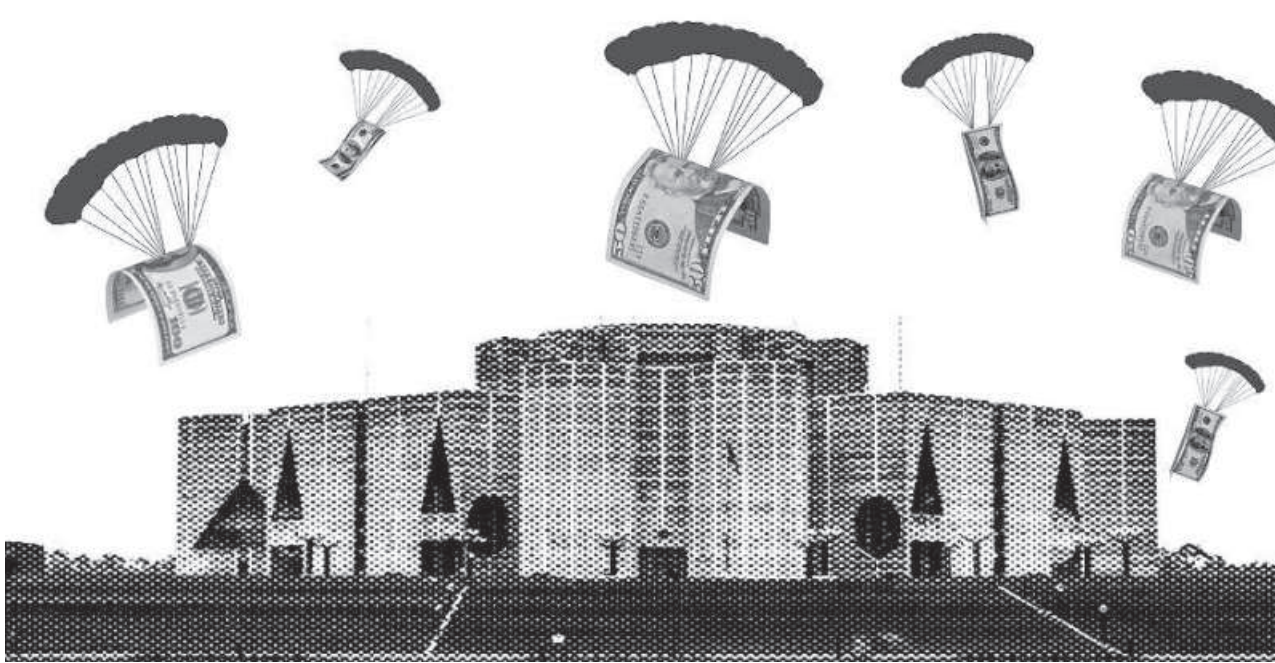
AS Bangladesh, facing an unprecedented economic crisis, entered a negotiation with the International Monetary Fund (IMF) for a USD 4.5 billion loan package – akin to a bailout – three kinds of discussions have ensued in the country. First, why the country had to ask for such a large amount of loan from the multilateral institution after more than two decades, especially when the government has been offering a glowing picture of the economy for years. Second, whether this request is only a proactive measure as suggested by the government or a precursor of a more difficult time. The third strand of the discussion has resurrected the long-standing debate of whether the IMF helps or hinders countries – especially the poorer segments of the society.

The reason for Bangladesh's decision to ask for the bailout – or loan package, if you prefer a softer version of it – was predicated by the ongoing economic crisis. There is no denying that the inflation has reached an unprecedented level at 7.6 percent,

**Despite some increase in remittances in recent days, overall, the remittance is down by 15 percent. Most importantly, the foreign exchange reserves are down below USD 40 billion, which can foot the bill for about five months of import. It is now well-known that the figure presented by the Bangladesh Bank about the forex reserves has too many holes in it. Even the simplest accounting puts a difference of about USD 10 billion between the official statistics and the real numbers.**

according to official statistics, although the market situation suggests double-digit inflation. Besides, the finance ministry's projection suggests that, even in the most optimistic scenario, prices of daily necessities will continue to rise until the end of the year. The trade deficit has reached a historic high: Around USD 33.25 billion. Despite some increase in remittances in recent days, overall, the remittance is down by 15 percent. Most importantly, the foreign exchange reserves are down below USD 40 billion, which can foot the bill for about five months of import. It is now well-known, thanks to the media's sudden awakening, that the figure presented by the Bangladesh Bank about the forex reserves has too many holes in it. Even the simplest accounting puts a difference of about USD 10 billion between the official statistics and the real numbers. As such, the economic crisis is not as small as the official rhetoric suggests. Had the crisis been so minor, the government would not have asked for budget support to almost all the development partners in recent months. The money asked of several donors and multilateral agencies is close to USD 3 billion, at a time when the total loan is already on the rise for the past decade.

The official narrative regarding the economy in the past month has been a mixture of denial and desperation. Finance Minister AHM Mostafa Kamal said the country's economy was doing fine and would not require any



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VISUAL: STAR

projection well before the crisis, the interest payment against foreign loans would cross USD 1 billion (around Tk 8,730 crore) in FY2023-24 from USD 630 million in 2020-21. The debt burden is just one aspect of the future situation, while uncertain externalities will influence events and trends. Add to this the penchant of the incumbent for large infrastructure projects and the inability to rein in the runaway loan default and money laundering. These are the political aspects; there is no sign of shifting the direction.

These statistics and projections are important to understand the likely scenarios, but the central question is: Who will bear the burden of the impending situation – from the price hike to the lack of jobs and other related impacts? In the past years, the middle class and the poorer segments of society have become the primary victims. Income equality has risen, and the new poor has joined the millions. As such, the impact of the current crisis is a precursor of what may become the new reality, unless the structural causes and the economic policies which engendered the situation are identified and addressed.

In some measures, the question as to who will bear the burden has brought the IMF's history to the conversation. IMF, since the 1980s, has faced enormous criticisms for policies prescribed under its Structural Adjustment Programmes (SAPs) and its adherence to the so-called Washington Consensus. Its insistence on privatisation and deregulation has resulted in hardship of the middle class and poor people in various countries. Faced with these criticisms, the IMF has made some changes in its policies and tried to defend its position. While some consider it the "firefighter of financial crises," others have described it as the "arsonist." Despite such controversies, countries have reached out to this multilateral agency at times of crisis, and negotiations led to discussions on conditionalities.

While the debate on the impacts of the IMF continues, we should also ask what prompts the economic

May 2009. Johnson writes, "Typically, these countries are in a desperate economic situation for one simple reason – the powerful elites within them overreached in good times and took too many risks. Emerging market governments and their private-sector allies commonly form a tight-knit – and, most of the time, genteel – oligarchy, running the country rather like a profit-seeking company in which they are the controlling shareholders."

The oligarchic nature of politics and the economy, in some form or other, engenders the crisis. Johnson further notes that the members of this oligarchy "reckon – correctly, in most cases – that their political connections will allow them to push onto the government any substantial problems that arise." This is where the problem lies. The economic crisis is a result of a political system that delivers the benefit to the smaller group, undermines the basics of the economy, and ignores the majority of the population. As Bangladeshis discuss whether the country should subject itself to the IMF conditionalities, and some critics put their nationalist sentiment on display as a spectacle, it is necessary to understand why the country has come to the situation requiring the loans or bailout.

Johnson also mentions what happens when the crisis continues. These words should provide some clue as to what the citizens should be vigilant about in the coming days, "[At] the outset of the crisis, the oligarchs are usually among the first to get extra help from the government, such as preferential access to foreign currency, or maybe a nice tax break, or [...] the assumption of private debt obligations by the government. Under duress, generosity toward old friends takes many innovative forms. Meanwhile, needing to squeeze *someone*, most emerging-market governments look first to ordinary working folk – at least until the riots grow too large."

The debate about the current crisis and Bangladesh's negotiations with the IMF should include this perspective – no less than others.

## LETTERS TO THE EDITOR

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## Traffic made worse by our unruliness

I think by now the whole world knows how bad traffic in Dhaka is. Things have gotten to a point where, instead of complaining about it or trying to figure out ways to eradicate this menace, we have simply accepted the fact that Dhaka traffic WILL eat up a chunk of our daily life. But must we make it worse by being reckless on the roads? Every day when I commute to and from work in Karwan Bazar, I see vehicles of all sorts plying the streets as they please – no order followed. We

seem to forget that rules are there to make our lives easier. If we as drivers and/or pedestrians thought of being conscious and considerate of other people around us, maybe traffic in our capital city would be slightly less intolerable. As individuals, we need to internalise the fact that our roads are public spaces that we share with others, and so we should act responsibly when using them.

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