

Reduced US-China tension in everyone's interest

Any conflict over Taiwan will be another catastrophe for the world

We are pleased to see talks between US President Joe Biden and Chinese President Xi Jinping over the Taiwan situation, with early vibes suggesting they have been positive. The two presidents met on the resort island of Bali, Indonesia, and both expressed their desire for constructive dialogues. That, we believe, is extremely crucial at this juncture, given how tensions between the two sides have been rising in recent years. In addition, in the wake of the Russia-Ukraine war, the global economy has been going through a very difficult time which can only be overcome with collective efforts of all nations, particularly the two most influential global players – US and China.

Recently, one of the main points of contention between them has been Taiwan. We have seen both China and the US increase their military activities near the country, as well as their rhetoric. Officials from the two sides have also thrown a number of accusations at each other, which only increased tensions. Needless to say, any form of conflict around Taiwan will negatively affect the entire world, again, and our region will not be spared either. Under the circumstances, we would very much like for any possibility of conflict to be avoided, as would the rest of the world.

Even though both parties had previously expressed similar desires, it is imperative for both to stop any form of provocation, as that could easily lead to escalations potentially resulting in conflict, as we've seen happen in the case of Ukraine. Russia's invasion of Ukraine has thrown the world into huge uncertainties, and has greatly destabilised global trade and economy. Therefore, we desperately hope the two presidents realise that the world cannot afford any escalation of tensions right now. This could lead to an even bigger catastrophe, causing more suffering.

As well as the Taiwan issue, another factor contributing to tensions between the US and China is that of global supremacy. Given the huge cost to human lives caused by previous such endeavours – particularly the atrocities that occurred in the 20th century due to countries pursuing such hegemonic ambitions – we would call on both countries to abandon the idea of world domination, either overtly or covertly. Instead, the two countries, given their influence in the world, should pursue cooperation rather than control. Both will benefit from that.

The US and China also have a huge part to play in resolving the ongoing conflict in Ukraine, as well as in avoiding any nuclear war. We hope they will come to a settlement over their differences, and work to resolve other issues that are plaguing the world, including various economic problems, particularly those that have arisen because of the US-China trade war. That, truly, would display the kind of leadership that the world needs from them at this moment.

Who will cover the manholes?

That such a problem can persist in a modern city is unthinkable

It is quite baffling just how irresponsible city authorities can be when it comes to ensuring basic safety for people. One problem that perfectly captures this is the presence of lidless manholes and open drains in many areas of the capital and other major cities which, often, remain uncovered for weeks on end. No doubt, for the pedestrians and even commuters, this makes navigating our already unplanned networks of footpaths and streets a daunting task. For example, as a report by this daily shows, just within the space of 300 metres between the Shishu Mela footbridge and the National Institute of Ophthalmology and Hospital in Dhaka, 19 manholes (out of 24) have remained uncovered for at least a month. The rest have been marked/covered using bamboo fences and tree branches, which can give a false sense of security but are as dangerous.

And, across the one-kilometre road connecting Shishu Mela with the Department of Archives and Library, there are 80 such manholes, waiting to cause a tragedy anytime. The gravity of the threat is further illustrated by the fact that the road is frequented by visually-impaired individuals, who must crisscross the open manholes. This is totally unacceptable.

The news of people falling to their deaths because of uncovered drains/sewers and lidless manholes is not uncommon in Bangladesh. In September last year, newspapers reported the death of a 19-year-old university student in Chattogram's Agrabad Badamtali area. She slipped and fell into an open drain, to be buried under tonnes of waste before her body was finally recovered five hours later. Reportedly, four others had also died in the same manner within three months before the student's death. What makes this experience more tragic is how, instead of taking responsibility and undertaking preventive measures, responsible departments of the government engage in blame games. As a result, this problem persists, while people continue to suffer preventable injuries and deaths.

In the case of the open manholes near Shishu Mela, the Dhaka North City Corporation (DNCC) has reportedly given the task of covering them to a private contractor. But that was a month ago. Why has there been no progress? Why are so many manholes still uncovered? And why are the high authorities not intervening to ensure safety on this busy road and all other roads and alleys with similar problems? Ensuring the safety and convenience of residents should be their topmost priority.

City authorities across the country must not allow for such risks to linger along roads. Also, the problem of uncovered manholes is often due to the endless road and underground utility line repair works that occur round the year. This too must be addressed. Bangladesh is investing a lot in building modern infrastructure and improving city services. Modern city management is a need of the hour – and our city fathers must align their priorities with that of the tax-payers.

Reforms proposed by IMF have been planned before

Time has come to make good on those plans



Dr Bazlul H Khondker is an economist and a former professor of economics at Dhaka University.

BAZLUL H KHONDKER

The International Monetary Fund (IMF) concluded their much awaited mission in Bangladesh on November 9. The visit had a positive outcome as the Bangladesh government and the IMF reached a staff-level agreement, which happened within a reasonable timeframe suggesting that the differences between the Bangladesh government and the IMF agendas were not insurmountable. An IMF press release notes that Bangladesh will receive funds under three programmes, with different grace and maturity periods. Although the IMF did not disclose the targets for monitoring indicators, it seems that the targets would be reasonable such that the country should be able to accomplish them in a medium term – that is, within 42 months from now.

What is important here is that some of the prescriptions – increasing investment in the social sector

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encompassing health, education and social protection – are indeed long-term demands in Bangladesh. Moreover, allocating one-third of the USD 4.5 billion loan to climate safeguarding is also a welcome move. Other areas where the IMF has suggested reforms include revenue mobilisation and modernising the monetary policy framework.

The finance minister at a recent press conference also claimed that Bangladesh would be receiving IMF



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funds according to our terms and conditions. It thus transpired that the reform agenda prescribed by the IMF was also Bangladesh's reform programme. It is relevant to note that the above reform agendas have also been the core programmes elaborately discussed in our recent planning documents (i.e. 8th FYP and 7th FYP), which were approved by our highest decision-making authority. Since these reforms/programmes are owned by the Bangladesh government, they should not be difficult to accomplish.

However, it appears that, until recently, Bangladesh has not been serious about implementing the promises made in the planning documents. Revenue mobilisation as a ratio of GDP (i.e. tax efforts) has been falling. Automation and tax administration reforms have been slow. The cost of the low effort is estimated to be high. A recent policy brief prepared by the PRI Centre for Domestic Revenue Mobilisation found that raising additional revenue of five percentage points, with revenue structure of 70 percent in favour of direct tax and their subsequent investment in infrastructure (30 percent), social sector (25 percent),

monetary policy instrument. By putting a cap on it, the Bangladesh Bank has made the tool ineffective in its fight against inflation. High inflation and capped interest rates at much lower levels than inflation have pushed the real interest rate into the negative zone, which may result in difficulties to attract deposits.

Social sector (i.e. education and health) investment has historically been low in Bangladesh – at around 2.7 percent of GDP. Low social sector investment has long-term implications regarding workplace productivity. Perhaps this is one of the reasons why Bangladesh has not yet been able to optimise the demographic dividend bestowed naturally upon us as a result of demographic transition. Viewing from lifecycle lenses, investments on children, youth and women are very low. According to the estimate of the Bangladesh National Transfer Account (NTA), a UN framework to assess income, consumption and transfers across age cohort 0 to 81, the lifecycle deficit of children (LDC-C) has increased from Tk 1.763 trillion in 2010 to over Tk 4.294 trillion in 2020. significantly. The share of

Only 36 percent of the working-age women are participating in the labour force. Additionally, significant numbers are in informal employment with a high care burden on them.

It is now imperative that Bangladesh makes strong commitment to the above reforms, which are owned by the government. Along with revenue and financial sector reforms, the government must also agree on a formula to utilise the additional revenue that may emerge out of these reforms. In addition to looking into sectoral allocation, the government must also consider lifecycle groups when determining the distribution or allocation formulae. Among various groups, children and youth should get priority as they are critical for the country's future development. These groups are likely to yield high dividends in terms of increased wealth and revenues in the future, which in turn can finance future public programmes. The country must also agree to channel disproportionately higher investment to women as Bangladesh's development vision would remain unfulfilled if 50 percent of its population is left behind.

Negotiations going strong at COP27



POLITICS OF CLIMATE CHANGE

Dr Saleemul Huq is director of the International Centre for Climate Change and Development (ICCCAD) at Independent University, Bangladesh (IUB).

SALEEMUL HUQ

As we near the end of the two weeks of intense negotiations at the 27th United Nations Climate Change Conference (Conference of Parties – COP27) here in Sharm el Sheikh, Egypt, things are certainly heating up.

The biggest and newest issue is that of loss and damage finance, which was finally accepted as an official agenda item in a COP for the very first time – after hard, all-night negotiations. This in itself is a significant win for the climate-vulnerable developing countries, and is now being taken to the next level. The developing countries are united in their demand for the establishment of the Sharm El Sheikh Finance Facility for Loss and Damage (SSFFLD) at the end of the climate conference later this week. This will take a lot of heavy negotiations, for which we are fully prepared. During the high-level sessions last week, leaders of several countries including Scotland, Belgium, Denmark, Austria, and New Zealand offered finance to cover the loss and damage caused by human-induced climate change, which is a very welcome development.

Unfortunately, US President Joe Biden did not make any such promise when he spoke.



PHOTO: REUTERS

The success of COP27 hinges on the negotiations on loss and damage finance.

At the same time, the fulfilment of the pledge made at COP26 in Glasgow, Scotland last year by the developed countries to double their funding for adaptation measures to tackle the impacts of climate change in the developing countries is still being debated and discussed.

Finally, the perennial issue of reducing global emissions of greenhouse gases (GHG) to keep

the global temperature rise below 1.5 degrees Celsius still remains on tenterhooks as the opportunity to stay below that level is rapidly diminishing every day. All the countries are now being urged to raise their goals to reduce GHG emissions faster than they have promised before.

The Bangladesh delegation is headed by the environment minister,

induced climate change that will hit our country over the coming decades, increasing the frequency and severity of coastal flood events. The estimated losses amount to USD 570 million every year going forward if measures are not taken to minimise those impacts.

Pakistan, too, saw devastating floods this year, which UN Secretary-General Antonio Guterres called a “climate carnage.” The heat waves all over the world this year have also been alarming.

We hope that the debates and discussions on doubling the fundings by the developed countries to adapt to climate impacts in order to minimise the effects of such extreme weather events – results of a changing climate – end with a positive outcome that will benefit climate victims.

This year, COP27 has more than 40,000 participants, most of whom are participating in many different activities in the different pavilions, where they can network with like-minded groups from around the world. Thus, this conference is a combination of a “Talking COP,” where the official negotiators talk into the late night, and an “Action COP,” where different groups including youth, scientists, private sector actors, parliamentarians, mayors and many others meet to discuss actual actions to tackle climate change.

Let's hope the negotiations that are taking place at COP27 will bear fruitful results and, by the time the climate conference wraps up, we will be one step closer to tackling the climate crisis.