

The Daily Star

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## Sitrang's victims still waiting for help

Govt relief must be both quick and sustainable

We are dismayed to know about the helplessness of around 150 families of a fishing community who have been left homeless and destitute by Cyclone Sitrang in late October. According to accounts given by some of the victims living near the embankment in Chattogram's Patenga, these people have been living in makeshift shanties with little food and safe drinking water ever since they took shelter from the cyclone. Many have to sleep under the open sky. There are no toilets either. They are forced to use dirty water for their daily needs. Apart from the initial relief of dry food given soon after the cyclone, they have not received any other aid.

This is quite shocking considering our fairly unblemished track record of rapid response during natural disasters. Why is government relief not being given to these people who are clearly in desperate conditions? According to a report by this paper, the district's relief and rehabilitation officer has claimed that they are still waiting for a list of affected people from the local councillor, while the councillor is claiming to have already submitted it. If that is so, why this agonising wait for relief? Surely bureaucratic tangles cannot come in the way of saving lives?

The plight of these people, however, didn't start only after the cyclone, although it certainly caused greater suffering. Most of them are victims of climate change and come from coastal regions such as Hatia and Sandwip islands where river erosion or storms left them landless and homeless. Some families have been living near the embankment for 25 years, and have been constantly struggling to survive. The latest cyclone only highlighted how vulnerable this community still is to natural disaster. It is obvious that rehabilitating them somewhere else is the only solution.

According to one resident quoted by our report, after a survey done in 2008, they received cards and were assured of rehabilitation, but their cards have been washed away by Sitrang. If this is true, it would mean that these people have been waiting for 14 years in vain. We urge the government to ensure that all efforts are taken by the local administration and relevant relief officials to address the immediate needs of these people, such as food, shelter and sanitation. But long-term plans have to be initiated right now, so that these families can be transferred to an area where they will not face the imminent danger of erosion or other natural disasters.

In fact, the government should focus its rehabilitation efforts in other areas too, where thousands of people live in subhuman conditions after losing all their possessions and homes to natural calamities. With a rising number of such climate refugees, Bangladesh must have a comprehensive plan to identify them and help them rebuild their lives by providing immediate financial support, proper shelter and opportunities to earn a decent living. For the fishing community near the Akmal Ali Ghat embankment, the need for this support is urgent.

## Tangail needs to save its hillocks

Local authorities must act to prevent endless hill-cutting

Why bother about hillocks – small mounds of land found in many parts of Bangladesh – when entire hills are disappearing? It's easy to succumb to frustration seeing how rapid urbanisation is levelling vast swathes of the land to make way for unwieldy structures, bridges and industries, without a care for its biodiversity and unique geological features. Rivers, hills, and forests are being gobbled up in the process. Their absence or contamination is easy to notice or worry over, but the loss of other small but irreplaceable features of nature is also equally mournable. It's important, therefore, that we care, and bother, for it has a direct bearing on our future and that of this land.

The red-clay hillocks seen in the midlands of Tangail and Gazipur districts represent a unique geological feature of Bangladesh. They come in small and medium sizes, and are quite common. Unfortunately, with the region fast urbanising, these natural elements are being indiscriminately razed to the ground. In Tangail, according to a report by this daily, earth traders are leading this carnage, selling the earth thus collected to help run brick kilns or fill up low/wet land. Private landowners are also cutting down hillocks, often with the excuses of digging a pond, building a house, etc.

The need for doing so may be genuine sometimes, but what is alarming is how frequently this is happening, and the manner in which it is happening – mostly in broad daylight – with the authorities turning a blind eye. Cutting hills or hillocks, be it on private land or on land owned by the government, is a punishable offence. But the law is hardly ever followed, or implemented. If you ask anyone at the local office of the Department of Environment, you may hear of occasional mobile court drives to discourage earth traders. But those are few and far between, their effect quite negligible. Clearly, there is a growing acceptance of this illegal act and its long-term effects.

Such inaction or lack of awareness is especially frustrating for Tangail which was once known for *sal* forests that covered the hillocks at the Ghatail, Sakhipur, Mirzapur and Madhupur upazilas. Now, a large portion of their wildlife and trees have disappeared. Hillocks in many areas in nearby upazilas and districts have been ravaged, contributing to potential risks of landslides. In Chattogram and Sylhet, such activities have often led to deadly landslides. But their environmental cost is one that we cannot see immediately, but it can have a more wide-ranging and devastating effect, with the ecosystem losing its balance.

The plight of red-clay hillocks in Tangail is but a small manifestation of the war that is being fought against nature in Bangladesh. It's not a war we can ever win. We, therefore, must urgently find a way to align our development goals with the overarching priorities of preserving the integrity of our land and nature. In Tangail, that fight must include protecting its endangered hills and hillocks.

# Time for a new central bank and monetary policy



**OPEN SKY**  
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**BIRUPAKSHA PAUL**

The year 2022 has been the most critical for the Bangladesh Bank in almost 20 years. In 2003, the central bank incorporated massive reforms. And in 2023, we need to see a similar transition. It's time for a new monetary policy, since many rules have been updated to fend off the crises in the external sector. The taka's value plummeted sharply in the last five months and the foreign exchange reserves came under serious strain for the first time in 14 years. The new governor took office at this critical moment and ushered in several changes conforming to market demands. The new monetary policy will spell them out more methodologically to address the concerns of the stakeholders.

The International Monetary Fund (IMF) delegation that recently visited Bangladesh suggested that the central bank review its monetary policy at least twice a year. That used to be the case, until the former governor suddenly decided that it would be announced annually, without any logical reason. Usually, central banks scale up the frequency of policy announcements as time demands, but ours took a regressive move. India announces monetary policy at least six times a year. We should do so at least quarterly, given the increasing ebbs and flows of the financial industry and globalisation. Otherwise, it will be a document of delayed policy signals, which fails to achieve its goals in a timely fashion.

The new monetary policy should embody the changes that include: 1) removing the lending rate cap; 2) re-adopting a market based unified exchange rate – free of the 2.5 percent incentive; 3) bringing the *sanchayapatra* under the banking accounts and letting the government borrow directly from the banking sector; 4) adopting a rule for the spread (lending minus deposit rates) by making it four percent at maximum for all banks to discourage their profit bonanza; 5) inflation targeting at the rate of five percent or below; 6) premium deposit rates for the poor and vulnerable women; 6) tougher stance on habitual defaulters; 7) lower lending rates for agriculture and small enterprises; 8) encouraging working



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capital and phasing out the long term loans for big businesses; 9) designing policies to ensure the fastest possible distribution of remittances; 10) encouraging banks to expand agent banking, particularly in rural and less-privileged areas; and 11) forging a strategic alliance with post offices to make the best use of their widespread network for financial operations and deposit mobilisation.

Since the middle of 2022, the policy changes at the central bank have been so enormous that they have already made the old monetary policy largely defunct, requiring a new policy framework as soon as possible. The policy changes, as outlined in the 11 points above, if adopted, will deliver not only a new monetary policy, but also a new central bank by knocking down a series of non-market rules – some of which were imposed on them by the finance ministry. Let the central bank give a signal to the market that it runs based on its own judgement and research. Let it signal that this institution will favour hardworking enterprises and punish delinquent

borrowers without surrendering to pressure from tycoons or the finance ministry.

The central bank must be clear and definite in lifting the cap on the lending rate. Fixing a 12 percent lending rate instead of the nine percent one is another kind of cap, and not a market-based solution. Rather, the

weird regime of multifaceted exchange rates. There is one rate for exporters, one for importers, one for remittance makers, one for bankers to buy dollars from the central bank, and so on. The effective remittance rate by counting in the fiscal incentive is different. In addition, the street market rates and hundi rates also dominate the foreign

currency transactions to a greater extent. The central bank must come out of this bizarre mushrooming of exchange rates and implement only one or two exchange rates – as unified as possible by addressing the demand-supply outcomes of the market. Otherwise, both money laundering and black market operations will turn cancerous, making the dollar crisis and reserve depletion even worse.

The new monetary policy must spell out the goals afresh: 1) maximise employment and economic growth; 2) maintain price stability, a moderate level of inflation, and a market-based exchange rate; and 3) ensure a stable long term interest rate for the economy. The policy must require all banks to submit their statements of employment generation, not just their marvellous success in profit-hunting. This is the time for the Bangladesh Bank to emerge anew to implement new monetary policy, which is much needed to avert the crisis and set the banking sector on a sensible path of development.

The central bank has entered a

## Best ever World Cup for FIFA maybe, but not for migrant workers



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FIFA President Gianni Infantino has described the 2022 World Cup in Qatar as the "best ever world cup," which by most yardsticks can't be denied. The numbers speak for themselves. According to the FIFA boss, prior to the third-place play-off and final, 3.27 million spectators had attended the games compared to an overall 3.3 million at the 2018 edition in Russia. This figure is already higher than Qatar's entire population. The statistics he gave include 1.7 million visitors in the fan zone, television viewing figures hitting a new record of about five billion, USD 1 billion in excess profits and USD 11 billion in projected profits for next time. Undoubtedly, football fever across the globe reached a new height with the remarkable advancement of Morocco, and their rekindling of Arab hope. But, FIFA's silence over compensating migrant workers has angered rights activists.

It's ironic that the most coveted match, the final, was scheduled on International Migrants Day. December 18 is observed globally to recognise the importance of the contribution migrant workers make and to highlight the challenges they face, since the

adoption of a resolution on this at the United Nations General Assembly in 1990. Reacting to Infantino's claim, a leading global rights group, Human Rights Watch, said that it "came at migrant workers' loss." Lamenting its failure to commit to compensating migrant workers who built stadiums and tournament infrastructure in harsh and deadly conditions, it said that Infantino's claim that "we are defending human rights" was baseless. Reminding the world's football governing body that the migrant workers behind this World Cup have contributed hugely to FIFA's incredible wealth, Amnesty International said FIFA has a clear responsibility to compensate these workers for their losses. Amnesty's Head of Economic and Social Justice Stephen Cockburn said, "He offered nothing new to so many workers and their families who continue to be denied compensation for stolen wages and lost lives."

Human rights organisations and a number of football associations have been asking FIFA to establish a compensation fund for migrant workers and their families for quite some time. Last May, Amnesty asked FIFA to set up a USD 440 million

compensation fund for migrant workers who have suffered during preparations for the tournament. The amount is equal to the World Cup's prize pool. Rights groups have also pointed out that Infantino remained silent about whether the Legacy Fund, which is traditionally set up post-tournament, would be used to compensate workers.

Acknowledging some notable reforms to advance worker protections by the Qatari government, including the Kafala (sponsorship) system, which now allows workers to change jobs and leave the country without their employers' permission, and the Universal Reimbursement Scheme to reimburse workers who pay illegal recruitment fees, rights groups say these reforms either came too late or were too narrow in scope, and were weakly enforced. As a result, a huge number of workers and their families received little to no payment at all.

It is well documented that most of the migrant workers employed by Qatar in its World Cup infrastructure projects were from our part of the world and the rest from Africa. Last year, a *Guardian* investigation revealed that 6,500 migrant workers had died in Qatar since the country was awarded the right to host the World Cup in 2010. The Qatari authorities had disputed that figure, saying there were only three work-related deaths during constructions that were directly related to the tournament, and a further 37 non-work-related deaths. But just before the tournament kicked off, *The New York Times* reported that Nepal had calculated 2,000 deaths, including 200 suicides. These widely

varying figures are hard to verify, as rights activists claim that in most cases, no autopsy had been carried out.

Despite so much outcry among rights activists and Western nations about the issue of compensation, there is complete silence in those migrant workers' home countries. The most likely explanation for such a nonchalant attitude among politicians and policymakers is the fear of an adverse impact on future jobs for their workers in the Gulf region. But, weighing in behind the demand for compensation from FIFA should not be that difficult, as it is the corporate body of football that bears the primary responsibility for its biggest global event. One may also wonder whether our football federation would raise its voice on behalf of the Bangladeshi migrant workers in the global forum. Besides, Bangladesh can also draw support from the fellow federations of India, Pakistan, Nepal and the Philippines, all belonging to one of the largest regional groups, the Asian Football Confederation (AFC). It is worth noting that FIFA's main decision-making body – the 37-member council – also has an elected member from Bangladesh.

There have been suggestions that part of FIFA's reluctance to commit to compensate workers could be due to the fear of a potential admission of implied liability. But leaving aside those legal and technical arguments, no one can dispute rights activists' claim that "until all workers are compensated, the tournament cannot be truly celebrated."