

How did Bangladesh FARE IN 2022?

Bangladesh economy was all set at the beginning of 2022 to get its growth momentum back after recovering from the prolonged Covid-19 pandemic. But, the start of the Ukraine war in February slowed the country's joy run significantly, making it an eventful year to remember. Let's see how 2022 was for Bangladesh.

Padma bridge becomes a reality
On June 25, Bangladesh opened the long-awaited Padma bridge giving a huge boost to the confidence of the nation that it could do a gigantic project with its own resources. Built at the cost of nearly Tk 30,200 crore, the 6.15-kilometre bridge connects 21 districts in the south and southwestern region with two seaports, Mongla and Payra, to the rest of Bangladesh.

Electricity for 100% population
Bangladesh in May announced that it brought 100 per cent of its population under electricity coverage. The achievement put Bangladesh ahead of India and Pakistan, among the countries in South Asia, which have so far achieved 98 per cent and 74 per cent respectively, data from the World Bank showed. However, the countrymen suffered from severe load shedding for several months since July as the government took austerity measures in the wake of surging import cost of LNG and petroleum.

Forex reserve sinks from historic peak
Bangladesh's foreign exchange reserves began falling after reaching a historic peak of \$48 billion in August 2021 as export and remittance fell short of skyrocketing import costs because of the reopening of economies from Covid-19 curbs, which brought down the figure to hit as low as \$34 billion now.

Dollar spirals past Tk 100
Rising imports started eating up

first nuclear power project. The Tk 113,092-crore plant is expected to produce electricity for a lifetime of a minimum of 60 years and it will help Bangladesh generate electricity without emitting carbon dioxide.

First ever short term-loan for Islamic banks
The outgoing year saw the launch of the country's first ever short-term loan for shariah-based banks under the 'Islamic Bank Liquidity



Bangladesh brought 100 per cent population under electricity coverage.



Consumer prices crossed the 7 per cent mark in May.

the target of \$43.5 billion. All vital sectors, including apparel, leather and leather goods, home textile and jute and jute goods, performed well this year. Even in November, the country booked highest ever single month export earnings of \$5.09 billion, where garment contributed \$4.37 billion.

Inflation hits 10-year high
Consumer prices, which was below 6.5 per cent until April this year, crossed the 7 per cent mark in May driven by increased commodity prices

Rice prices hit record high
The month of August also saw historic high price of coarse rice—the benchmark variety—due to a supply shortage for less than expected imports, slow release from mills and farmers, as many parts of the country suffered from drought-like situation raising concern about good harvest of aman paddy. Retail prices of rice rose to Tk 49.5 per kilogramme in Dhaka in August, the highest on record, according to data from the Food and Agriculture Organisation of the United Nations.

Wheat flour gets costlier
Following suit of rice, wheat flour also hit record levels of Tk 60.11 per kilogramme in November in Dhaka's markets, which was over 80 per cent higher compared to the previous year. A chain effect was held responsible here — dip in import because of the Ukraine war, a ban on export by India and higher transport cost following fuel price hike.

Sugar price hits Tk 100/kg for first time
In the outgoing year



Bangladesh's foreign currency reserves from the beginning of 2022, causing depreciation of the local currency against the US dollar. The inter-bank exchange rate of the US dollar against Bangladeshi taka crossed the Tk 100 mark in September.

Per capita income crosses \$2,800
The country's per capita income increased further to reach \$2,824 thanks to the rise in economic activities. The pace of growth of Bangladesh's economy rose to 7.25 per cent in 2021-22 fiscal year from 6.94 per cent the previous year.

Default loan hits a record high
Non performing loans or default loans hit a historic high of Tk 134,396 crore at the end of September, which was 9.36 per cent of the total outstanding loans of Tk 1,436,200 crore.

Bangladesh seeks \$4.5b from IMF
In July, the government sought a \$4.5 billion loan from the International Monetary Fund (IMF) as support for budget and balance of payment along with mitigating the effects of climate change. With this, Bangladesh joined the list of countries namely Sri Lanka and Pakistan seeking support packages from the Washington-based multilateral lender to help their economies navigate the fallout of the Ukraine war that has sparked rampant inflation at home. In 2012, Bangladesh took the highest amount of loan of \$987 million from the IMF. It was given under a three-year extended credit facility.

Major development in nuclear energy
Prime Minister Sheikh Hasina on October 19 inaugurated the second and final reactor of the Rooppur Nuclear Power Plant, marking the most important development in the country's

Facility' in December. Bangladesh Bank came up with the loan at a time when a number of shariah-based banks were facing liquidity stress, stemming from deposit withdrawals amidst allegations of irregularities against the lenders.

Fresh increase in fuel prices
Couple of days after the urea price hike, the government increased petroleum products' prices by up to 51.7 per cent, the highest in the country's history, creating a public outcry as the spike was going to worsen the struggle of the common people who were fighting to cope with the rising living cost. However, the prices were reduced marginally following public demands as import cost declined.



Petroleum products' prices were hiked by up to 51.7 per cent.

In November 2021, diesel prices were increased by 23 per cent to Tk 80 per litre from Tk 65 earlier. At present, diesel is sold at Tk 109 per litre, petrol Tk 125 and octane Tk 130.

Major boost in export earnings
Bangladesh posted outstanding export earnings of \$52.08 billion in 2021-22 fiscal year, which was way higher from



Wheat flour hit record Tk 60.11 per kg in November.

globally after Russia's invasion of Ukraine. The spiral continued and inflation touched a 10-year high at 9.52 per cent in August. The rate of inflation eased in the last three months until November. It still remained close to 9 per cent, which eroded purchasing capacity of the large section of the population particularly the low- and fixed-income families.



Garment shipment registered 35.47 per cent growth in FY22.

sugar became costlier than Tk 100 a kilogramme in the second half of October, which was hovering around Tk 80 a kilo until the middle of 2022. The refiners blamed the price hike on squeezed supply of gas to process raw sugar. Later, gas supply improved significantly, but prices of the sweetener rose as high as Tk 115 a kilo in Dhaka.

Amazing apparel comes to rescue
Despite all odds, garment shipment registered 35.47 per cent year-on-year growth in FY22 and witnessed the highest ever export earnings of \$42.61 billion. Moreover, apparel shipment earnings of some months were spectacular. For instance, in November, garment export figure was \$4.37 billion, which was the highest single month receipt in the history of Bangladesh. The earnings were also extraordinary in January and June, which were \$4.04 billion and \$4.09 billion respectively.

Metro rail era begins
The year 2022 marked the opening of the country's first ever metro rail on December 28 adding a new mode of public transport for Dhaka city which is expected to reduce the traffic congestion. Built at a cost of nearly Tk 33,500 crore, the Mass Rapid Transit Line-6 will allow many people to commute within scheduled time in the city where traffic jams make time prediction impossible. With the launch of modern public transport, Bangladesh becomes the third country in South Asia to have metro rail after India and Pakistan.

Dealing with corporate politics and politicians

MAHTAB UDDIN AHMED

Once a young boy went to a "Boishakhi Mela" with his father and came upon a vendor selling parrots, which he wished to have dearly. The father inquired about the price of the first one and the vendor quoted Tk 2,000. When asked why it was so costly, the vendor replied that it knew Word, Excel and PowerPoint! Bewildered, the father turned to another one, only to find that this one was a whopping Tk 4,000 because this one knew programming too. Frustrated, he turned to a sleeping one and hoped the price of this one would be much less. But to his utter surprise, the vendor quoted Tk 10,000! Confused the father asked what this one could do. And the vendor replied that he had not seen it do anything but the other two called it boss!



Like the two parrots, it is common in the corporate world to pamper leaders of the organisation in such a manner that they often tend to forget what they are valued for. The leaders start to believe in themselves for all the wrong reasons. Fraught with corporate politics, often organisations get divided into groups or camps of different leaders or managers. People at the lower level try to get close to the powerhouse and the perceived easiest route is through flattering, humouring and indulging. And most leaders often fall into this trap! From the corporate leaders' end, the politics often starts with individuals or groups within a company competing for power, influence and resources. This can happen at any level in the company's leadership structure.

Some common practices of corporate politics are — backstabbing a colleague and boss, forming malicious alliances against other colleagues or groups, gossiping or spreading rumors, intentionally withholding information to put others into trouble and bullying.

How to identify the culprits of corporate politics? Generally, they are those who always agree with the boss, no matter what. I find that they have a very interesting similarity with magicians. They both use smoke and mirrors to distract you from the truth. Those who are seasoned at the corporate political game know how to work the system and seem to always keep a finger in the air, trying to figure out which way the wind is blowing. Such leaders lack character and go with the flow!

Corporate politics is the key cause of dissatisfaction, reduced productivity, low morale, mistrust and loss of talented resources. When I joined the telecom industry, I had encountered fierce power plays within the organisation in various divisions. It worked for some, as the company used to work in a silo. After a year of hard work, we could reduce the level of politics by removing the silo. In doing so, we significantly improved the collaboration culture by introducing a cross-functional team with a lot of empowerments. There must not be more than one powerhouse in an organisation.

Eliminating corporate politics is not always in our hands. But it can be managed better by developing soft skills, maintaining formal and informal relationships, positive and open communication and understanding the power flow. In summary, the culture of collaboration and open communication come hand in hand with trust and performance. If corporate politics reaches an extent where its toxicity can be felt in the general atmosphere of work, then its key players should be removed by those who are in the position to do so in order to restore a healthier work environment for all concerned.

Politics is everywhere — at home, at school, at work, at the club! However, politics can also create positive conflict which may drive clarity, innovation, and creativity, if it is constructive. Eliminating bad corporate politics may not always be possible, but it can be managed to a large extent. If corporate leaders sincerely strive towards the best practice, then our national leaders would do the same for our country!

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Vietnam reports strong economic growth of 8%

AFP, Hanoi

Vietnam's economy grew by eight percent in 2022, driven by strong exports and retail sales, authorities said on Thursday.

Growth in the communist nation stuttered at around three percent for two consecutive years due to the pandemic.

Before that, Vietnam was a success story among Asian economies, posting growth of seven percent in 2019.

This year the economy grew by an estimated 8 percent, beating the government's target of 6-6.5 percent, the official statistics office said.

"The economy has recovered" from the Covid-19 pandemic, it added.

However, growth slowed in the final quarter of the year as economies worldwide were hammered by the war in Ukraine and massive inflation.

Exports turnover in the fourth quarter experienced a year-on-year decline of 6.1 percent due to a lack of overseas orders, the statistics office said.