



**B1**  
**Deposits in Islamic banks decline**



**P8**  
**President, Presidency and Democracy**



**P7**  
**Adani invests in crisis-hit Sri Lanka**



**P6**  
**I have nothing to be sad about**

ONE YEAR OF UKRAINE WAR

# Undoing of Bangladesh economy

AKM ZAMIR UDDIN

In the end, it was a war that began some 5,800 kilometres away a year ago that laid bare the longstanding weaknesses of the Bangladesh economy.

Low tax revenue, overreliance on imports, narrow export base, inefficacy of the central bank's monetary policy methodology, interest rate caps, project cost overruns and banking sector weakness are some of the structural problems.

The issues left the country exposed to the wrath of the war, which escalated global commodity prices.

This sparked a cost of living crisis in Bangladesh, drained the central bank's reserves at an alarming rate, compelled the government to go into harsh austerity mode and left the economy muzzling.

Growth has weakened, the taka has depreciated by about 25 percent and reserves have shrunk by about 28 percent, prompting the government to knock at the doors of the International Monetary Fund for support.

But that does not mean that people like Alam Hossen and Al Hossain Chisty can get back to their pre-war lifestyle anytime soon.

SEE PAGE 2 COL 2

RELATED STORY, PHOTO ON PAGE 2



Hundreds of people stand in line to buy daily essential items, including soybean oil, at reduced prices from a TCB truck in the capital's Azimpur. People with limited income have been bearing the brunt of skyrocketing prices caused by the Russia-Ukraine war. The photo was taken a few months ago.

PHOTO: FILE

## Uprooted from a life once stable

**Bangladeshis displaced by the Russia-Ukraine war still struggling to start afresh**

MOHAMMAD AL-MASUM MOLLA

Mehedi Hasan Mohon knew his life would never be the same when the Russia-Ukraine war began a year ago.

"Back in Kyiv, I had my own house and automobile business. Now, I'm living in the Netherlands as a refugee," he told The Daily Star over the phone.

Mohon had gone to Ukraine 32 years ago on a scholarship for higher education. "I had been there since then and married a Ukrainian woman.

"I had to struggle a lot to settle there. I did various jobs before being able to start my own business. Despite all of that, I was leading a very happy life. But then the war came and all my happiness went away."

Mohon, an engineer who is now working as a robot operator in the Netherlands, said, "I am having to start

SEE PAGE 2 COL 2

## Both AL, BNP wooing Islami Andolon

PARTHA PRATIM BHATTACHARJEE

Both the ruling Awami League and the opposition BNP are out to get one religion-based party as an electoral ally, a gain which may help boost the vote bank ahead of the next general polls.



For its performance in the recent elections, Islami Andolon Bangladesh (IAB), founded by "Charmonair Pir" Fazlul Karim, has become a factor in the country's politics. And it led the two major parties to make one request to IAB: if it can't join their electoral coalition, it should go it alone, said sources.

Starting from Barishal in March 1987, the party emerged as the fourth most popular political party in the last general election.

In the last Dhaka city mayoral polls, it was the third most popular political party, beating the main opposition Jatiya Party.

On February 17, a 10-member BNP delegation visited the annual "Mahfil" at "Charmonair Durbar Sharif" in Barishal Sadar upazila, the headquarters of Fazlul Karim.

Though it was a religious event, politics came into discussion and the delegation proposed that IAB join the simultaneous movement initiated by the BNP and like-minded parties to realise the 10-point demand, including a general election under a caretaker government.

But no decision was made at the meeting.

Rather, the Islamist party told the BNP delegation that they have strong reservations about the caretaker system

SEE PAGE 7 COL 1

## KHALEDA IN POLITICS

### Confusion as ministers differ in opinions

STAFF CORRESPONDENT

With their conflicting remarks, four ministers have caused confusion about whether BNP Chairperson Khaleda Zia can engage in politics.

Law Minister Anisul Huq began it all on Sunday when he said there was no legal bar to Khaleda getting involved in politics again but wondered whether her poor health would even allow her to do so.

Yesterday, he again said that even though there is no bar to Khaleda engaging in politics, people think she practically cannot do so as she is sick.

She, however, cannot take part in the election as she is convicted, he reiterated.

"You will have to understand what the real situation is. It has been stated in the application submitted by her brother for her release from jail that she was seriously ill and her life would be in jeopardy if she was not given better treatment," the law minister said.

The former prime minister was

SEE PAGE 2 COL 5

## The devil is in implementation

Says IMF Asia-Pacific director on Bangladesh's loan programme

REJAUL KARIM BYRON, back from New Delhi

Bangladesh's economic crisis will not go away if the government does not strictly adhere to the conditions tagged with the International Monetary Fund's 42-month loan programme, said the lender's top official.

"Implementation is the key," said Krishna Srinivasan, director of the IMF's Asia-Pacific department, in response to questions from Bangladesh journalists earlier this week in New Delhi.

IMF organised a three-day training programme for economic and financial reporting at the Indian capital for a select group of journalists from Bangladesh, India, Bhutan, Nepal and the Maldives.

The Washington-based multilateral lender has designed the \$4.7 billion loan programme around restoring macroeconomic stability, increasing tax revenue, addressing banking sector vulnerabilities, modernising monetary policy framework and climate- and pandemic preparedness.

If the programme is well-adhered to,

the upsides are pretty strong, he said.

"In every country where we had a programme, if the programme is adhered to, there is a virtuous cycle which comes back and the problem we faced start declining. That is the whole idea. Being on the programme is one thing, implementing the programme is equally important."

When Bangladesh 'proactively' reached out to the IMF for fund facility, the country faced back-to-back shocks, which left its economic growth tapering off, external accounts weak, reserves strained and currency depreciating rapidly.

"If the programme is implemented, you will see a reversal in the context of the shocks. When a country comes to the IMF, its reserves have fallen. Once the programme is implemented, you build reserves organically."

The objectives set out by Bangladesh's loan programme have been cherry-picked by the government itself and not the IMF.

"This is the government's programme. It is part of their five-year plan -- they

SEE PAGE 2 COL 5



## HAJJ REGISTRATION

### Poor response compels govt to extend deadline

RASHIDUL HASAN

Only 18,140 Bangladeshis have completed registration till date to perform hajj this year against the country's quota of 1.27 lakh.

Due to the poor response in registration, the government has extended the registration deadline to February 28 from yesterday.

At least 15,000 of the 1.27 lakh were supposed to perform the ritual under government management and the rest under private management.

Top leaders of Hajj Agencies Association of Bangladesh (HAAB) and Association of Travel Agents of Bangladesh (ATAB) said despite the huge interest of people in performing hajj, fewer people registered due to the high cost of Hajj packages this year.

According to sources at the religious affairs ministry, of the 18,140 registered people, 11,248 will perform hajj under private management and the rest under government management.

Hajj agencies now doubt whether Bangladesh will be able to meet the quota this year if the costs are not reduced.

SEE PAGE 2 COL 1

## Suspended cop threatens Star journo

STAFF CORRESPONDENT

A suspended traffic police constable threatened a journalist of The Daily Star over the phone yesterday over publishing a news item on the constable hiring a helicopter to fly his daughter 2km to her wedding ceremony.

Md Mohibullah Shapla of the Chattogram Metropolitan Police's Traffic West Division was suspended after he was arrested with his son in connection with extorting money from a person holding him hostage last year.

Victim Nabi Hossain filed a case against four, including Shapla, with Pahartali Police Station on January 18 last year.

The Daily Star online Bangla ran the news yesterday with the headline "Police constable suspended over extortion allegation hires helicopter for daughter's wedding".

Shapla called The Daily Star Chattogram Bureau's

SEE PAGE 6 COL 1



Workers loading fly ash onto a vessel from a truck in Khulna city's Launch Ghat area. Such handling of fly ash, imported from India for producing cement, exposed the labourers to health hazards and also causes air pollution. The photo was taken on Tuesday.

PHOTO: HABIBUR RAHMAN

## NEXT NAT'L POLLS Lack of political consensus may lead to chaos

Says chief election commissioner

STAFF CORRESPONDENT

Chief Election Commissioner Kazi Habibul Awal has said the country's law and order may deteriorate and public safety may be jeopardised if the next national election is held without a political consensus.

"It may put people in danger. We don't expect such a situation in the country," he said.

The CEC made the comments yesterday while talking to reporters after a meeting with Election Monitoring Forum (EMF), a platform of election observers, at the capital's Nirbachan Bhaban.

"We urge the ruling party to make cordial attempts so that opposition political parties participate in the national election and we can present an acceptable, credible and transparent election to the nation," he said.

The political division over the caretaker government issue remains one of the major challenges to holding a fair and credible election, Habibul observed.

The CEC, however, expressed optimism that major political parties would be able to reach a consensus before the parliamentary polls, scheduled to be held in late December this year or early January next year.

"The election is still a few months away. We hope that we will see a political consensus and all political parties will join the polls."

He said the EMF delegation was comprised of some foreign election observers, including former Nepal prime minister Jhala Nath Khanal.

SEE PAGE 2 COL 4