

# The Daily Star

FOUNDER EDITOR: LATE S. M. ALI

## BCS exam backlog must be cleared

### The backlog is causing uncertainty for candidates and the nation as a whole

It is worrying to see the huge backlog at the Public Service Commission (PSC) that conducts the Bangladesh Civil Service (BCS) examination among other public recruitment exams. According to a report by this daily, the path for BCS candidates is riddled with uncertainties as they have to face prolonged delays at every stage of the exam, starting with publishing the circulars to appearing for tests and viva to getting their results. Despite promises of reform, it still takes at least three years to complete one BCS exam cycle. This is hampering the career prospects of examinees who must spend years studying and sacrificing personal and professional opportunities, hoping to secure a coveted position in the civil service, only to be stuck in a state of limbo due to the backlog.

Currently, the PSC is dealing with four BCS exams simultaneously – 41st, 43rd, 44th and 45th – each at different stages of their cycle, meaning that many candidates too are having to deal with all four simultaneously. The overlapping of exams and the uncertainty thus caused are affecting not just individual candidates, but also the entire recruitment process. The longer the backlog persists, the higher the likelihood of irregularities and compromises in the process. This also has broader implications for the nation as the BCS exams are a crucial mechanism for identifying talented individuals and placing them in key administrative positions. A backlog prevents deserving candidates from joining the service promptly, leading to a dearth of qualified civil servants.

So why is nothing being done about it? Reportedly, the current PSC chairman, at the start of his tenure, had promised reforms by preparing a roadmap to complete the entire BCS examination process in one year. However, the PSC is yet to finalise that roadmap. Any such plan cannot be implemented without first clearing the backlog. This calls for urgent measures to remove existing bottlenecks – including limited manpower – as well as overhauling the exam and result management processes through better planning and further leveraging technology.

We urge the government to take this issue seriously considering the ordeal of countless candidates, and enhance the capacity of the PSC so that it can reduce time for examination and recruitment. This is not just in the best interest of lakhs of candidates but also the civil service and the nation in general.

## We must break silence around fistula

### Govt should ensure easy access to maternal services from skilled professionals

Bangladesh has earned global accolades for reductions in maternal mortality and yet, when it comes to sustained access to skilled healthcare professionals for women, we have a long way to go. According to a report by this daily, 20,000 women suffer from fistula (obstetric, iatrogenic, traumatic and congenital) in the country. Of them, the highest number suffer from obstetric fistula. Other than congenital cases, fistula is a result of prolonged, obstructed labour, or surgical error during c-sections, or injury from sexual violence. Women who develop this condition suffer from incontinence, and may face depression and social isolation eventually.

It is unfortunate that even with the advancement in maternal healthcare in general, it is the poor who are having to suffer disproportionately due to lack of access to quality healthcare. In urban slums, for example, women often prefer to give birth at home because of poverty and miss out on the recommended antenatal care (ANC) check-ups. In fact, many women develop fistula for not having access to quality maternal care during pregnancies and at childbirth.

There are doubts about whether the number of fistula patients recorded is a true representation of the real picture as many women do not speak openly about ailments pertaining to reproductive health due to sociocultural issues. That so many women – there are nearly half a million globally – still suffer from fistula, despite it being preventable, is reflective of gross inequities. It is a sign that inequality is still embedded in the healthcare system with the poor particularly vulnerable, as they also are in case of any health emergency.

Therefore, we urge the government to prioritise maternal healthcare for the poor and increase coordination among all stakeholders providing healthcare services so that no one is left behind. Community clinics should ensure that they are fully operational and provide antenatal check-ups for expectant mothers regularly. Surgeons too must be trained to ensure error-free procedures. On a policy level, the government must eradicate child marriage and ensure timely and quality obstetric services to prevent fistula in the first place.

## LETTERS TO THE EDITOR

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### Be better prepared for dengue

Recently, I came across a news report that says experts are afraid the dengue outbreak could be even worse this year. It is beyond traumatising for those of us who were hospitalised with dengue last year and suffered a lot to receive proper care. When I was recovering, I had read that authorities being aware of the early warning signs could have prevented the severity of the outbreak. A total of 281 people died last year. Families lost their loved ones. I urge the city authorities to start addressing the rising cases with an awareness campaign.

Zia Mahmud, Badda, Dhaka

# What is the future of our debt-ridden macroeconomy?



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FAIZ AHMAD TAIYEB

Bangladesh's internal and external debt seem to be skyrocketing. As the grace period for the megaprojects is nearing the end, foreign debt services are rising at an alarming rate. Moreover, the country is taking loans from the banking system. Being criticised for excessive debt from commercial banks, the government is now taking loans from the central bank, which in a sense is printing new money. This injection of new money into the economy is adding to the high inflation. So, we need to ask this now: what is the future of Bangladesh's debt-ridden economy?

### The burden of rising debt

Data obtained from the Bangladesh Bank shows that the country's total external debt increased to nearly \$96.25 billion at the end of December 2022 – of which \$71.9 billion belong to the government, and the rest to the private sector. In just 10 years, the country's outstanding foreign debt more than tripled, says a World Bank report.

In FY17, Bangladesh's debt service on external debt was \$2.28 billion, which rose to \$5.69 billion in FY21, according to the World Bank. In just four years, it grew 2.5 times. The official narrative says the debt-GDP ratio is still within the tolerable limit. But the fact is Bangladesh's GDP data is questionable – in recent years, the GDP data has been inflated by just changing the base year. Moreover, the country does not adjust inflation and deflation of the taka against the US dollar. According to the Bangladesh Bureau of Statistics (BBS), the country's per capita income fell one percent year-on-year to \$2,765 in 2022-23. This is absurd, as the taka devalued at least by 21 percent in just one year. Moreover, while a recently released World Bank report says food prices have increased by 33 percent in one year in Bangladesh, the BBS still shows just nine percent inflation. Hence, there are significant doubt and concerns about the integrity of the country's official data.

For example, taking the 21 percent devaluation of the taka into consideration, the 11.36 percent inflation (Sanem data) and a growth of 6.1 percent (World Bank projection) put the real GDP size at \$339 billion, not \$460 billion. The current inflation in Bangladesh may actually be much higher than official projections, so the real GDP would be even lower.



VISUAL: REHNUMA PROSHOON

Meanwhile, the government has taken new loans from the IMF, World Bank, Jica, ADB, etc. Moreover, the deferred LCs of commercial banks turned into an additional burden of short-term debts. Overall, in my estimate, the total foreign debt position of the country may have crossed 30 percent of the GDP – beyond the safe limit of 25 percent. Together with internal loans, the total debt-GDP ratio would then exceed 50 percent.

In the past two years, Bangladesh's foreign debt has increased more than \$27 billion. While Pakistan's external debt has increased by 114 percent and Sri Lanka's by 61 percent in a decade, Bangladesh's external debt has increased by 227 percent. Bangladesh is definitely on the risky path of foreign debt.

The government is also suffering from a severe shortage of money. In April, the government borrowed a record amount of Tk 29,697 crore from banks in the current fiscal year. In addition to this, there are significant external debts. According to the Bangladesh Bank data, between July and April, the government borrowed a total of Tk 82,057 crore from the banking system, of which the central bank provided around 80 percent. If you ask economists, they will readily admit that this is new money injection. This is simply alarming. According to the central bank, the government

borrowed a total of Tk 3,56 lakh crore from the country's banking accounts by April. Of that amount, Tk 2.22 lakh crore were borrowed from commercial banks.

This practice can strain the banking system and hinder its ability to support private sector lending, which is crucial for sustainable economic growth. Furthermore, the need to borrow from

increase in production and output, the excessive liquidity can further drive up prices and erode the purchasing power of the local currency. High inflation can hinder economic stability, deter foreign investment, and create hardships for the general population, particularly low-income individuals and vulnerable groups.

The government should prioritise

the central bank to cover the financing gap raises concerns about the creation of new money, leading to inflationary pressures.

These escalating debt levels pose serious risks to Bangladesh's economic stability and growth prospects. Rapidly increasing external debt service payments indicate that a substantial portion of the country's foreign currency earnings is diverted towards servicing existing obligations. This trend can strain the balance of payments and reduce available resources for vital sectors like healthcare, education, and infrastructure development.

One of the primary drivers of the mounting debt burden is the completion of megaprojects, power and energy sector debts, dues and the capacity charge payments, which were initiated to stimulate economic growth and enhance infrastructure. While some of these projects may have long-term benefits, the immediate debt servicing requirements are challenging the government's financial capacity.

### Inflationary pressures and economic consequences

The injection of new money via borrowing from the central bank is adding to the inflationary pressure in Bangladesh. As the money supply expands without a corresponding

efficient utilisation of borrowed funds to ensure maximum returns on investment. Implementing robust project management frameworks, promoting transparency and accountability, and reducing corruption can help optimise the benefits of megaprojects while minimising financial risks. Enhancing tax compliance, broadening the tax base, increasing FDI, and reducing tax evasion in favour of rich people can provide sustainable revenue streams to finance public expenditure and reduce the need for excessive borrowing. Moreover, the government must improve its public and fiscal data integrity.

To secure the country's economic future, the government must reduce its operational expenses and control corruption, adopt prudent fiscal and monetary policies, diversify the economy, diversify export, secure new and skilled manpower markets abroad, attract foreign investment, and, last but not the least, ensure efficient utilisation of borrowed funds. Only an accountable administration and a representative democracy can facilitate that. It is imperative to strike a balance between the need for infrastructure development and the sustainable management of debt to safeguard long-term economic stability and prosperity for the people of Bangladesh.

## Understanding the concepts of adaptation and loss and damage

### POLITICS OF CLIMATE CHANGE

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

SALEEMUL HUQ



A major prediction has come out of the World Meteorological Organization (WMO) this week, which says the world will almost certainly cross the threshold of 1.5 degrees Celsius of global atmospheric temperature rise within the next five years or so. This confirms that the world has already entered the era of losses and damages attributable to human-induced climate change and no country is prepared for what is to come in terms of adverse impacts.

One of the confusions that people are concerned about is the relationship between adaptation to climate change and addressing loss and damage. One way to understand the difference is using the new lens of averting, minimising, and addressing loss and damage from human-induced climate change as the most up-to-date terminology for climate change. In other words, what we called mitigation before is now better described as averting or avoiding loss and damage, and what we called adaptation is now to be called minimising loss and damage.

This does not at all mean that the efforts to mitigate or adapt to

climate change should be abandoned – far from it. But addressing the actual impacts that are already visible and will continue to occur every day, week, month and year from now on has become the biggest priority.

The good news is that, under the United Nations Framework Convention on Climate Change (UNFCCC), at the last annual climate conference (COP27), a breakthrough agreement was reached unanimously by all countries to establish a funding mechanism to address loss and damage. A Transitional Committee was then set up to come up with recommendations to be discussed and negotiated at COP28 (due in November-December 2023).

This Transitional Committee has already held its first meeting and a workshop and plans to hold several more meetings before COP28. One of the important aspects of these discussions is the relationship between adaptation and loss and damage, as well as the concern that the funding to address loss and damage should not cannibalise adaptation resources, which are not enough to begin with.

Let me explain where adaptation

and loss and damage begin. This is most clearly demonstrated by adaptation to extreme events such as cyclones, floods, heatwaves or wildfires. An interesting example of this occurred in the Bay of Bengal just last week, when Severe Cyclone Mocha was heading for Bangladesh and we warned and evacuated hundreds of thousands of people in the coastal areas in preparation. Fortunately for Bangladesh, the cyclone veered eastward hours before making landfall and thus hit only the southern tip of Bangladesh. Myanmar bore the brunt of the cyclone and suffered significant loss of lives. This is an example of how good adaptation in Bangladesh helped minimise the loss and damage from the cyclone, while poor adaptation in Myanmar caused much more loss and damage.

The other concern about loss and damage management eating up adaptation funding is a legitimate concern. Thus, raising funds to address loss and damage should not be focused only on public funds from governments; rather, it should rely on innovative funding mechanisms, preferably ones that make polluters pay for loss and damage.

There are a number of proposals being floated by different groups to raise such innovative funds, including a carbon tax on fossil fuel companies as well as levies on maritime and air travels.

I along with several others put forward one such proposal – an international solidarity levy on air passengers that can be applied by any

government under its own jurisdiction to get passengers to pay into a fund to address loss and damage. This proposal is based on a very successful model which was implemented by France for a number of years, where every air ticket purchased in France had a levy of a few euros only imposed by the government and collected by the airlines to contribute to the Global Health fund. This has successfully raised nearly 200 million euros a year for the last 10 years or so. Our proposal is for other countries such as the UK, Germany, the US and others to apply a similar levy to generate solidarity funds to address loss and damage.

Indeed, these levies can also be applied by individual airlines on their own. For example, if the three major airlines of the Middle East – Emirates, Qatar Airways, and Etihad – were to charge a few extra bucks per ticket, it would not affect their competitiveness while raising several hundred millions a year.

Finally, addressing the impacts of climate change will inevitably become a higher priority for every country whether they acknowledge this or not, and countries that prepare well can minimise the losses and damages that are going to occur.

At the same time, every country, and indeed every town and community, must also enhance efforts to minimise potential losses and damages through adaptation. We now need to treat adaptation and addressing loss and damage from human-induced climate change as a nexus approach, rather than separately.