

A shocking revelation of data inaccuracy BB's discovery of export data miscalculations is alarming

Bangladesh Bank has unearthed a shocking revelation about our export data—a \$14 billion dollar discrepancy in the calculation. This was revealed through a regular update on the balance of payments by the central bank, creating shockwaves for economists and business leaders. Such a mind-boggling understatement of the export data has disturbing implications on the country's economic performance, specifically its growth rate, based on which policies are formulated. The question is, how could such massive miscalculations occur in the first place? Who is responsible? And how long have these been going on?

According to a report in this paper, Bangladesh Bank discovered six ways in which the data miscalculations caused the export figure to become so inflated. The anomalies include errors in customs data, miscalculations of the value of fabrics, samples for buyers being included as final products with export value, double-counting of sales by EPZ-based firms, not adjusting the difference between the LC (Letter of Credit) value and actual export proceeds, and not adjusting losses from stock-lot sales, discounts and commissions. Such mistakes in the dataset are deeply worrying, to say the least.

The National Board of Revenue (NBR) and Export Promotion Bureau (EPB) should be held accountable for the mistakes. We expect the government to conduct a thorough investigation into why the relevant officials made these errors. Is it because of incompetence? Or, were the miscalculations deliberate? Either way, they must face the consequences of mishandling such important data. We also must ask: how far back do these errors go? The current mismatch is for the July-April period of the 2023-2024 fiscal year, and the correction reveals that exports have fallen by 6.8 percent instead of the stated growth of 3.93 percent. How far back should we go to recalculate the data for previous years' performance? A BB official has said there is nothing wrong with past data. Should we take their optimism at face value?

While the correction will lead to a revaluation of the growth rate, an economist has said it would be down by 1 percent. That said, that Bangladesh Bank has discovered the anomalies through its own recalculations is a positive move. We appreciate the effort to set the records straight, and hope that such diligence and transparency will be applied to other areas of data calculation. Policies are based on the official data available, and can only work if the numbers are correct. We, therefore, expect the government to revisit all the data generated by its bodies in various areas, no matter how tedious the task is. Because, ultimately, correct and regularly updated data is vital not only for the government to make appropriate policies but also for independent experts and citizens to understand the nation's economic realities.

Is it a tree fair, or a commercial one?

Attitude of state officials questions our environmental commitments

Officially, the government remains committed to preserving our natural resources including forests, rivers, and hills. However, the corruption, mismanagement, and questionable policymaking that routinely stymie its efforts—thereby contributing to further environmental degradation—can be understood from a recent example. It involves, as per a report, the organisation of a so-called "tree fair" in Gosairhat, Shariatpur. Despite its name, the 15-day event features a variety of vendors selling snacks, cosmetics, toys, and rides, with only one stall, out of the 39, selling tree saplings. Even though the fair is being organised under the banner of the Gosairhat forest department and upazila administration, the former disclaimed any involvement, while the latter said it is assisting the department, highlighting a lack of coordination and seriousness among them.

One may write this off as trivial but it is not. It symbolises the broader trend of systemic neglect and mismanagement that has long jeopardised our environmental commitments. Much like the ill-distribution of stalls turning the fair into a commercial one, the perfunctory attitude and profit-first mentality of responsible government departments have severely affected various decisions and projects related to our environmental causes. A report published on the same day takes a look into some of those projects where—far from preserving our forests, hills, and rivers—officials prioritised their commercialisation by permitting or engaging in environmental degradation themselves.

A notable example is the planned safari park at the Lathiila reserved forest in Moulvibazar. Despite laws prohibiting construction and even unauthorised entry into protected forests, the forest department is reportedly cutting trees and hills there to build the park, betraying its misplaced priorities. Similarly, various government institutions have been implicated in the destruction of wetlands, forests, and hills. As per a study by the River and Delta Research Centre (RDRC), between March 2023 and April 2024, 25 government institutions cut down upwards of 11 lakh trees across the country—over seven lakhs of them within protected forests. Even more shockingly, the forest department alone accounted for over 417,000 of all felled trees. Such large-scale deforestation in the name of development not only degrades the environment but also sets a precedent for private entities to follow suit.

One doesn't need to be reminded of the devastating effects of such activities, public or private. People are paying the price even as we write this. It is, therefore, imperative that the government reassesses its priorities and ensures that state officials, who are at the centre of any drive to uphold its environmental commitments, are properly attuned to them. The authorities also must ensure strict compliance with all environmental laws to prevent the depletion and degradation of natural resources.

Freedom fighters' quota goes against the 1971 spirit



Tanim Ahmed is a journalist at The Daily Star.

TANIM AHMED

Any argument about the freedom fighters' quota, especially one that opposes it in its current form, has turned so contentious that the discussion tends to revolve around the advocate more than whatever merit the argument itself might have. It would then, perhaps, be appropriate to first establish that I have skin in the game, that this is not merely an exercise in theory. It affects me directly.

Both my parents were freedom fighters. My father was an army doctor and among the founders of Bangladesh Hospital in Tripura under Sector 2. My mother was a nurse at that hospital. My uncle was among the first batch of officers to be inducted into the Bangladesh army. He was among the 61 officers of the First War Course (also called the Murti Commission) during the 1971 Liberation War. Both my father and my uncle were awarded the Bir Protik gallantry award.

They chose to join the war knowing full well they may not return at all. They had close encounters with danger and death. Many of their comrades fell in battle. Many were caught and never returned. But that is the nature of wars. Some return home to glory, some don't. But this was a war for the liberation of a nation, which meant that unless they were victorious, they would go down as seditious rebels and their families would live in ignominy forever. Merely surviving the war was not going to be enough. They had to win it, and win it they did. It is only fitting that we honour the freedom fighters in whatever way we can. Theirs is a debt that we can never repay. Thus, instituting a special quota for freedom fighters, who had risked their life and limb for the country, would be quite justified in an independent Bangladesh.

Furthermore, considering the disparities in Bangladesh, there should be special quotas not just in government service, but also in universities, for certain groups that remain marginalised and disadvantaged—for instance, women,



PHOTO: ANISUR RAHMAN/STAR

Students have blocked Shahbagh intersection for much of last week in protest of the quota system.

ethnic minorities, people from remote areas, people with disabilities and differences. There should be conditions too—specifying how many children of the same family can avail it or that it will only apply to first generation university aspirants for they have not had the same opportunities as those whose parents did go to university. People from remote districts like Panchagarh or Khagrachhari, those from ethnic minorities, those with differences like transgender people, and women too, should, by all means, be prioritised.

However, extending the special quota of freedom fighters as a privilege to their children, and their grandchildren, would be unfair to deserving candidates. It might have been acceptable if 30 percent quotas were reserved for a group of people who constitute less than one percent of the population if it were the freedom fighters themselves. But we,

the children of freedom fighters, or our children, had nothing to do with their choices or their sacrifices and we do not deserve any of the credit due to our parents. Surely, many freedom fighters' families are in distress and have suffered but so have millions of others. Now, more than 50 years after the war, to continue that privilege for the grandchildren of freedom fighters

fighters' children that claim to "fight" for this quota saying that abolishing it would be an insult to the spirit of the Liberation War, and would belittle the contribution of freedom fighters. It would not. It is embarrassing, to say the least. It shames me that freedom fighters' children would be so callous to their peers and fellow citizens as to not see the injustice in what

is almost like installing a regime of hereditary entitlement. Freedom fighters' families do not constitute a disadvantaged or marginalised class. Those who still languish in poverty do so because the state has failed them, just as it has failed millions of others. There should be programmes to lift them up, as there are social safety net and other assistance programmes that the government runs. One might point out that those are largely insufficient and ineffective in improving lives meaningfully. After all, cash assistance of a few thousand takas is not going to change lives in this day and age. But that is all the more reason to reinvigorate efforts to make these programmes better so that every citizen of Bangladesh has enough opportunities to live a better life. It does not call for a special provision for a specific group of people. Yet, there are platforms of freedom

they advocate. And to brand those demanding annulment of the freedom fighters' quota as collaborators or traitors is a cheap way of stigmatising the people demanding a fair system.

Surely, the principle of any special provisions of the government should be that the poorest and most marginalised benefit from them. These provisions should seek to help those in most need of assistance to lift themselves out of the vicious cycle of poverty and deprivation. These should strive towards a more just and equal society, and for that to happen we need capable officials running the government. The very spirit of the Liberation War was in protest of the unjust, unequal system of erstwhile Pakistan. The freedom fighters' quota that seeks to create a privileged section of people hereditarily is exactly what they had fought against. I don't want it. Not for me. And certainly not for my children.

Mission to China

Is the PM ready to take a bold position on RCEP?

Farid Erkiizia Bakht is a political analyst.

FARID ERKIZIA BAKHT

Bangladesh is not a member of the Shanghai Cooperation Organisation (SCO). Nor is it a member of BRICS+. It is not ensclosed within ASEAN either. By extension, Dhaka feels it can remain outside the planet's largest trading area, Regional Comprehensive Economic Partnership (RCEP). I have lost count of the times I mentioned RCEP in conversations in Dhaka, only to be met with a blank stare. The RCEP does not elicit curiosity.

The fault lies with the strategic community in Dhaka. They have failed (perhaps even wilfully) to argue for a coherent strategy towards China and Southeast Asia. The result of apathy and opaque concepts is that Bangladesh has "Brexit" itself away from the new core of the world economy on our doorstep. Metaphorically, it has plumped for the slow train, drifting around in South Asia, rather than hitch a ride on the high-speed trains of China, Japan, Korea and ASEAN. We could have both. Geography and history demand it.

Are we aiming low, missing RCEP? So, what can we hope for from the PM's flight to Beijing? I am worried that no one seems to be worried.

Over two days on July 9 and 10, Prime Minister Sheikh Hasina is expected to have intense talks with Prime Minister Li Qiang, and a broader discussion about a deeper relationship with President Xi Jinping. Are her advisors failing to grasp what is at stake and not feeding

talking points for a much more ambitious undertaking?

The current batch of "goodies" look like a string of projects at best, where the parts outweigh the sum. At worst, to cynics, it looks like a shopping trip of cash and projects. Even working on a free trade area with China is insufficient.

Fundamentally, we need to move on from merely pleading for more infrastructure, funded by foreign loans but not by themselves earning foreign currency. The vulnerable economy is crying out for foreign (Chinese) investment into export-producing industrial platforms, to earn the dollars and Yuan to pay back ever higher foreign debt, which is mostly non-Chinese. Instead of acting as a supplicant for aid, we should be negotiating terms of a partnership where both China and Bangladesh gain something (a win-win, as Chinese diplomats like to say).

Contrast this with the trip by the Sri Lankan president in mid-2023 and how, before and after his visit to Beijing, he made joining RCEP the centrepiece of a new strategy towards the East and Southeast Asia. Colombo understands that RCEP offers a priceless opportunity to leapfrog the most industrialised state in India, neighbouring Tamil Nadu, by entering the Chinese-led trading area.

New nodes of supply chains will appear on that island, if admitted. In other words, selected sections of manufacturing processes will decamp from, say, China or Malaysia, and seek low-cost destinations within the trade area. The latter point is important because RCEP is not merely

about lowering tariffs but adhering to new technical standards and industrial practices. Diversification, better quality, and higher technology are the prizes.

The oft-stated visions of a Digital Bangladesh and its offspring, Smart Bangladesh, require plugging into the world of Huawei, Xinyi Solar and BYD. That undertaking can quite easily function in parallel to Indian connectivity links through Bangladeshi territory (another win-win).

From strategic ambiguity to strategic clarity

Too often, Dhaka has followed the Indian posture of strategic ambiguity. Others might consider this ever-so-clever "balancing" as strategic dithering, founded on short-term opportunities, laced within an ambience of fear of offending any or all of the Big Three (India, US, and China, in that order).

The PM, with her political instincts, understands the downsides of committing too much to Delhi's demands. Wiser heads know that Delhi has its own fears and interests. They recognise that cooperation, not confrontation, is the *sine qua non* of Delhi-Dhaka ties. Yet, this cannot be to the detriment of Bangladeshi economic imperatives. Dhaka has given much more than would have been possible two decades ago—ending separatist bases for Northeast Indian guerillas forces, allowing transport corridors from Kolkata through Bangladesh to Tripura and Assam, and deferring to Indian pressure to "go slow" on Chinese projects. The last point is now no longer acceptable to the sovereign and

economic interests of Bangladesh, nor its restive population.

Delhi has been heavily criticised within opposition quarters in Bangladesh for its support to the Awami League during the one-sided elections in January. Now, Delhi has nowhere else to go. It can hardly try to not back the Awami League since the alternative forces are viscerally against Delhi. Moreover, with Modi electorally weakened, he has other agendas to attend to.

Were Dhaka to take bold steps in its approach to Beijing and the wider region, Delhi would be as passive as Washington was in January.

Acting firmly but fairly by retaining commitments to India alongside pursuing a new, enhanced economic partnership with China would extinguish some domestic fires. This reminds me of the PM's rather strange journey to the Munich Security Conference a few months ago. The PM acquiesced with her foreign policy wonks and Western personages to hobnob with Western military officials, primarily focused with war in Eastern Europe and forthcoming adventures on the South China Sea. Not only did Sheikh Hasina skilfully avoid antagonising Russia as well as her Western hosts by stating the position of neutrality (as per the Global South position), but she also made some brave remarks, strongly condemning the slaughter in Gaza.

The mission to Beijing offers her another opportunity to act on her instincts. She can make her move, telling her Chinese hosts that Bangladesh wants an early entry into RCEP. Missing this boat now will mean facing the music soon enough.