



The photo taken yesterday from Ramna area in the capital shows two ATMs have their shutters drawn half-way as the booths have run out cash. As banks and security providers are not taking the risk to transport money in the current volatile situation, a cash crunch has emerged.

PHOTO: PALASH KHAN

Cash crunch intensifies as ATMs run dry

AM JAHID

People's sufferings due to cash shortages have intensified as most ATM booths started running dry nearly a week ago in Bangladesh.

Most booths were either closed or without money as of yesterday as banks could not inject fresh cash amid security concerns in the absence of police and other law enforcers. Only some army personnel were patrolling various areas across the country.

As a result, long queues were seen in front of booths with readily available cash. This correspondent found cash at only two out of 15 booths spread across Dhanmondi, Farmgate and Karwan Bazar. Of them, seven were closed while five were half-shuttered as they had run out of cash.

Anisur Rahman, a resident of the capital's Tejgaon area, said he needed

to withdraw money urgently to buy necessities for his family. However, he had to wander around at least 10 ATMs before finding one that had cash to dispense.

Unlike Rahman, multiple clients of different banks shared experiences of failing to withdraw money as all the ATMs they visited had run out of cash.

Looting of some state houses and offices alongside shops began after Sheikh Hasina resigned from her post as prime minister on August 5 and fled the country in the face of countrywide protests.

Security concerns deepened the following day, when police officials began a work abstention, citing fears for their safety amid reports of deadly attacks on policemen the previous night.

Bankers said some banks were not taking the risk of transporting cash to ATMs in the current situation, fearing looters and thieves, leading to a cash crisis

among the clients.

At the same time, security agencies that carry cash have decided not to provide services in the current climate.

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On August 7, the central bank asked banks not to allow cash withdrawals of more than Tk 1 lakh amid the ongoing situation.

The BB also asked banks to stop feeding money to branches if possible given the absence of police on the streets.

A top official of a private bank said

that although there is no cash crisis in the banking sector, the security companies that transport money have halted services. As a result, branches, especially remote branches, were running out of money.

Other bankers also indicated ATM operations have been reduced primarily due to security concerns rather than a cash shortage.

On Thursday, Mohammad Ali, managing director and chief executive officer of Pubali Bank, said the security measures provided by the banks' armed guards were inadequate given the current situation.

As a result, there is a heightened risk of potential incidents.

He suggested that a reliable money supply could be maintained if security was provided by the army, the Border Guard Bangladesh, or the Rapid Action Battalion.

China launches appeal at WTO over EU electric vehicle tariffs

AFP, Beijing

Beijing said Friday it had filed an appeal with the World Trade Organization over the European Union's imposition of additional tariffs on imports of electric vehicles from China.

In July, the EU slapped extra provisional duties of up to 38 percent on Chinese EVs after its executive arm concluded in an investigation that they were unfairly undermining European rivals.

"On August 9, China appealed to the World Trade Organization's dispute settlement mechanism over the EU's temporary anti-subsidy measures on EVs," a spokesperson for the country's commerce ministry said in a statement.

The ministry said the appeal aimed to "safeguard the development rights and interests of the electric vehicle industry and cooperation over the global green transformation".

"The EU's preliminary ruling lacks a factual and legal basis, seriously violates WTO rules, and undermines the overall situation of global cooperation in addressing climate change," it said.

"We urge the EU to immediately correct its wrong practices and jointly maintain the stability of China-EU economic and trade cooperation as well as EV industrial and supply chains."

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Brussels said it took note of Beijing's move but was "confident" its probe and provisional measures were WTO-compatible.

"The EU is carefully studying all the details of this request and will react to the Chinese authorities in due course according to the WTO procedures," a European Commission spokesperson told AFP.

In Geneva, WTO spokesman Ismaila Dieng said the organization had received the Chinese request.

"Further information will be made available once the request has been circulated to WTO members," Dieng added in a statement.

Definitive duties are due to take effect by November for a five-year period, pending a vote by the EU's 27 states.

China and the EU have butted heads in recent years on a range of issues relating to trade, technology, human rights and national security.

But Brussels faces a delicate balancing act as it tries to defend Europe's crucial auto industry and pivot towards green growth while also averting a showdown with Beijing.

The EU has launched a raft of probes targeting Chinese subsidies for solar panels, wind turbines and trains, while Beijing has begun its own investigations into imported European brandy and pork.

The United States has already hiked customs duties on Chinese electric cars to 100 percent, while Canada is considering similar action.

Politics as usual will waste the victory



ZAHID HUSSAIN

We are currently living a critical juncture in Bangladesh's history. The students, whose lives, blood, and sweat brought the change, have made it abundantly clear that the change of players is just the first step towards changing the game, not the final or even the penultimate step. They cannot be gamed into thinking that the game is changing. The question now is what exactly needs to change and how.

A broken political model

Let's take a step back to reflect on what led to the historic July 2024, including its five days extension.

The previous government offered an alternative model to liberal democracy without a coherent political ideology. Their political practice monopolised most of the country's wealth while vesting political power in one person. This system had the outward appearance of an orderly state with a functioning bureaucracy. It was easily gamed by well-connected elites. Knowledge of kinship connections was more useful than the knowledge of the Bangladesh and the global economy. The government blamed all their failures on others and diverted attention to real or imaginary external and internal threats whenever voices were raised against their malpractices.

Politics at the grassroots was criminalised using muscle and money. Voters' voices were never counted despite regular elections. The elections were held under abysmally low rule of law and freedom of speech. The "robber barons" invested

in economic expansion to build unparalleled fortunes by routinely abusing their economic and political connections. The rulers used laws in a way the former Brazilian president Getolo Vegas reportedly expressed: "For my friends, everything; for my enemies, the law". We learnt the hard way that the mechanics of democracy such as regular national and local elections are meaningless indicators of democratic health.

The ability to benefit from the discretionary use of law encouraged state incapacity and disorganisation. The ruling regime overestimated that a few mega infrastructures could mobilise society and transform the political agenda by creating a national community and public loyalty. The refusal to accept constraints on the exercise of political power and compromise made them incapable of redressing social imbalances. Not only did the regime bother to know how the people feel, but it wanted people to feel whatever it wants.

The government patronised an oligopolistic industrial structure within which a corrupt bureaucracy flourished. Corruption became a tool for the intimidation and harassment of those outside the power structures. It infiltrated almost every sphere of the nation's life. We slid into a blackhole where leaders and citizens found it advantageous to heap more abuse on norms and accountability rather than work to make it work.

The dictatorial regime wanted people to love them and hate their opponents. They preached belief in representative bodies, political parties, universal suffrage, and human rights. They combined a willful ignorance of history with unabashed political discrimination. They conflated truth with belief. Endemic corruption, lawlessness by law makers and enforcers, malfunctioning services, and staggering inequality intensified disenchantments.

The meager possessions of the poor are their very breath. Extortions

by party cadres plugged their nostrils. Reaction to the consequent suffocation was inevitable because it is biochemical, not to speak of emotional trepidations. All it needed was a trigger. This came as students' protests against the court order restoring quota in public service gained a life of its own in July 2024.

The government used fear and state violence to tackle the situation. It lost its temper and reacted far too arrogantly with unspeakably disproportionate force. History will

remember Abu Sayeed and Mugdho as signatures of state brutality against its own people. Political history shows a seemingly invincible regime can collapse due to a minor problem if that is seen as undermining its legitimacy. The prime minister's tagging the student protestors as "Razakars" and unleashing her party's muscle power against the students brought the cat out of the bag for good.

Some preliminary lessons

It is awfully hard to know the truth when you are holding absolute power.

Worse, such power distorts the truth. The one-party autocracy lost touch with the ground because they locked themselves inside an echo chamber of like-minded network and self-confirming newsfeeds. Their beliefs were seldom challenged. The power of such groupthink was so pervasive that it became increasingly difficult to break its hold even when the views seemed obviously arbitrary. Plenty of advisers and intelligence agencies did not make things better.

The rule of thumb from history

says no "sultans" should ever trust underlings to tell the truth. Great power warps the very space around it. The closer you get to it, the more twisted everything becomes. Each person the sultan sees tries to flatter, appease, and get something. They know the sultan can only spare them so much time. So, they fear saying something improper or muddled, thus ending up mouthing either empty slogans or the greatest but most boring clichés of all.

The cascading economic crisis

destabilised institutions and eviscerated trust in them to begin with. The autocrat relaxed the institutional checks because they stand in the way of implementing "my way or no way" model of governance. That's where the ethical and moral imperatives of the government went completely asunder.

It is hard to set priorities in real time and all too easy to second guess them with hindsight. When confronted by the mess of brutal dictatorships, as we did, the outsider political parties often put their unquestioning faith in the ritual of general elections as if holding general elections will turn the country into a tropical version of Denmark. What we need at this juncture is to build safeguards against the return of authoritarian regime and protect all citizens from the worst consequences of disruption, violence, and deprivation.

The inhabitants in any economy flourish when social norms foster morality, trust and long-term cooperation. The best intentions, policy and technology disappoint endlessly without such a broad compass. As we find ways of getting out of the political abyss, it will serve us well to constantly keep in mind an ancient Chinese philosophical treatise that says: "The ruler is a boat; people are the water. The water can carry the boat; the water can sink the boat."

This is a lesson our conventional political leaders are apparently unable to digest despite several historical reminders, the most salient being August 8, 2024. They do so at the nation's peril and their own. We hope the conventional political culture will change under the watch of the new student leadership and the guidance of a dreamer, doer, mobiliser and communicator like Professor Muhammad Yunus.

We cannot bring back the same model

Power is all about changing reality rather than seeing it for what it is. They say when you have a hammer,

everything looks like a nail. When you have great power, everything looks like an invitation to meddle. Even if you somehow overcome this urge, the people surrounding you will never let you forget about the giant hammer you are holding.

All wealth and power are concentrated in the hands of a tiny elite, while a vast majority of people are suffering from irrelevance which is worse than exploitation. We are suffering simultaneously from high underemployment and a shortage of skilled labour. Inequality skyrockets when common people lose their economic value.

The ultra rich only invested in Bangladesh under carefully secured insider knowledge and favourable regulatory treatment. Else, they laundered their money overseas. It became rational for everyone to suck the water out of the ground before others could do so. With no stake in Bangladesh's education, the elites could bother little about its rot. We have to change this model.

During every storm, as the nation is currently weathering, many unforeseen things happen. Mistakes are made, atrocities are committed, public opinion wavers, neutrals change their stance, and the balance of power shifts. The theatre of violence generates visceral fears of anarchy, making people feel as if the social order is about to collapse.

If we are not careful this time, we might end up with the same old game with a revolving set of players wreaking havoc on the country. This is what the Anti-Discrimination Movement is striving to change. After a month-long bloody struggle, we have crawled out of the blackhole of despotism and tyranny. But the blackhole is still there, patiently waiting to swallow us once again. The nation must not let its guard down.

The writer is the former lead economist of the World Bank's Dhaka office.



Nobel Peace Prize winner Dr Muhammad Yunus takes the oath of office to lead Bangladesh's interim government as its chief adviser, days after a student-led uprising ended the 15-year rule of Sheikh Hasina, in Dhaka on August 8.

PHOTO: AFP