

We must improve transparency and openness of the budget process

Reflections from the Open Budget Survey 2023

Dr M Abu Eusuf is professor at the Department of Development Studies and director at the Centre on Budget and Policy in the University of Dhaka. He is also the executive director of Research and Policy Integration for Development (RAPID), and country researcher for the International Budget Partnership in Bangladesh. He can be reached at eusuf101@gmail.com.
Md Rabiul Islam Rabi is an economist. He can be reached at eco.rabi@gmail.com.

M ABU EUSUF and MD RABIUL ISLAM RABI

Enhancing the transparency, accessibility, and inclusiveness of the budget process in Bangladesh is a key policy question. Insights from the Open Budget Survey (OBS), conducted by the International Budget Partnership, a non-profit organisation that analyses national budgets, can help address this as it evaluates how openly governments share budget information, encourage public participation to strengthen accountability, and facilitate oversight by institutions such as legislatures and audit offices. The results of the latest OBS were released in 2024, assessing 125 countries. Given Bangladesh's performance in the latest OBS, there is room for the country to enhance transparency and openness in its budget process.

The transparency section of the OBS measures the public's access to information on how the government collects and spends its resources, assessing eight critical budget documents. Bangladesh scored 37 out of 100 on transparency, reflecting a modest improvement from its previous score of 30. This

score is below the global average score of 45. A transparency score of 61 or above indicates that a country is likely publishing enough material to support informed public debate on the budget.

To further improve, Bangladesh should ensure timely online publication of essential documents, such as the pre-budget statement, in-year reports, and a single, comprehensive year-end report. A pre-budget statement outlines the broad parameters of fiscal policies ahead of the executive's budget proposal, providing an economic forecast, anticipated revenue, expenditures, and debt levels. In Bangladesh, a pre-budget statement is not published. The pre-budget statement can encourage civil society to get involved in the budget process early and influence policy plans before detailed funding decisions are made.

Timely publication of the year-end report as well as the mid-year report should be considered. The year-end report describes the government's accounts at the end of the fiscal year. But this report should also adopt

an analytical lens by evaluating the progress made towards achieving the budget's policy goals. This can help serve as evidence for reflection and improvement in the budget formulation to its execution process. The year-end report should consolidate budget data, be more accessible, and be available within a

Open Budget Survey evaluates formal opportunities for the public to engage with the executive, legislature, and supreme audit institution across the four stages of the budget cycle. In this aspect, Bangladesh scored 11 out of 100. This low score is mainly attributed to the lack of clarity on what has been

The Finance Division should also proactively involve vulnerable and marginalised communities, either directly or through organisations that represent them.

The OBS evaluates the roles of legislatures and supreme audit institutions (SAIs) in the budget process, assessing the level of

Bangladesh, also known as Jatiya Sangsad, provides limited oversight during the planning stage of the budget cycle and weak oversight during the implementation stage. To improve oversight, it is important to prioritise the following: i) the budget proposal should be submitted to legislators at least two months before the start of the budget year; ii) legislative committees should examine the budget proposal and publish reports with their analysis online; and iii) a legislative committee should examine in-year budget implementation and publish reports with their findings online.

In practice, it is important to ensure that the legislature is consulted before the executive shifts funds specified in the enacted budget between administrative units, spends any unanticipated revenue, or reduces spending due to revenue shortfalls during the budget year.

To strengthen independence and improve audit oversight by the Office of the Comptroller and Auditor General in the country, it is imperative to ensure that audit processes are reviewed by an independent agency.

If implemented, the above-mentioned improvements will not only align Bangladesh with global standards of fiscal openness, but also foster greater accountability, ensuring that public funds are managed effectively to serve the country's needs.

Institutional reform needed for an inclusive Bangladesh



Dr Shamsul Arifeen Khan Mamun is a professor of economics and a member of the BCS general education cadre. He is currently attached to the Directorate of Secondary and Higher Education (DSHE) under the Ministry of Education.

SHAMSUL ARIFEEN KHAN MAMUN

This year's Nobel laureates in economic sciences—Daron Acemoglu, Simon Johnson, and James Robinson—have demonstrated the importance of societal institutions for a country's prosperity. Societies with a poor rule of law as well as exploitative institutions struggle to generate growth or improve living standards. The Nobel laureates' research helps us understand how Bangladesh, trapped in extractive institutions inherited from its colonial past, failed to achieve the desired magnitude of prosperity after independence.

Extractive institutions, which concentrate power and resources among a select few, often hinder widespread economic opportunities. These institutions prioritise the interests of political elites, military leaders or certain economic groups, creating a system where wealth and decision-making authority are hoarded at the top. In such settings, most people are excluded from the economic and political benefits that promote growth and innovation. As a result, inequality grows, social mobility diminishes, and opportunities for broader development are stifled. In Bangladesh, the economic system of the past 16 years served as an example of such extractive institutions, where the primary beneficiaries were a handful of citizens and their descendants—political elites, bureaucrats and business conglomerates who maintained control over the country's resources. This era largely ended in August this year. To understand how extractive institutions might transition to more inclusive ones in Bangladesh's context, we can look at students' movements that, by protesting against discrimination and demanding equal socioeconomic opportunities, have challenged economic and power structures.

Historically, popular uprisings and social movements have played a vital role in shifting extractive institutions toward inclusivity by amplifying the voices of marginalised groups and pressuring governments to implement changes. For example, the 1952 Language Movement, which secured Bangla as the official language, and the

1990 movement, which led to the end of military rule and restored democracy in the country, are both pivotal in Bangladesh's history as they highlight the role of youth activism in confronting entrenched power structures. Most recently, students mobilised around critical issues such as road safety in 2018 and civil service quota reforms in 2018 and 2024.

The 2018 Road Safety Movement began after two students were tragically killed in a hit-and-run incident. It quickly grew into a nationwide outcry against the poor governance of our roads. The civic community became

inequality, and corruption, they are essentially calling for a shift from extractive practices to more inclusive systems. The success of these movements hinges on their ability to connect with other discontented groups and sustain pressure on the government.

In countries like Tunisia, Egypt and South Korea, student-led movements became catalysts for regime change and reforms when they gained momentum and aligned with other social groups. In Bangladesh, the potential for such a shift exists. As student movements continue to grow, they could play a crucial role in transitioning the country to a more inclusive and participatory society. The outcome of this transition would depend on the resilience of these movements and the willingness of the ruling elite to compromise or face political and economic upheaval.

Ultimately, the battle between extractive and inclusive institutions is not just a fight over resources; it is a fight over the future direction

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increasingly vocal about the negligence, corruption, and lack of accountability in the transport sector. Similarly, during the 2018 and 2024 quota reform protests, students successfully pressured the government to reform the civil service recruitment system, reducing job quotas reserved in favour of certain groups. These quotas, which disproportionately benefited certain families and politically connected individuals, were seen as barriers to merit-based recruitment and career advancement. The quota reform movements were a small but meaningful step towards a more inclusive system that aims to level the playing field for all citizens, regardless of their background.

Bangladesh's student movements are more than just isolated incidents of unrest—they symbolise a broader, structural challenge to the extractive institutions that dominate the political and economic landscape. If student movements continue to push for reforms addressing employment opportunities, social

of the country. Inclusive institutions tend to foster economic growth, innovation, and political stability by allowing broader participation in decision-making and ensuring that opportunities are available to all citizens. For Bangladesh, which continues to grapple with high levels of inequality, corruption and governance challenges, the student movements represent a beacon of hope for more inclusive, equitable development.

By challenging the status quo—whether in economics, education, governance, or public safety—students in Bangladesh are confronting the extractive nature of the system. If these movements garner broader support and align with other social forces, they could lead to reforms that make institutions more transparent and accountable. This mirrors the broader theoretical process in which social mobilisation, crises, elite conflict, and external pressures contribute to the transformation from extractive to inclusive institutions.

CROSSWORD BY THOMAS JOSEPH

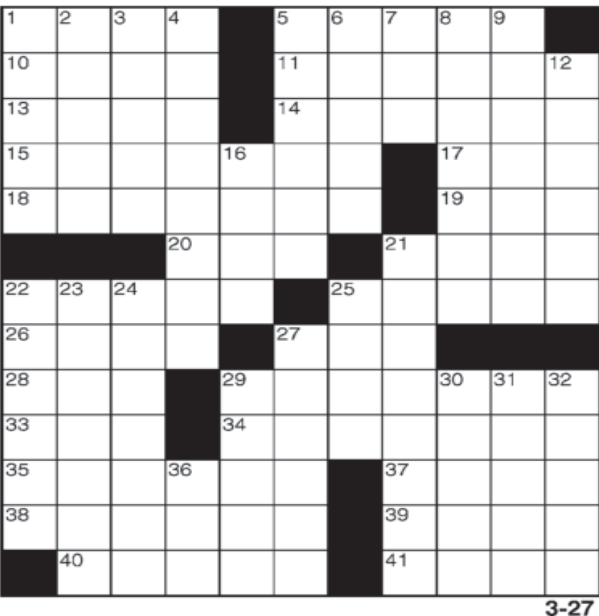
ACROSS

- 1 Highway exit
- 5 Old poets
- 10 On the ocean
- 11 Ark's landing site
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- 15 Emotional strain
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- 18 Dish, perhaps
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- 25 More tender
- 26 Murder
- 27 Computer heart, for short

DOWN

- 1 Dreadlocks wearer
- 2 Rockies resort
- 3 Intended
- 4 Forwards
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- 6 Sports spot
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- 9 Fish in a can
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- 25 Whirl
- 27 Bureaus
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- 36 "The Matrix" hero



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e-Tender Notice (Open Tendering Method)

e-Tender is invited in the National e-GP Portal (<http://www.eprocure.gov.bd>) for the procurement works as stated below:


Package No.	Name of work	Tender ID
3253102/2024-25/Q/78	CAPS WATER PROOF (2ND)	1031923

1. This is an online tender, where only e-Tender will be accepted in the National e-GP Portal and no offline/hard copies will be accepted.

2. To submit e-Tender, registration in the National e-GP Portal (<http://www.eprocure.gov.bd>) is required.

3. Further information and guidelines are available in the National e-GP System Portal and from e-GP help desk (helpdesk@eprocure.gov.bd).

4. The Tender Notice will be available on the website: www.bgb.gov.bd



Samiul Abad Khan
Director
For Director General

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