

## Relocate risky factories from Old Dhaka

The apathy of our authorities is risking countless lives

It is appalling that hazardous chemical warehouses and factories in Old Dhaka have yet to be relocated, despite repeated assurances following several devastating fires that have claimed hundreds of lives. Over the past 15 years, multiple tragic fires have erupted in Old Dhaka, causing massive property damage and affecting thousands of lives due to the presence of highly flammable substances. After each incident, authorities have promised to relocate these dangerous warehouses and factories. However, those promises remain unfulfilled, leaving residents of these congested neighbourhoods in constant fear.

After the devastating Nimtoli fire in June 2010, which claimed 126 lives, the government initiated four projects to relocate the chemical, plastic, printing, and electronics industries from Old Dhaka. Fourteen years later, all but one of these projects remain incomplete, reportedly due to bureaucratic red tape and complications with land acquisition. Even the Churihatta fire in Chavkbazar, which killed at least 71 people on February 20, 2019, failed to prompt authorities to expedite the relocation process. In fact, the authorities have not even updated the list of chemical warehouses in Old Dhaka.

A 2019 survey by the Dhaka South City Corporation (DSCC) identified 1,924 chemical warehouses in Old Dhaka, with 98 percent classified as “moderately risky.” However, locals believe the actual number is much higher, as many residential buildings are rented out as warehouses due to lax monitoring by the authorities. According to the Bangladesh Environment Conservation Rules of 1997, industrial units using hazardous chemicals or goods are prohibited from operating in or near residential areas. Following the Nimtoli fire, the DSCC stopped issuing new licenses and renewing old ones for chemical businesses in Old Dhaka. Then, after the Churihatta fire in 2019, the DSCC ceased all chemical trade licensing under its jurisdiction. However, these measures have had little practical impact.

Meanwhile, chemical traders argue they cannot relocate unless the government ensures their resettlement, as outlined in a Memorandum of Understanding signed in 2017. The Bangladesh Small and Cottage Industries Corporation has made 73 percent progress in constructing a Chemical Industrial Park in Sirajdikhan, Munshiganj. Additionally, a temporary project in Shyampur, completed in June 2024, provides space for 54 warehouses. However, these efforts have made little headway in relocating chemical warehouses and factories from Old Dhaka. Similarly, the relocation of plastic and other industries has been slow, plagued by the same bureaucratic delays.

All of this demonstrates an unwarranted apathy on the part of our authorities, putting countless lives at risk for no reason. The fact remains that Old Dhaka is a ticking time bomb due to its congestion and the presence of highly flammable substances. And it is entirely unacceptable for the relocation of these chemical warehouses and factories to take nearly 14 years. The authorities must take immediate action to free the residents of Old Dhaka from such extreme risks.

## Ease the congestion at Ctg port

Shortage of locomotives must be urgently addressed

We are concerned about the severe congestion at the Chattogram port, where import-laden containers, particularly those bound for the Kamalapur Inland Container Depot (ICD) in Dhaka, have piled up. The problem is reportedly caused by a shortage of locomotives running between the port and the Dhaka ICD. According to port authorities, at least four pairs of freight trains are needed daily to transport containers from the dedicated Chattogram Goods Port Yard (CGPY) to the Dhaka ICD. However, the railway authorities have been operating only one or two pairs of freight trains on this route for over a month. The pressure on the port has been further exacerbated by the recent increase in imports ahead of Ramadan. Additionally, the countrywide strike by Bangladesh Railway (BR) train crew in late January has also contributed to the congestion. If this issue is not urgently resolved, it will place immense pressure on the port in the coming days.

Reportedly, around 70 percent of the goods arriving at the port are for importers based in Dhaka and its surrounding areas. Of these, approximately three percent are transported by rail, while the rest are moved by road and river routes. It is unfortunate that the railway is struggling to transport even this small percentage of goods efficiently. While the port can accommodate up to 876 TEUs (twenty-foot equivalent units) of Dhaka ICD-bound import-laden containers, as of February 19, it was handling more than double its capacity, with 1,818 TEUs being stored. The situation is so dire that containers unloaded from vessels 15 days ago have yet to be loaded onto Dhaka-bound trains. Moreover, according to port sources, around 500 TEUs of Dhaka-bound containers are currently on several vessels waiting to dock at the port.

We, therefore, urge BR and Chattogram port authorities to address this issue without delay. While the shortage of locomotives due to the introduction of new train services is understandable, this problem cannot persist for months. The railway authorities must make urgent decisions to run enough trains to transport the piled-up containers to Dhaka. Transporting at least 200 TEUs daily by freight trains could help alleviate the current congestion. Additionally, port authorities should consider alternative solutions, such as delivering Dhaka-bound containers from the port yard or the Pangaon Inland Container Terminal in Keraniganj, to ease the congestion.

## THIS DAY IN HISTORY

### Children get first polio vaccine

On this day in 1954, a group of children from Arsenal Elementary School in Pittsburgh, Pennsylvania, received the first injections of the new polio vaccine developed by Dr Jonas Salk.

# EDITORIAL

# Impact of bureaucratic inefficiency on the economy

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The bureaucratic system in Bangladesh is plagued with excessive red tape, which manifests through ineffective procedures and corruption, resulting in overspending on civil service that ultimately limits economic performance. Overlapping regulations and insufficient coordination between government bodies exacerbate the extended timelines required to complete business registrations and obtain land acquisition permits. Manual systems together with hierarchical decision-making and rent-seeking behaviour within bureaucracies simultaneously drive up administrative costs and create delays in making essential decisions. These barriers create obstacles for both domestic and foreign investment while constraining entrepreneurial activities and pushing the working population into the informal economy, which diminishes the tax base and reduces government revenue.

This inefficiency leads to extensive economic consequences. The combination of elevated public expenditure for civil service functions with inadequate accountability measures and inconsistent policy enforcement results in decreased productivity within public services. Businesses face higher expenses because of bureaucratic delays and bribery that degrade their competitive edge and deter investment activities. Infrastructure and export sectors suffer from negative impacts caused by delays in land acquisition and customs clearance procedures. Implementing efficient bureaucratic processes, together with e-government solutions and enhanced transparency, will enable vital reforms to reduce unnecessary spending while unlocking economic growth potential. Tackling administrative inefficiencies will cut government spending while enhancing service delivery and boosting economic growth through improved investment conditions and entrepreneurship opportunities.

Bangladesh's government spending, which stands at 13.02 percent of GDP, far outweighs its revenue collection of only 8.9 percent of GDP, creating a significant fiscal gap. In contrast, Vietnam's

government revenue and expenditure are almost balanced at 19.03 percent and 18.77 percent of GDP, respectively. Despite having a similar GDP—\$481 billion for Bangladesh and \$506 billion for Vietnam—Bangladesh struggles to generate sufficient revenue due to its overreliance on a low-skilled, informal workforce, with 84 percent of workers in the informal sector. Meanwhile, Vietnam has prioritised human development. This structural difference explains Vietnam's higher revenue and more



VISUAL: SIFAT AFRIN SHAMS

effective government spending, even after enduring wars (1955-1975 and 1979) that left its economy in disarray decades ago.

The government overspends on ministries and administration in a system burdened by red tape, corruption, and inefficiency. The inefficiencies in Bangladesh's bureaucracy aggravate this fiscal disparity. Instead of addressing critical gaps in workforce training (vocational training) and healthcare to improve human development, Bangladesh diverts resources to sustain an oversized bureaucracy. For example, while Bangladesh's government expenditure is relatively lower as a percentage of GDP than Vietnam's (13.02 percent vs. 18.77 percent), it fails to deliver corresponding results. Vietnam's efficient governance enables it to focus spending on areas like skill development and technology integration, yielding higher worker productivity and export revenues. For

instance, Vietnam's garment sector, with only 2.5 million workers, is projected to export \$48 billion in 2025, compared to Bangladesh's \$42.83 billion export earning in 2023 with 4 million workers—a clear indication of Bangladesh's productivity gap.

Bangladesh's inability to upskill its workforce has dire consequences. A majority of its labour force is confined to low-paying jobs in agriculture, trade, and unregulated sectors like rickshaw-pulling, while Vietnam has created opportunities in semi-skilled and skilled industries, such as machine operation, legal assistance, and customer service. This structural shift in Vietnam has increased its tax base and allowed the government to invest in further human capital development. In contrast,

reducing dependency on external borrowing. Vietnam's success shows that a country with a similar history of colonialism, war and a comparable workforce can achieve remarkable economic transformation by focusing on human development and efficient governance. Bangladesh has no excuse for falling behind. Instead, it must take bold steps to reform its bureaucracy, reduce red tape, and prioritise its people over unsustainable government spending.

Bangladesh can follow Sri Lanka's lead in introducing bold reforms to reduce government spending by cutting down on unnecessary luxuries and inefficient practices in the public sector, including streamlining ministries. Sri Lanka's President Anura Kumara Dissanayake has set an example by capping the size of ministerial staff, limiting official vehicle usage to two per minister, and ensuring that appointments prioritise existing state service employees. These measures reflect a broader commitment to fiscal responsibility, ensuring tax money is utilised effectively. Bangladesh's government could adopt similar guidelines to reduce overspending. For instance, restricting the perks of ministers, such as luxury vehicles and unnecessary large entourages, would send a strong signal of accountability and free up resources for critical investments in skill development, and infrastructure.

Bangladesh should also consider implementing policies that ensure transparency and efficiency in government expenditures, similar to Sri Lanka's regulations on vehicle procurement and fuel allocations. Reducing ministries and consolidating overlapping functions would streamline governance and cut administrative costs. Sri Lanka's decision to curtail duty-free imports of luxury vehicles for parliamentarians sets a precedent Bangladesh could replicate, ensuring that public funds are not wasted on privileges that primarily benefit officials rather than the public. With a tax-to-GDP ratio of just 8.9 percent, Bangladesh cannot afford to continue overspending on its civil service while neglecting investments that could upskill its workforce and strengthen its economy. By following Sri Lanka's cost-cutting reforms, Bangladesh could create a leaner, more efficient government that redirects resources towards its citizens' long-term development and prosperity.

## Why Bangladesh needs deliberative democracy



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The July uprising of 2024 has irrevocably altered the political trajectory of Bangladesh. The ouster of Sheikh Hasina, after years of political dominance, symbolises the aspiration of the masses. The uprising was not merely a rejection of the old political system but a call for a new era of governance rooted in accountability, inclusion, and deliberation. The formation of an interim government represents the culmination of years of frustration with authoritarianism, systemic corruption, and institutional decay. Bangladesh now faces a critical question: how can it institutionalise its people's aspirations into a sustainable governance framework? The answer lies in adopting deliberative democracy.

Unlike traditional democratic models, which often prioritise majority rule over consensus, deliberative democracy emphasises dialogue, inclusivity, and reasoned and active citizen participation in decision-making. At its core, deliberative democracy is about fostering trust in institutions. For Bangladesh, where mistrust of political elites in the existing system runs deep, this model could serve as an antidote to decades of disillusionment. Through forums, assemblies (citizen committees), and referendums, deliberative democracy, in contrast

to conventional democracy (electoral democracy), actively includes people in the decision-making process. By ensuring that policies represent the will of the people, this strategy can aid in bridging the divide between the governed and the government.

For example, citizens' assemblies—randomly selected representative groups tasked with deliberating on specific policy issues—could be introduced to complement parliamentary decision-making. These assemblies have been successfully implemented in countries like Ireland and Canada. In Canada, they were used in British Columbia and Ontario to deliberate on electoral reform, showcasing their capacity to engage citizens in complex and technical policy discussions.

In Bangladesh, citizen assemblies could address pressing issues like electoral reform, education policy, climate adaptation, and health—areas where public input is crucial. The concept isn't entirely alien to our context. Local governance structures like ward meetings and open budget meetings reflect similar principles of citizen engagement.

However, these systems often fall short of their potential. The entrenched client-patron relationship and citizens' fear of raising their voices have hindered their effectiveness. For

example, although the concept of participatory budgeting is present at the local government's union parishad level through open budget meetings, in practice, these communities rarely can decide on issues related to public fund allocation. A low quality of citizenship, marked by limited political awareness and civic courage, undermines these participatory mechanisms. As a result, ward meetings and similar forums are often reduced to tokenistic exercises rather than genuine platforms for deliberation.

The implementation of deliberative democracy would not only empower citizens but also ensure that resources are used efficiently and equitably. Moreover, deliberative processes can serve as a check on executive overreach by mandating public consultations and expert panels for major policy decisions. As a result, the government would be compelled to justify its actions based on evidence and public consensus rather than partisan interests.

While the theoretical benefits of deliberative democracy are compelling, its implementation will need to consider the existing power imbalances and social norms that stifle meaningful participation. Without a parallel effort to cultivate an empowered and informed citizenry, even the most well-designed participatory frameworks risk becoming symbolic gestures rather than instruments of real change.

Bangladesh requires extensive constitutional revisions to transition to a deliberative democracy. The current constitution, shaped by years of dictatorial changes, cannot support a genuinely deliberative democratic framework. Besides,

the political culture of patronage and partisanship poses significant barriers to implementing deliberative democracy. Additionally, the lack of institutional capacity and resources hinders participatory initiatives.

The interim government can prioritise capacity-building, both within state institutions and civil society, to ensure that deliberative processes are effective and sustainable. Bangladeshi civil society has been at the forefront of the July uprising and can continue to play a pivotal role in the transition to deliberative democracy. By partnering with the government, academia, and international donors, they can help create the institutional architecture necessary for deliberative democracy to thrive.

Moreover, the media can act as a watchdog and facilitator of public discourse. By providing a platform for diverse perspectives and holding decision-makers accountable, the media can ensure that deliberative processes remain transparent and inclusive. In addition, public awareness campaigns are crucial to educate citizens about their rights and responsibilities in a deliberative democracy.

As the nation grapples with pressing challenges such as climate change, economic inequality, and youth unemployment, the need for effective and equitable governance has never been greater. Deliberative democracy, with its promise of collective problem-solving and trust-building, is the key to unlocking the country's full potential. Failure to do so would not only betray the aspirations of the July uprising but also risk the nation back into the cycle of authoritarianism and unrest.