

Make social safety net fit for purpose

Planned redesign must result in more impactful interventions

After years of criticism and chronic inefficiencies, the authorities finally seem poised to restructure the social safety net system in the FY2025-26 budget expected to be unveiled in early June, as per a report by this daily. We welcome this shift, as it shows some intent to address long-standing concerns about the system's inflated numbers, overlapping schemes, and misdirected allocations. But good intentions alone are not enough. The redesign must result in a more targeted and impactful intervention that genuinely supports the poor.

According to finance ministry officials, the number of schemes under the social safety net will be trimmed from 140 to fewer than 100, while 38 programmes will be grouped as “pro-poor” targeting the most vulnerable. The total allocation is expected to be Tk 95,908 crore—up from Tk 90,468 crore in the current budget—covering an additional 10 lakh beneficiaries. Small increases in monthly allowances are also expected across key cash assistance programmes like allowances for old age, the widow, deserted and destitute women, the physically challenged, mother and child benefits, etc. While these increases seem modest at the individual level, the real challenge lies in ensuring proper selection and enforcement so that any assistance reaches the most deserved beneficiaries.

For too long, our social safety net system has been weighed down by misclassification, corruption, and inefficiency. As we highlighted on various occasions in the past, especially during the tenure of the ousted Awami League government, the inclusion of retirement benefits and interest payments on savings certificates in the social safety budget inflated its total allocation, creating a misleading picture of state commitments to the poor. These expenditures accounted for 30 percent of the total allocation for FY2023-24, as per an assessment by CPD last year. The think tank also assessed that the share of “compatible” programmes under the social safety net bracket declined from 62.2 percent in FY2009-10 to 29.2 percent in FY2023-24. The planned restructuring, therefore, must reverse this state of affairs.

Merely shaving off irrelevant schemes is not enough. What we need is a fundamental restructuring of how these programmes are designed and implemented. Beneficiary selection must be transparent, data-driven, and insulated from political interference. Leakages must be plugged through digitisation and stronger oversight. And above all, allocations must be large enough to actually support families and individuals facing economic hardship. With the FY2026 budget around the corner, the government has an opportunity to make the system fit for purpose as a support structure for the vulnerable segments, with the goal of making them eventually self-reliant. Only then can the safety net serve its purpose of poverty alleviation. To that end, we urge the government to consult experts and build on previous research, including the findings of its own taskforce submitted in January, before finalising reform decisions.

Declare dengue a ‘reportable’ disease

Urgent measures needed to prevent a deadly outbreak

It is deeply concerning that despite warnings from public health experts, entomologists, and the media, the government's dengue control measures remain largely insufficient. Reports indicate that dengue cases have been rising rapidly with the early start of rains this year. As of the morning of May 23, the Directorate General of Health Services (DGHS) reported a total of 3,767 dengue cases, with 23 deaths. While there were 701 cases in April, the first 23 days of May saw 1,195 infections, indicating a troubling upward trend. Yet, the government's response has been noticeably inadequate. Without urgent action, this year's outbreak could surpass the severity of last year's, which saw 101,214 cases and 575 deaths.

Earlier this month, entomologists warned of a sharp rise in the Breteau Index (BI)—a measure of Aedes mosquito density—across the country. Their research showed that in April, the BI exceeded 10, whereas last year's average remained below this level. They cautioned that if this trend continues, the BI could rise above 20 by June, posing a serious threat. Additionally, health experts have warned that if dengue serotypes such as DEN-1, 4, or even 3 become prevalent this year, the number of infections and severe cases could increase significantly. Therefore, the government must take this threat with the seriousness it deserves, and implement necessary preventive measures without delay.

A national control programme for dengue has become essential by now. The Ministry of Local Government, Rural Development and Co-operatives (LGRD) has a crucial role to play in this regard. It must issue immediate directives to curb the spread of Aedes mosquitoes, prioritising breeding source management and larvae control. City corporations and municipalities must also establish year-round plans to maintain cleanliness and conduct regular logging operations to prevent mosquito breeding. Proper waste management must be prioritised as well. Since early detection of Aedes hotspots is essential for dengue control, swift action must follow every rainfall to eliminate breeding sites and larvae. It is the responsibility of both state departments and residents to ensure that there is no stagnant water in containers, construction sites, or other potential breeding grounds.

Experts have also stressed the need to declare dengue a “reportable” disease, which would facilitate proper data collection from hospitals and diagnostic centres and also enable more effective surveillance and response. Equally important, hospitals must be properly equipped to provide adequate treatment for dengue patients, especially those living outside Dhaka. Only through coordinated efforts and prompt action can we hope to prevent another deadly outbreak.

Will the budget offer a path out of the debt spiral?



Dr Rashed Al Mahmud Titumir is professor at the Department of Development Studies, University of Dhaka.

RASHED AL MAHMUD TITUMIR

Bangladesh's debt burden is inextricably linked to the nature of its political system. Over the decades, authoritarian and autocratic regimes have forced rapid increases in debt. During General Ershad's regime, between 1982 and 1990, foreign debt more than doubled. Under Sheikh Hasina's oligarchic rule, the debt surged by 322 percent, rising from \$23.5 billion in June 2009 to \$99 billion in June 2023. State patronage has been systematically weaponised to cling to power.

The interim government inherited an economy under strain—high inflation, a revenue administration rife with corruption, a sluggish budget, a liquidity crunch in the banking sector, and dwindling foreign exchange reserves.

With the 2025-26 budget approaching, three core questions emerge: how can the debt burden be alleviated? How might domestic resource mobilisation be strengthened? And how can financing be secured to address post-COVID poverty and income losses? This article examines the first.

Climbing towards a cliff

Over the past 15 years, Bangladesh's public debt has swollen by over Tk 1 trillion—i.e. Tk 100,000 crore annually. The debt-to-GDP ratio is forecast to be 41.41 percent at the end of the current fiscal year. The total public debt reached Tk 18.3 lakh crore by the end of the last fiscal year.

In the first 11 months of FY2024-25, the government borrowed Tk 1,08,371 crore from commercial banks—57 percent higher than the previous year. Debt to scheduled banks totalled Tk 4,85,000 crore as of May 12. Net borrowing from the central bank reached Tk 56,116 crore. Though still under international risk thresholds, the current debt poses serious vulnerabilities.

Mounting debt repayment

Debt servicing is escalating. In FY2024, foreign debt repayments rose by 26 percent to \$3.36 billion, with interest payments alone increasing by 44 percent. Over the past nine months, repayments climbed nearly 25 percent over the previous fiscal year. Debt repayment consumes more than half the national revenue budget.

The FY26 budget will reportedly allocate Tk 122,000 crore for interest payments alone—an increase of Tk 8,500 crore from last year. Interest on domestic debt will rise from Tk

93,000 crore to Tk 100,000 crore; on foreign debt, from Tk 20,500 crore to Tk 22,000 crore. This reflects not just rising debt but also higher interest rates and a depreciating taka. Without structural reform, the cost of debt will continue to crowd out development spending.

Contracting fiscal space

Fiscal space is shrinking. The Centre for Policy Dialogue had estimated that an improbable 55 percent

sources—or more debt. Private investment has remained stagnant for long. Export diversification is sluggish. Small and medium enterprises face persistent barriers.

There is little talk of industrial policy, competitiveness, or productivity—the very things needed to create jobs and transform the economy. The root of these challenges lies in deep institutional weakness. Without reform, the budget will continue to be a tool of regime maintenance, not development.

Escaping the trap of ‘borrowing to repay debt’

The upcoming budget has the opportunity to present strategies to reduce the debt burden. A five-point strategic framework is offered here.

First, leveraging the interim government's rapport with the United Nations, a formal request could be

resilience, education infrastructure, and universal healthcare. This approach would create long-term goals of equitable and sustainable development while mitigating the anticipated decline in foreign aid in the post-LDC graduation era.

Third, expenditure prioritisation and the use of efficient strategy can be institutionalised through a comprehensive expenditure review framework, cost-benefit criteria for new projects, and performance-based budgeting. Fragmented and erroneous social safety nets must be consolidated under a unified authority to establish a universal, life-cycle-based social security system.

Fourth, a robust debt management strategy rooted in a Medium-Term Debt Management Framework (MTDF) can stabilise public debt through better liability management, reduced rollover risks, and lower borrowing costs.



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revenue growth would be required in the last six months of FY2025 to hit the annual target, after recording just 4.4 percent growth in the first half. On the spending side, budget implementation is dismal. Only 41 percent of the Annual Development Programme was implemented in 10 months—a historic low in five years. Weak public financial management and a narrow tax base, riddled with evasion and corruption, continue to stymie progress.

Debt-financed patronage, not productive expansion

Much of the borrowing over the past decade was abused to consolidate power, not generate growth. Projects labelled as “development” were often vehicles for patronage, plagued by delays, inflated costs, and misaligned priorities. Many have yet to produce meaningful economic returns, compelling repayments from other

made to the Secretary-General to establish an independent commission to examine the questionable debt incurred under the autocratic regime. The government could refer to UN Security Council Resolution 1483, which provided legal protection against creditor lawsuits in the case of Iraq, to argue for a suspension of certain debt repayments. Past precedents—from Tsarist Russia's repudiated debts and Poland's write-offs under the Treaty of Versailles, to more recent examples like the United States' cancellation of Iraq's \$125 billion debt in 2003—could be used to build a moral case for debt relief. The government has at its disposal seasoned UN experts who could help steer the process.

Second, a debt-for-development swap strategy could be negotiated with lenders to convert foreign debt into domestic investments in climate

Fifth, reducing dependence on short-term borrowing is essential to limit government liabilities. Excessive borrowing from commercial banks must be curtailed to prevent crowding out private credit.

The combination of revenue pressure, monetary policy tightening, and financial fragility poses significant risks to macroeconomic stability. Long-term stability demands coherent fiscal strategies, structural reforms, and institutional strengthening to advance inclusive, sustainable development.

The debt burden has not yet dangerously spiralled out of control. The IMF and World Bank support packages provide short-term liquidity. To address root causes, Bangladesh needs to move beyond conventional approaches and adopt creative solutions aligned with its political economy and development goals.

Wellbeing education is a must for Bangladesh

Masaki Watabe is representative ad interim for the United Nations Population Fund (UNFPA) in Bangladesh.

Dr Susan Vize is representative for the United Nations Educational, Scientific and Cultural Organization (UNESCO) in Bangladesh.

MASAKI WATABE and SUSAN VIZE

No educator would deny the connection between adolescents' health and wellbeing and their academic success. In Bangladesh, schools are vital social institutions that safeguard girls and boys, providing a space for learning and opportunities for social transformation.

Yet today, Bangladesh is facing a crisis as millions of girls and boys are being denied the knowledge and life skills they need to make decisions about their bodies and futures. This is particularly serious for adolescent girls, as evidenced by the country's high rates of child marriage and teenage pregnancy—the highest in South Asia. The Violence Against Women Survey of 2024 reveals that 62 percent of married adolescent girls aged 15-19 experienced violence last year.

Dismantling the rigid gender norms and unequal power dynamics perpetuating this crisis requires urgent action, including a societal shift that prioritises adolescent girls' dignity, empowerment, and safety, as well as boys' mindsets and non-violent conflict resolution skills through transformative education. To achieve this, curriculum reform is essential. Equipping young people with knowledge about health, consent, and bodily autonomy is vital for ensuring protection for over 30 million adolescents. It is critical for

breaking cycles of inequality and violence.

Last year, the 2012 curriculum was reinstated for the academic year 2025. As a result, the subject “Wellbeing” (*Shashthyo Surokhyo*) also got excluded from the curriculum, which is concerning. It creates a fragmented approach to life skills and wellbeing education. This move contradicts the country's commitment to the Sustainable Development Goal on quality education (SDG 4), SDG 3 (good health and wellbeing), and SDG 5 (gender equality), as well as the global Education 2030 agenda. Neither does it align with the spirit of the 2024 mass uprising inspired by the principles of human rights, non-discrimination, inclusion, and systemic change that underpin education, health, and other opportunities that promote gender equality.

Introduced in schools in 2023 under the National Curriculum Framework 2021, the “Wellbeing” subject was crucial for fostering the holistic development of students in grades 6 to 9. It provided essential support for their physical and mental health while addressing vital topics like adolescent development and violence prevention. Rather than being removed, it should have been expanded to include other grades and additional

competencies.

The almost universal recognition by UN member states of the critical importance of health and wellbeing education has been questioned in Bangladesh. Globally, the evidence is clear: prioritising life skills education results in lower violence rates and improved wellbeing. Integrating gender equality principles throughout the education system can effectively address early marriage and discriminatory practices, particularly against girls. In an era of misinformation and unequal access to education and opportunities, providing accurate, age- and developmentally appropriate information through a system that reaches the majority of young people is key to a successful, violence-free, and educated nation. While every country must tailor education to its context, the universal principle remains the same: a quality education must equip children with the tools to protect their rights and thrive. Health and wellbeing education, integrated with life skills and grounded in gender equality, is fundamental for an equitable society.

While different nations have diverse approaches to educational transformation, universal values prioritise students, ensuring their fundamental rights are protected while addressing local issues through innovation. The current landscape in Bangladesh presents a crucial opportunity for stakeholders—including policymakers, curriculum experts, and educators—to commit to and integrate wellbeing and life skills education built on the principle of

gender equality. Health, wellbeing, and life skills education are not optional; they are fundamental. Empowering students with knowledge about their bodies, health, rights, and relationships enables them to challenge harmful gender norms and make informed choices about their relationships and life trajectories.

Bangladesh stands at a critical crossroads where strategic and evidence-based decisions regarding education can drive significant positive change. Therefore, drawing upon global best practices, UNFPA and UNESCO recommend establishing health and wellbeing as a distinct subject with specific teaching time allocated across all grade levels. This necessitates effective integration and implementation throughout all aspects of curriculum development, beginning with teacher training and extending to thorough assessment methods.

Amidst extensive discussions and debates about the future of Bangladesh and the proposed reform agenda, UNFPA and UNESCO urge all involved parties and stakeholders to prioritise adolescent girls and boys. They must ensure that these young people are not denied their fundamental rights to education and a life free from violence, stigma, discrimination, and inequality, as enshrined in the Universal Declaration of Human Rights. Integrating bodily autonomy, consent, mental resilience, and gender equality into the national curriculum is not merely a reform—it's a pathway to a thriving future for every child. The time for decisive action is now.