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Hotels at tourist spots ALMOST FULLY BOOKED

Extended Eid break boosts travel to popular destinations

SUKANTA HALDER

Hotels, motels and resorts at popular tourist destinations across the country are almost fully booked during the ten-day Eid-ul-Azha holidays, which begin in the first week of June.

The majority of holidaymakers are heading to beach town Cox's Bazar, while others plan to cruise the haor wetlands on houseboats or explore scenic tea gardens in Sylhet.

Resorts in southwestern Sundarbans and even those just outside Dhaka have also seen a surge in bookings. This year's rare 10-day holiday for public employees has shifted the usual trend of only a few days off, encouraging more domestic travel.

Following the lead of government offices, many private organisations including banks and NGOs have announced similar extended breaks. Besides, schools have announced closures of more than 10 days.

Tourism industry people say the long holiday and increasing international airfares are key reasons for more people opting for domestic holidays this year.

According to them, bookings are relatively lighter at the very start and end of the break during June 5-14, but the days in between are almost fully booked. Erratic weather conditions have put a dampener on some travel plans, but bookings may rise further if the conditions improve.

Sifat Afrin Shams, a private firm employee in Dhaka, plans to visit Birishiri in Netrokona with her family.

"Although it was very difficult to book a room just ten days before Eid, we were finally able to manage one after multiple attempts," she said. "All good-quality rooms were already booked, so we had to go with whatever was available."

At Seagull Hotel in Cox's Bazar, more than 90 percent of rooms have been booked from June 8 to 12.

"It would be safe to say that Cox's Bazar will see a large influx of tourists this Eid," said front office manager Mohammad Asaduzzaman.

Similarly, Mermaid Beach Resort in Cox's Bazar is fully booked for six of the ten days, although general manager Rana Karmakar said the remaining days, falling at the very beginning and end of the holiday, are not attracting as much interest.

In Khulna, the Sundori Eco Resort has only two rooms left unbooked for the entire holiday period, said Redwan Ahmed Siam, assistant general for sales and marketing.

He believes this was due to people's growing enthusiasm for eco-tourism and domestic getaways.

Md Abdullah Al Kafi, managing director of Meghmati Village Resort in Mymensingh, said all their rooms have been reserved from 8 to 13 June. "This was not the case during the previous Eid-ul-Azha, which had only a three-day holiday," Kafi said.

According to him, rising airfares on international routes have slowed outbound tourism. "Domestic tourism is expected to perform better this time."

Alamgir Ferdous, managing director of Chuti Resort Limited, said 65 percent of their rooms are already booked.

"This trend is a positive indicator for the growth of domestic tourism and highlights the rising preference for eco-friendly and accessible vacation options," he said.

The company runs three resorts: Chuti Resort Gazipur, Chuti Resort Purbachal, and Chuti Aronnobash Resort Pubail -- all within easy reach of the capital.

At Nokkhottrobari Resort in Gazipur, bookings usually pick up closer to the holiday, said its accounts manager Nitai Chandra Sutradhar. "We are receiving a good number of enquiries, though actual bookings tend to lag behind. Still, we are hopeful that if the weather holds, the rate will go up."

However, the picture is different for Sajek Valley, where demand for pre-booking has been relatively low this time, said Imranul Alam, managing director of Tour Group Bangladesh.

In contrast, Tanguar Haor in Sunamganj is drawing more attention during the monsoon season, with almost all houseboats already booked from the day after Eid until June 15.

In Habiganj, the Palace Luxury Resort is fully booked for the Eid holidays.

"The increase in business can be largely attributed to the unusually long Eid holiday this year," said Mohammad Tanvir Hassan, head of sales and marketing.

"In previous years, shorter breaks limited travel plans, often restricting visitors to two or three days. This year, with a 10-day holiday, people are opting for longer stays, boosting business for resorts," commented Hassan.

A budget for the future?

Gauging Bangladesh's fiscal strategy for inclusive and sustainable growth

MD DEEN ISLAM

The national budget for FY2025-26, presented by Bangladesh's interim government, marks a notable departure from the conventional, growth-obsessed fiscal templates of previous years. With a total allocation of Tk 7,90,000 crore—Tk 7,000 crore less than the previous fiscal year—this is the first time in over a decade that a Bangladeshi budget has shrunk in nominal terms. This shift, deliberate and symbolic, aims to reorient national priorities away from infrastructure-driven expansion towards macroeconomic stability, institutional reform, and human development. While this reset offers promising signs for long-term resilience, critical shortcomings—particularly in human capital investment and resource mobilisation—threaten to undermine the government's ambition for inclusive and sustainable growth.

From a theoretical perspective, this budget reflects an implicit adoption of the "quality over quantity" growth paradigm. Traditional Keynesian and neoclassical growth models often emphasise large-scale capital accumulation (through infrastructure investment) as the engine of GDP growth. However, more contemporary theories, including the endogenous growth model (Romer, 1990), argue that investments in human capital, innovation, and institutions are the primary drivers of sustained, inclusive development.

In this sense, the interim government's budget places itself within the latter school of thought. It aims to correct structural distortions by prioritising governance reforms, transparency, and efficient public service delivery. The formation of eleven sectoral reform commissions—including for electoral governance, public administration, and anti-corruption—is a major institutional leap. The repeal of opaque legislation such as the Quick Enhancement of Electricity and Energy Supply (Special Provisions) Act, 2010 further signals an intent to reinstate transparency and rule-based decision-making.

Macroeconomic stabilisation also receives focused attention. The adoption of contractionary monetary policy and subsidy rationalisation in sectors like energy and agriculture have already helped reduce point-to-point inflation from 11.66 percent (July 2024) to 9.17 percent (April 2025). These moves echo the orthodox monetary framework advocated by the Monetarist school, which emphasises inflation control as a precondition for long-term growth and investment.

The budget sets a GDP growth target of 5.5 percent—lower than the approximate 6 percent average achieved in the past decade. While some may view this as a retreat in ambition, it arguably reflects prudent realism. Countries like Chile in the early 2000s, Vietnam post-2011, and Indonesia post-Asian crisis all demonstrated that moderate, stable growth anchored in governance reforms and fiscal discipline can lay the groundwork for long-term prosperity. These countries gradually transitioned from aid dependence and external volatility to resilient middle-income economies.

Allocation to education falls significantly below global benchmarks. According to Unesco, countries should dedicate 15-20 percent of their budgets to education, while Bangladesh spends about 12 percent. PHOTO: STAR/FILE

If Bangladesh successfully implements institutional reforms, enhances regulatory predictability, and reduces corruption, it could attract higher-quality investment, encourage formal sector expansion, and boost productivity—outcomes far more vital than short-term headline GDP figures.

Despite the shift in rhetoric, the budget's treatment of human capital investment remains underwhelming. Allocations to education and health—Tk 95,644 crore and Tk 41,908 crore respectively—fall significantly below global benchmarks. According to Unesco, countries should allocate 15-20 percent of their budgets to education; Bangladesh allocates about 12 percent. Similarly, WHO recommends 5-6 percent for health, and Bangladesh barely meets the lower bound.

In comparison, Sri Lanka spends over 9 percent of its national budget on health, and Vietnam allocates nearly 20 percent to education. These countries have leveraged robust public investment in human capital to build competitive, export-oriented economies supported by a healthy and skilled workforce.

The Human Capital Theory posits that returns on education and health investments are among the highest in terms of long-term growth and poverty reduction. Therefore, the budget's failure to significantly scale up these sectors risks perpetuating structural inequalities, regional disparities, and labour market inefficiencies.

Underlying the limited fiscal space is Bangladesh's perennial failure to mobilise adequate domestic resources. This restricts the government's ability to finance social protection, improve infrastructure, and invest in green transition without excessive reliance on foreign borrowing. What's more, the budget offers no new roadmap to address this. While efforts to digitise tax systems and expand the iBAS++ (Integrated Budget and Accounting System) platform are commendable, the absence of clear strategies to broaden the tax base, primarily through direct taxation on property, capital gains, and high-net-worth individuals, reflects a serious policy gap. The global experience shows that strong political will, taxpayer education, and simplification of tax codes can significantly improve revenue collection. Bangladesh must adopt similar innovations, including greater autonomy for its tax authorities, integration of land and business registries, and real-time data analytics to curb evasion.

The budget makes modest increases in allowances for the elderly, widows, and persons with disabilities—Tk 50-Tk 100 per month—but these adjustments are negligible in the context of 10 percent+ inflation. Social protection coverage remains shallow, especially in urban informal sectors where most of the poor reside. This undermines Bangladesh's aspiration to build an inclusive growth model, where the development gains are widely shared. However, a well-targeted, scalable social safety net reduces poverty and stimulates local economies and human capital accumulation. Bangladesh must increase allocations, modernise delivery systems, reduce leakages, and link social protection with health, education, and employment services—moving from fragmented cash transfers to "social protection floors," as recommended by the ILO.

As the country prepares to graduate from least developed country (LDC) status in 2026, it faces a narrow window to consolidate fiscal discipline with social investment, strengthen institutions, and position itself for resilient middle-income status. This budget plants important seeds—but without adequate water and sunlight in the form of education, health, and equity—it may struggle to grow into the inclusive prosperity that Bangladesh deserves.

The writer is an associate professor of economics at Dhaka University and research director of RAPID