



China is glad to see Russia and the United States maintain contact ... and promote a political settlement of the Ukraine crisis.
Xi Jinping tells Vladimir Putin in a phone call

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Economy shows signs of healing

Macroeconomic stability has improved, but deeper reforms and investment revival remain elusive

REJAUL KARIM BYRON

When Salehuddin Ahmed was appointed finance adviser to Bangladesh's interim administration in August 2024, the country's economy was in a tailspin. Growth was slowing. Inflation was entrenched in double digits. Foreign exchange reserves were plummeting. The banking sector was in crisis. External dues, especially in the energy sector, were mounting, and revenue collection was far off track.

Twelve months on, the economic emergency has eased, but not been averted.

"When we took office, macroeconomic stability was in disarray," Ahmed said in a recent interview. "I would say the situation is reasonably satisfactory. When I took charge, the situation was precarious, but now things are working well. Reserves are increasing, remittances have risen, and export growth has been modest but steady. The foreign exchange market is stable, even after we liberalised it."

The comments reflect a sentiment shared by many: that their primary achievement has been stopping the slide, rather than engineering a turnaround. A closer look suggests that while the interim government has made gains on some fronts, especially inflation and reserves, it has left deeper reform challenges largely unaddressed.

Zahid Hussain, former lead economist at the World Bank's Dhaka office, said the government's approach has been more conventional than transformational. "After the interim government took office, it implemented the previous government's budget and, at the same time, presented a new one," he observed. "After such a major change, we haven't seen the mark of any change. I am not saying whether that is good or bad. That is what happened. No innovative change was seen in the new context."

The economic situation inherited by the interim government was anything but normal. According to data from the Bangladesh Bureau of Statistics, point-to-point inflation reached 12 percent in July 2024. It had stayed in double digits for six out of seven previous months and had hovered above 9 percent for nearly three years, the longest such stretch in decades.

"Inflation didn't come down here because of flawed monetary and fiscal policy," said Mustafizur Rahman, distinguished fellow at the Centre for Policy Dialogue (CPD). "The previous administration relied too heavily on administrative price control and liquidity pumping. The interim government had to shift course immediately."

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Hattrick hero Trishna Rani Sarkar is the toast of her teammates as Bangladesh celebrate their 8-0 win against Timor-Leste in their second Group H match of the AFC U-20 Women's Asian Cup Qualifiers at the New Laos National Stadium in Vientiane yesterday. The win lifted the women in red and green to the top of the table with six points from two matches.

PHOTO: BFF

'No govt interference in media operations'
CA's press wing responds to concerns raised by NOAB
STAFF CORRESPONDENT

In response to concerns of the Newspaper Owners' Association of Bangladesh regarding overall media freedom and journalists' safety, the Chief Adviser's Press Wing yesterday said there has been "no government interference" in media operations since it took office.

In a statement, the press wing also called for reflection within the news industry.

It acknowledged concerns raised by NOAB on Thursday but "firmly" rejected the insinuation that the interim government has been responsible for undermining freedom

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ALL PARTIES AGREED ON

1. Chairmanship of the parliamentary standing committees
2. Delimitation of constituencies
3. Provisions relating to the president's power of pardon
4. Decentralisation of the judiciary
5. Declaration of a state of emergency
6. Appointment of the chief justice
7. Amendment of the Constitution
8. Tenure of the prime minister
9. Formation of the Election Commission
10. Formation of the Police Commission
11. Expansion of citizens' fundamental rights

STAFF CORRESPONDENT

The National Consensus Commission will resume talks next week, beginning with consultations with experts, to decide how to implement the July National Charter and ensure its legal enforceability.

"Based on those discussions, the commission will initiate the next round of talks with political parties. We hope this process will lead to a timely and appropriate decision," the commission's Vice-President Prof Ali Riaz said yesterday.

Speaking at a press conference at the LD Hall of the Jatiya Sangsad, he said, "The method of ensuring the legally binding nature of the charter, which has been drafted based on national consensus and is expected to be signed, must be determined through discussions with political parties."

The press conference was held to brief the public on the charter's progress. Riaz said the first two rounds of dialogue produced significant consensus on key

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STAFF CORRESPONDENT



To avoid traffic on the new bridge, locals in Kamrangirchar risk injuries crossing this adjacent iron bridge that has been abandoned. The photo was taken yesterday.

PHOTO: RASHED SHUMON

BNP, allies to contest polls unitedly

Tarique tells leaders of 12-party alliance

SAJJAD HOSSAIN

The BNP and its like minded partners, who had staged simultaneous protests against the Awami League government, will take part in the February election as an alliance.

Party's acting chairman Tarique Rahman made the assurance while addressing a meeting virtually from London with leaders and activists of the 12 party alliance and other like-minded groups at the BNP chairperson's Gulshan office yesterday.

BNP Secretary General Mirza Fakhrul Islam Alamgir, Standing Committee

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India pauses plans to buy US arms after Trump tariffs

Defence minister cancels planned trip to Washington

REUTERS, New Delhi

New Delhi has put on hold its plans to procure new US weapons and aircraft, according to three Indian officials familiar with the matter, in India's first concrete sign of discontent after tariffs imposed on its exports by President Donald Trump dragged ties to their lowest level in decades.

India had been planning to send Defence Minister Rajnath Singh to Washington in the coming weeks for an announcement on some of the purchases, but that trip has been cancelled, two of the people said.

Trump on Aug 6 imposed an additional 25 percent tariff on Indian goods as punishment for Delhi's purchases of Russian oil, which he said meant the country was funding Russia's invasion of Ukraine. That raised the total duty on Indian exports to 50 percent -- among the highest of any US trading partner.

The president has a history of rapidly reversing himself on tariffs and India

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