



AM Shamim

Inefficiency, poor planning waste 80% of health budget

Says a leader of private hospital and clinic owners' association

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Bangladesh's healthcare system has become capable of meeting the majority of domestic demand, but chronic mismanagement and poor planning are draining nearly four-fifths of the sector's public spending, according to AM Shamim, general secretary of the Bangladesh Private Hospital, Clinic and Diagnostic Owners Association.

In a recent interview with The Daily Star, he argued that the country has reached a point of functional self-reliance in healthcare delivery, even as deep structural flaws continue to threaten efficiency, accountability and public trust.

Shamim, also the managing director of Labaid Group, one of the country's largest private healthcare providers, said that over the past two decades, the health sector in Bangladesh has expanded in terms of both infrastructure and workforce, with the private sector now providing close to two-thirds of all health services.

The gains, however, he said, are being blunted by wastage, regulatory dysfunction and weak governance.

The Labaid MD pointed to the sharp fall in outbound medical travel as one of the indicators of the system's growing capacity.

He claimed that medical visas to India, once routine for Bangladeshi patients seeking treatment, have fallen to a tenth of their previous levels over the past 18 months.

Despite this drop, he said, the local healthcare system has faced no major disruption, reflecting its growing capacity to meet domestic demand.

Where Dhaka Medical College Hospital once served as the default option for emergencies, private hospitals such as Square and Labaid are increasingly becoming the first choice for patients seeking timely and specialised care, he said.

Shamim noted that this progress masks a disturbing reality.

"Our national health budget stands at around Tk 42,000 crore. But nearly 80 percent of that is wasted. Equipment

that isn't needed is purchased, while the ones we do need often sit idle and unused," he said.

The problem is not a lack of resources but their deployment. For instance, he said at Labaid Cancer Hospital, two linear accelerator (LINAC) machines deliver radiotherapy to between 160 and 220 patients a day.

In contrast, he emphasised, "government cancer hospitals have 8-12 LINAC machines, yet they treat fewer patients. That's not a technical issue — it's purely a matter of management."

Red tape compounds the

problem, he added.

The government extended the licence validity to two years last month. But Shamim warned that the underlying problems remain.

He proposed several fixes, including a unified licensing system that would consolidate approvals under a single authority.

Besides, he called for a national accreditation programme, modelled on India's NABH and NABL systems, which would grade hospitals from A to C based on beds, staff, equipment

"Many doctors do not spend enough time with patients and often fail to provide adequate counselling."

He suggested regulations on consultation lengths and daily patient loads.

He also urged the media to play a more balanced role. "Take the example of primary angioplasty after a heart attack. Worldwide, 9 out of 10 patients survive. But when that one patient dies, it makes headlines, overshadowing the success of the other nine."

But at the end of the day, the fundamental challenge remains

TAKEAWAYS FROM INTERVIEW

CHALLENGES

Nearly 80% of the health budget is wasted

Essential equipment lie idle while unnecessary machines are bought

Public hospitals treat fewer patients despite better facilities

SOLUTIONS

Introduce a one-stop licensing system

Use PPPs to revive 80 idle public healthcare facilities



Hospitals need clearance from 18 agencies; licences last only two years

Two-thirds of hospitals and diagnostic centres operate without valid licences

Doctors spend too little time on consultation and patient counselling

Cut corruption and streamline hospital management

Set minimum consultation time and cap daily patient loads

Grade hospitals based on service quality and capacity

Joint efforts by government, private sector and media to rebuild trust

dysfunction. Noting that there were once around 17,500 licensed hospitals and diagnostic centres, he said that number has now dropped to just 3,000 hospitals and 7,000 diagnostic centres.

"To set up a hospital, you need approvals from at least 18 different agencies, ranging from fire services, the Department of Environment, narcotics control, boiler inspection, generator compliance, and more," he said.

"The main issue is that licenses remain valid for just one year. By the time one agency completes its inspection, the year is already over. This

and services, weeding out substandard establishments.

Public-private partnerships could revive nearly 80 idle public healthcare facilities, leveraging the private sector's proven ability to attract talent, he added, noting that two-thirds of Bangladesh's 70,000 physicians and three-quarters of its 26,000 nurses work privately.

"This proves that public and private healthcare are complementary, not competitors," said the general secretary of the owners' association.

Shamim acknowledged that the private sector has its own failings.

governance.

"People may survive skipping a meal, but they cannot function without proper treatment," Shamim said. "It's time we nurture and invest in this sector with the seriousness it deserves."

Restoring public confidence in healthcare requires coordinated effort among the government, private sector, and media, he said.

"We (the private healthcare sector) are not an opposition of the government, or the people. We are part of the same system. If we work together, we can build a truly healthy Bangladesh."

Taiwan won't move 40% chip capacity to US

AFP, Taipei

Taiwan's top tariffs negotiator said it would be "impossible" to shift 40 percent of its semiconductor production capacity to the United States as she rejected claims that the island's chip industry would relocate.

Taiwan is a powerhouse in producing chips — a critical component in the global economy — but the White House wants more of the technology made in America.

Washington agreed in a deal last month to lower tariffs on the island's goods to 15 percent from 20 percent, while Taiwan will increase its investment in the US.

US Commerce Secretary official Howard Lutnick said last month that Washington wanted to shift up to 40 percent of Taiwan's chip supply chain and production to the US, warning tariffs could rise sharply if that did not happen.

That came after he told US media in September that Taiwan's chip production should be split "50-50" with Washington.

But in an interview broadcast late Sunday by Taiwanese television channel CTS, Vice Premier and lead negotiator Cheng Li-chiun said she had made it clear to US officials that Taiwan's semiconductor ecosystem would not be relocated.

With regards to "40 or 50 percent of production capacity (being) moved to the United States... I have made it very clear to the US side that this is impossible," Cheng said.

What do oil prices tell us about the market? Not a lot

REUTERS, London

Global oil markets face increasingly sharp and frequent price shocks as geopolitical tensions, opaque stockpiling and tightening Western sanctions are leaving many traders in the dark.

The growing influence of external, unpredictable forces on the world's largest and most liquid commodity market raises doubts about how accurately prices reflect physical fundamentals.

Indeed, the global oil market appears to be struggling to get a handle on its basic supply and demand balance. The International Energy Agency expects oil production to exceed demand by 3.7 million barrels per day this year, more than 3 percent of global consumption.

Yet prices tell a different story. While benchmark Brent crude prices have moved around in recent weeks, they remain firm at above \$65 a barrel.

What's more, the forward curve is in steep backwardation, a structure usually associated with tight supply.

So what explains this?

In the past few weeks, uncertainty about events in the Middle East has played a role. The risk of US military strikes against Iran, with the possibility of the conflict spilling over across the region, has helped push up oil prices towards \$70 a barrel.

Amid the back-and-forth headlines, the CBOE crude oil volatility index has risen to its highest level since the 12-day Israel-Iran war last June.

The US-Iran tensions are ultimately a short-term factor, unless the conflict truly spirals, but other longer-term trends threaten to obscure the supply-demand picture for months.

STOCKS ARE BUILDING

One sign of an oversupplied market is typically an increase in storage, and stocks are building globally. But geopolitical fragmentation is creating regional divergences that complicate this simple equation.

Morgan Stanley estimates global crude inventories rose by 520 million barrels, or around 7 percent, in 2025 and are on track to

rise by another 730 million barrels this year.

Most of the buildup took place in China, which placed roughly 800,000 bpd into storage over the past year, according to ROI estimates. That figure implies an increase of more than 300 million barrels in 2025, accounting for a large share of excess supply.

It has stabilized in recent months but the damage is done, down nearly 10 percent against its major peers in 2025.

But China's exact crude holdings and storage capacity remain murky. A large portion of its strategic reserves sits in underground sites beyond satellite monitoring, limiting visibility into both how much China has actually stored and how much more it can add.

Uncertainty also surrounds China's buying strategy. Beijing tends to reduce purchases when prices rise, so it may have slowed stockpiling after prices recently rose toward \$70 a barrel. But, again, the market does not know.

This opacity has become a major blind spot for the oil market and has altered the way rising storage levels are interpreted.

Historically, oil prices have closely tracked inventory changes in Organisation for Economic Co-operation and Development countries, particularly the US and Europe, which long dominated global demand. An increase in storage was usually considered bearish.

However, Chinese stock builds are currently perceived as bullish, an indication of strong demand that offsets the negative price signals coming from the builds in visible OECD inventories, according to Martijn Rats, an analyst at Morgan Stanley.

This possibility can help explain why crude prices haven't slid as global inventories have risen.

GEOPOLITICAL CONFUSION

Western sanctions on several oil-producing nations are adding further complexity to this picture.



The aerial image shows the Valero Wilmington Oil Refinery adjacent to the ports of Long Beach and Los Angeles. While benchmark Brent crude prices have moved around in recent weeks, they remain firm at above \$65 a barrel.

PHOTO: AFP/FILE

Barriers to economic growth

AF NESARUDDIN

It is difficult for an economy to grow when the engines of growth themselves suffer from fundamental defects. For many years, Bangladesh has ranked among the countries with a high perception of corruption. Despite widespread discussion and extensive media coverage, there has been little improvement. Almost everyone is aware of corruption, whether as a beneficiary or a victim. Although the relevant agencies remain active, the overall level of corruption has not come down. At the same time, good governance remains elusive.

It is evident, and a matter of national shame, that corruption has crossed a tolerable limit.

The consequences are severe. Revenue collection has suffered, the costs of national projects have escalated repeatedly, the cost of doing business has risen and ordinary people face increasing hardship. Ultimately, economic growth is affected. Weak governance and the absence of strong oversight mechanisms are



among the main reasons. Without clear political will, it is unlikely that any meaningful progress will be achieved.

Countries often cited as successful in reducing corruption, such as Botswana, Estonia and South Korea, demonstrate the importance of political commitment, civil society pressure and robust anti-corruption efforts. Reforms in Japan and recent actions by new governments in Fiji also show that progress is possible, even if uneven.

Several common factors emerge from these examples. Strong political will is essential, with leaders visibly committed to tackling corruption. Civil society pressure and citizen advocacy can play a decisive role. Transparency and accountability require clear laws and public access to information. Institutional reforms are needed to strengthen the judiciary and law enforcement. These experiences confirm that determined leadership at the highest level is a precondition for reducing corruption.

In South Korea, sustained pressure from citizens helped generate that will. In Botswana, long-standing commitment from political leaders was crucial. Other contributing factors include a relatively autonomous and merit-based judiciary and public service, along with transparency and participation in policy making and public spending.

For decades, the taxation system in Bangladesh has been marked by a narrow tax base, a low tax-to-GDP ratio, tax evasion and corruption. Honest taxpayers often face unjustified higher burdens, harassment and suffering, while some business groups and individuals evade taxes in collusion with corrupt officials. The government has taken various isolated measures over the years, but the results have fallen short of expectations. Although per capita income has risen to over \$2,500, this has not been reflected in a broader tax net or stronger revenue collection. It is difficult to ignore the fact that income declarations by some political leaders in nomination papers do not appear consistent with their lifestyles.

This situation cannot be allowed to continue indefinitely. Many developing countries have addressed similar problems with care and have improved their tax-to-GDP ratios. Long overdue tax reforms, including digitalisation as an effective tool, have no real alternative if the current situation is to improve.

There have also been serious governance failures across almost all sectors of the economy over the past fifteen years, if not longer. Non-compliance with laws and regulations, unqualified individuals in key positions, ineffective independent directors, undue political interference, including influence over the legal system, and weak ethical standards and professionalism have all contributed to the problem. Together, these factors have placed the economy and its growth under sustained strain.

The challenges and the remedies are well known. What matters most is the political will to take forward a genuine clean-up process, supported by experienced and relevant experts and professionals. This will not be easy, as vested interests linked to power are deeply involved. Yet there is no alternative. Without political will, reform will remain rhetoric, and economic growth will continue to be constrained.

The writer is a senior partner of Hoda Vasi Chowdhury & Co and a former president of ICAB

Gold, silver extend gains

REUTERS

Gold and silver extended gains on Monday, with the yellow metal trading just above \$5,000 per ounce as the dollar dipped, while investors awaited key US jobs and inflation data due later in the week to gauge the interest rate trajectory.

Spot gold rose 0.9 to \$5,004.61 per ounce by 0748 GMT after a 4 percent climb on Friday. US gold futures for April delivery gained 1 percent to \$5,026.30 per ounce.

"This could be the very short-term intraday correlation between the dollar and silver as well as gold (driving the metals up)," said Kelvin Wong, a senior market analyst at OANDA.

The US dollar was at its lowest level since February 4, making greenback-priced metals cheaper for overseas buyers. The yen strengthened after Japanese Prime Minister Sanae Takaichi swept to victory in Sunday's election.

"Bargain hunting is (also) pushing gold back above the \$5,000 level," said KCM chief analyst Tim Waterer.

Investors await monthly reports on employment and consumer prices this week, and expect at least two 25-basis-point rate cuts in 2026, with the first one expected in June. Non-yielding bullion tends to do well in low-interest-rate environments.

"Any softness in the jobs data could help gold's rebound efforts. We are not expecting a rate cut from the Fed until mid-year, unless the jobs data really starts to drop off a cliff," Waterer said.

San Francisco Federal Reserve President Mary Daly said on Friday she thinks one or two more interest rate cuts may be needed to counteract weakness in the labour market.