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Address structural problems first

Economic stimulus is necessary, but caution must be exercised

We appreciate the central bank's plan to reinvigorate the economy by making cheap credit available to the private sector, including cottage, micro, small, and medium enterprises (CMSMEs). However, it would be unwise to assess the possible outcomes of the Tk 60,000 crore stimulus package announced by Bangladesh Bank on Saturday through a rosy lens.

Nearly 70 percent of the package, i.e. Tk 41,000 crore, will come from deposits by banks with surplus liquidity, and the remaining Tk 19,000 crore from BB's own resources. The central bank will pay a 10 percent interest rate on these deposits—six percent of which will be subsidised by the government, while BB will pay the remaining four percent from its refinancing scheme. Large borrowers can access this fund at around seven percent interest, whereas the current average lending rate is about 12 percent. However, interest for small borrowers will be slightly higher due to administrative and operational costs. In other words, BB will mobilise funds at 10 percent and lend them at seven percent, thanks to government subsidy. This raises the question: when the economy is already burdened with substantial subsidies, especially in the energy sector, how wise would it be to take on the additional burden of interest payments and potential losses from defaults?

What is more, given the current repo rate and yields on treasury bills and bonds (10-12 percent), what incentive would commercial banks have to invest their excess funds in deposits earning 10 percent? In fact, several bankers have expressed scepticism about the implementation of this package. Since one of its objectives is to revive closed and failed industries, banks may be reluctant to shoulder the associated high risks. Restarting closed factories requires restructuring, management changes, workforce rehiring, and resolution of underlying financial and operational problems.

Furthermore, experts are sceptical about whether the stimulus package will meet its objectives of addressing industrial disruption and employment generation. According to a former World Bank economist, financial constraints are not the sole reason behind low private sector investment. Other structural problems such as energy shortages, logistical frictions, and unstable operating conditions also limit private sector production and growth. Cheap credit may increase firms' liquidity, but it may not translate into higher production given the ongoing gas crisis. Consequently, firms are also unlikely to expand employment significantly. Moreover, if easier credit boosts spending without a corresponding increase in output, it could intensify demand-side inflationary pressures in an economy that has already experienced persistent inflation over the past three years.

Besides, such directed lending in the past, during the Covid-era stimulus package, concentrated funds in the hands of a few borrowers. Furthermore, such lending may reinforce existing distortions in the financial sector, which is already burdened with high levels of non-performing loans. There is no question about the good intention behind this package considering its objectives—supporting CMSMEs, expanding agriculture and rural activity, diversifying exports, and creating more than 25 lakh jobs. However, this vision must be matched with an effective implementation strategy. Otherwise, alternative approaches should be considered.

Hold mobile operators accountable

BTRC must explain years of delay in publishing QoS findings

The fact that the Bangladesh Telecommunication Regulatory Commission (BTRC) has yet to publish a final report on the quality of services (QoS) provided by the country's mobile operators, despite conducting several drive tests across the country, is deeply concerning. Reportedly, the telecom regulator spent Tk 21.4 crore on sophisticated testing systems with the promise of strengthening oversight and ensuring better, more reliable services for customers. Four years after the system was launched, its intended purpose remains largely unfulfilled, which raises serious questions about regulatory effectiveness and accountability.

The BTRC reportedly purchased the German-made system to assess key indicators such as call drops, voice quality, internet speed and network coverage. Since then, it has conducted multiple drive tests in different regions of the country. The first major drive tests, conducted in Dhaka and the surrounding areas in 2024, revealed that all mobile operators failed to meet multiple service quality indicators. Teletalk performed the worst, failing 26 out of 40 benchmarks and missing internet service standards altogether, while Banglalink, Grameenphone and Robi also fell short in several areas. The tests identified problems including high call drop rates, poor call set-up times, and deficiencies in both 2G and 4G services. However, operators disputed the findings saying their own test results differed from BTRC's.

Unfortunately, the regulator and operators have yet to agree on how service quality should be measured. While technical disagreements and methodological complexities may require time to resolve, they cannot justify years of delay in producing the findings. Regulatory oversight loses its purpose when assessments meant to protect consumers fail to generate timely and actionable outcomes. QoS assessments are not intended merely as technical exercises; they exist to identify deficiencies, enforce standards, and ensure that customers receive the level of service they are paying for.

Dropped calls, poor signals inside homes, poor internet connections and unreliable service have become routine frustrations for many customers. Particularly in urban areas, where demand for uninterrupted connectivity continues to rise, users often find themselves paying for services that fail to meet basic expectations. This cannot continue. The BTRC must ensure that operators comply with service obligations and that oversight mechanisms function effectively. It must finalise and publish its findings without further delay, establish a transparent and standardised testing process, and hold operators accountable where failures are identified. Customers deserve reliable services for the money they pay, and taxpayers deserve to know how their money is spent.

How zakat can ease the budget gap in social protection

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Bangladesh is preparing its next national budget at a difficult moment when living costs remain high, private investment is weak, foreign exchange reserves are under pressure, development needs exceed domestic revenue, and a growing share of public expenditure is absorbed by debt servicing. The IMF expects the country to grow by 4.7 percent in real GDP terms in 2026, while consumer price inflation is projected to remain high at 9.2 percent. The upcoming budget must, therefore, be both a crisis management budget and a socially missioned one.

A budget is not simply a list of income and expenses. It is a statement of national priorities: who will bear the burden, who will be protected, and what kind of development the country seeks. Bangladesh's budget-making process must move beyond large expenditure targets and unrealistic revenue projections. It needs a clear vision, a credible mission, and a sustainable funding plan.

Recent discussions suggest that the FY2026-27 budget may be more expansive than the current FY2025-26 budget. The outgoing budget totalled Tk 7,90,000 crore, with a projected revenue of Tk 5,64,000 lakh crore and a deficit of Tk 2,26,000 lakh crore. Interest payments alone were estimated at Tk 1,22,000 lakh crore, showing how much fiscal space has been narrowed by past borrowing.

The underlying issue is the country's structurally weak revenue base. The IMF has identified weak tax revenue and financial sector vulnerability as major threats to macro-financial stability. Fiscal discipline should not mean cutting essential social and development spending. It should be based on stronger revenue collection, better quality expenditure, lower waste, prudent debt management, and improved governance.

Alongside tax reform and public financial management, Bangladesh should formally recognise Islamic social finance, especially zakat and waqf, as supplementary instruments for social protection and poverty reduction. Zakat is not a conventional tax, nor should it replace the state's fiscal responsibility. But in a Muslim-majority country, zakat is a substantial, recurring, and morally grounded source of social finance.

In my academic research with co-authors, we estimated that Bangladesh's zakat potential increased from about $809 million in FY2000-01 to over $9.749 billion in FY2018-19. This was nearly four percent of GDP, 21 percent of the national budget, and around 35 percent of total revenue in FY2018-19. The sectoral composition is also important to consider. Services accounted for about 32 percent of total zakat potential, while bank deposits reflected 23 percent, agriculture reflected 16 percent, and manufacturing accounted for 10 percent, among others.

If even a modest share of this potential were mobilised through credible, voluntary, transparent, and professionally managed institutions, Bangladesh could strengthen its social safety net without additional debt. In FY2025-26, the government allocated Tk 1,16,731 crore, about 1.87 percent of GDP, to social safety net programmes. The abovementioned estimate placed zakat potential at nearly four percent of GDP in FY2018-19. Zakat should not replace public social spending, but it could supplement poverty graduation, healthcare for the disadvantaged, education support, disability assistance, elderly care, climate displacement support, and livelihood creation.

Therefore, the upcoming budget should introduce a national zakat and social finance framework. Such a framework should not compel zakat through the tax system. Rather, it should create an enabling environment in which individuals, Islamic banks, businesses, wealthy families, and charities can channel zakat through nationally monitored social priorities. A credible framework would include digital registration, independent Shariah oversight, audited accounts, beneficiary databases, clear distribution criteria, and annual public reporting.

Zakat can support the national budget in five practical ways. First, it can relieve the pressure on social protection by supporting targeted poverty-fighting programmes. The existing programmes in the country often feature inadequate benefits, targeting errors, leakage, and fragmentation. A well-governed zakat system could align Shariah-defined eligibility with national poverty databases and increase coverage without relying entirely on additional tax-financed spending.

Second, zakat can promote poverty graduation over mere survival. Public transfers often keep poor households just above desperation but below self-reliance. Zakat can finance working capital, tools, livestock, training, healthcare, and education assistance so that beneficiaries can move towards sustainable livelihoods.

VISUAL: ALIZA RAHMAN

Third, zakat can reduce the pressure to resort to deficit financing in social sectors. Bangladesh's deficits are funded through domestic borrowing and external lending. When increasing borrowing is used partly to pay interest on earlier borrowing, fewer resources remain for growth-enhancing investment. If zakat helps finance poverty alleviation, emergency health support, food security, and livelihood programmes, more resources can be allocated to infrastructure, education, and climate adaptation.

Fourth, zakat can stimulate local demand. Poor households spend transfers quickly on food, medicine, clothing, shelter, and essential services. Targeted zakat distribution can protect purchasing power during inflation without the fiscal burden associated with broad, untargeted subsidies.

Fifth, zakat can strengthen public trust when administered transparently. Bangladesh's budget process remains insufficiently open. The Open Budget Survey 2023 gave the country a transparency score of 37 out of 100, far below the level required for meaningful public debate. Zakat institutions that publish audited accounts, annual reports, programme outcomes, and beneficiary-impact assessments could set a higher standard for accountable social finance.

This integration must be carefully designed. Concerns about politicisation, misuse, bureaucratic control, double-charging, and violations of Shariah principles are legitimate. The government should not treat zakat as ordinary revenue to be absorbed into the Consolidated Fund. Instead, Bangladesh should create an independent national zakat and waqf commission representing Shariah scholars, economists, accountants, civil society, Islamic banks, poverty experts, and credible organisations. The commission could accredit zakat institutions, oversee digital registration, develop beneficiary standards, coordinate with social safety net agencies, and assess distribution performance. The National Board of Revenue could also consider limited tax recognition for confirmed zakat payments made through approved channels, while preserving the secular and inclusive character of the tax regime. This would encourage formalisation without coercion.

Waqf should be the second pillar. While zakat is redistributive, waqf creates durable social infrastructure. Cash waqf and corporate waqf can support clinics, schools, scholarships, skills centres, shelters, water systems, and climate-resilient community assets. Properly governed, waqf can reduce future fiscal burdens by creating permanent public-benefit institutions.

The broader budget process also requires reform. Bangladesh's Public Financial Management Reform Strategy (2025-2030) recognises the need for stronger strategic budget planning and clearer fiscal communication. The budget should clarify how public expenditure, zakat, waqf, CSR, NGOs, and private philanthropy can collaborate without duplication.

Bangladesh's next budget should be bold but realistic. It should improve the quality of expenditures, strengthen revenue collection, reduce waste, protect poor households from inflation, and create innovative social finance channels. Zakat and waqf cannot solve all fiscal challenges, but together they can help bridge the gap between state capacity and social need.

Justice system must adapt to the changing nature of digital evidence

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A single homicide investigation today may involve terabytes of data. These digital trails are meant to make the truth easier to establish. But as courts begin to accept digital evidence like screenshots, recordings, and other electronic data, questions about their reliability have arisen. Digital materials can be edited, manipulated, taken out of context, or even fabricated, which means that technology that is meant to clarify can also create confusion.

In earlier years, before statutory clarity, courts relied on judicial interpretation to accept digital materials as evidence. In the 2012 Biswajit murder case, video footage played a crucial role in identifying perpetrators and was admitted as evidence through interpretive application of existing legal provisions. However, with subsequent developments and amendments to the Evidence Act, electronic records now have clear recognition within the formal legal framework. Although this has made the admission of digital evidence more structured, there is a need to address issues of authenticity, manipulation, and proper verification.

Digital materials often provide only fragmented representations of events rather than a complete picture, while the enormous volume of data stored further complicates investigation. In many cases, identifying the device from which the information originated does not necessarily establish the actual individual responsible for creating or transmitting it. Besides, the evidentiary value of digital records is determined by the quality of forensic analysis, preservation, and procedures. A minor procedural failure may compromise reliability and admissibility before the court.

With the rapid advancement of technology, a procedure or verification measure which is considered reliable today may become inadequate within a short time due to emerging technologies, use of AI, and refined editing tools. This rapid evolution of technology places constant pressure on law enforcement authorities to keep up with technical training and increasingly complex digital infrastructures. Continuous updates, monitoring newly developed systems on an almost daily basis, and upgrading expensive devices with even more sophisticated technologies place significant pressure on investigative authorities. The intangible nature of digital evidence makes the situation more difficult as it requires specialists to properly identify, interpret, and preserve digital records.

The growing uncertainty does not remain confined to technical and procedural concerns, but directly affects judicial outcomes. In criminal proceedings, there is a chance that improperly or incompletely verified digital records may contribute to wrongful conviction or allow the actual offender to escape liability. The influence of manipulated or misinterpreted records can also turn the direction of a trial, leading to outcomes that may not fully reflect the reality of events. Courts may also require additional time and expert assistance to verify digital materials, which can prolong proceedings and cause delays in the delivery of justice.

Improper collection methods, use of non-forensic tools, or failure to follow standard procedures can significantly compromise the integrity of digital materials. Additionally, human error or cognitive bias during collection and analysis may affect interpretation, creating a risk of incomplete or distorted conclusions.

As reliance on digital evidence continues to grow, the need for coordinated legal and technological response is becoming more urgent. Although provisions in the Information and Communication Technology Act, 2006 and the Evidence Act, 1872 clearly recognise digital records as evidence, the rapid evolution of technology creates procedural and interpretive difficulties which existing mechanisms often struggle to address consistently. In such circumstances, strong coordination among evidentiary laws, cyber regulations, and forensic practices has become essential to maintain reliability on investigations using digital evidence.

Regularly updated procedural guidelines, improved preservation and verification methods, specialised cyber forensic support, and continuous technical development within investigative authorities can help reduce uncertainties about the authenticity of digital records. At the same time, technical awareness within judicial proceedings and a more consistent evidentiary standard can assist courts in balancing technological advancement with procedural fairness, accuracy, and public confidence in the justice system.

Digital evidence has undeniably transformed investigations and judicial processes, making digital records an essential part of contemporary justice systems. However, the challenge no longer lies in obtaining digital information but in ensuring its reliability, authenticity, and fair interpretation during legal proceedings. The growing reliance on digital records, therefore, demands not only technological advancement but also continuous legal adaptation, and procedural consistency.

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