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CPD

Centre for
Policy
Dialogue
Bangladesh

Quarterly

FROM the editor's desk

The July - September quarter is generally more quiet at CPD. However, couple of dialogues, a press briefing and some important meetings with development partners and stakeholders took place in this quarter. The highlight from the quarter was a dialogue on "Democracy and Development: Alleviating Poverty in South Asia" where Former President of Democratic Socialist Republic of Sri Lanka *Hon'ble Chandrika Bandaranaike Kumaratunga* was the Guest Speaker. Through her speech she reflected upon the process of instituting democracy in Sri Lanka. Senior leaders of mainstream political parties of Bangladesh participated in the dialogue and shared their views on effectiveness of democracy in South Asian countries.

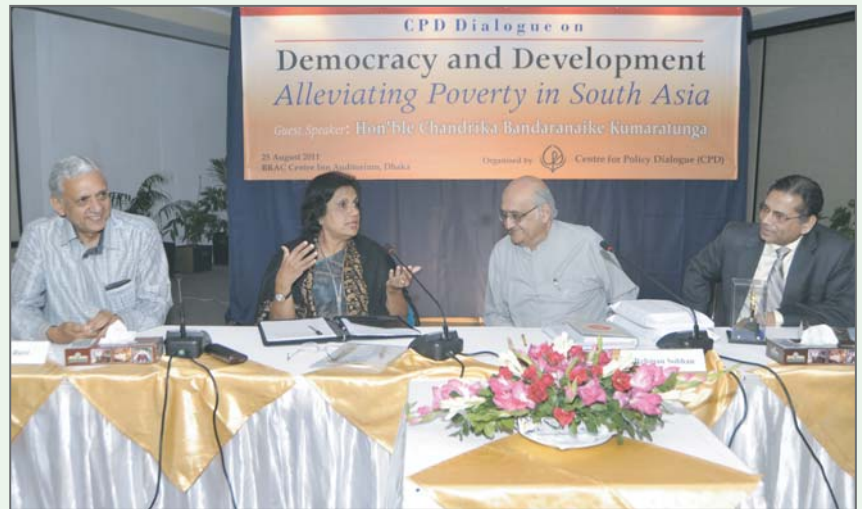
In recent times, the governance of microfinance institutions (MFIs) and its role in alleviating poverty has been in the discussion a lot. To address the issues related to microfinance CPD organised a dialogue where speakers discussed the benefits and drawbacks of MFIs in poverty alleviation and measures to be taken to mitigate the downturn trend of the sector.

During this quarter CPD also released the Global Competitiveness Report (GCR) 2011-2012, a publication by the World Economic Forum (WEF). Since 2001, CPD has been preparing the GCR as a partner of WEF. This year, the report revealed that Bangladesh moved to the rank of 108th in 2011 from its position of 107th in 2010 in the Global Competitiveness Index (GCI).

CPD focused on preparing for the Fourth South Asia Economic Summit (SAES IV) to be held in October, 2011. As part of its preparation CPD organised a breakfast meeting with South Asian Ambassadors in Bangladesh to brief them on the event.

In continuation of its regular high level interactions with major stakeholders CPD organised an in-house discussion session on "Current Developments in the Bangladesh Economy and Upcoming Challenges." A number of critical issues with regard to Bangladesh economy were discussed in this meeting where Ambassadors of Germany, Australia, USA, Japan, UK, Canada, Sweden, and high officials from European Commission and UNDP participated.

CPD continued its research and publication works relentlessly in this quarter of the year as well, and thus kept on contributing to policy making process of the country.



Chandrika Bandaranaike Kumaratunga addresses the dialogue while (from left) Gowher Rizvi, Rehman Sobhan and Mustafizur Rahman are paying attention

Inclusiveness and social equality must for sustainable development

Said Hon'ble Chandrika Kumaratunga at CPD dialogue

CPD, as part of its ongoing effort in promoting good governance and inclusive development, organised a dialogue on *Democracy and Development: Alleviating Poverty in South Asia* on 25 August 2011, at the BRAC Centre Inn Auditorium in Dhaka. Former President of Democratic Socialist Republic of Sri Lanka (1994-2005) and Chairperson, South Asia Policy and Research Institute (SAPRI) *Hon'ble Chandrika Bandaranaike Kumaratunga* was the Guest Speaker of the special event while *Professor Dr Gowher Rizvi*, Foreign Affairs Advisor to the Hon'ble Prime Minister of Bangladesh attended the programme as the Special Guest.

Kumaratunga urged political leaders to ensure participation of people from every level of society in development efforts which often remain missing due to dictatorship in South Asia. She observed that without inclusiveness and equal distribution of wealth, the nations would not be able to come out of poverty. While identifying the factors responsible for conflict and economic regression in the South Asian region, she prioritised economic, social, cultural and political inequality. She said, "Inequality leads to instability in the society and the state, which give rise to various kinds of conflicts."

Linking good governance to sustainable development, she stressed that democracy and inclusiveness of local government is essential for development activities and prosperity. "It is not enough to undertake development such as roads, housing and others, rather it is also important to establish good governance with inclusive participation of all citizens irrespective of their religion, caste and ethnicity in the process of democratic and economic development in South Asia", she added.

Exemplifying Sri Lanka she observed, people are losing faith in democratic institutions due to its exclusive nature which is reflected in the drastic decline of numbers of votes. About the volatile political situation of Sri Lanka she highlighted that political vengeance is persisting in her country. She informed that in last couple of years 24 journalists were killed and a presidential election candidate was captivated in jail.

The floor discussion raised several issues on effectiveness of democratic system. Former State Minister for Foreign Affairs *Mr Abul Hasan Chowdhury* said that the implementation of inclusiveness theory will require devolution of central authority, and provide resource base and autonomous

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Greater transparency for MFIs emphasised

at the CPD Dialogue

Though microfinance institutions (MFIs) have created opportunities for millions of near poor and poor people by providing them with basic financial services and offering social benefits such as increasing women mobility, they are under attack due to high interest rate on loans and mistreating clients by MFIs' field level staff. Under this circumstance, to stop the downturn trend of MFIs in Bangladesh speakers emphasised on greater transparency for MFIs in a dialogue on *Microfinance for Poverty Alleviation: What's Right and What's Wrong*, organised by the CPD at CIRDAP Auditorium, Dhaka on 26 July 2011.

David Hulme, a Professor of Development Studies and Head of the Institute for Development Policy and Management at the University of Manchester, UK presented the keynote paper at the dialogue titled "What's Wrong and Right with Microfinance: Missing an Angle on Responsible Finance?" Dr Atiur Rahman, Governor, Bangladesh Bank and Dr Qazi Kholiqzaman Ahmad, Chairman, PKSF were present as the Chief Guest and Guest of Honour respectively at the session which was chaired by Ms Khushi Kabir, Member, CPD Board of Trustees and Coordinator, Nijera Kori. Professor M A Baqui Khalily, Department of Finance, University of Dhaka and Professor Syed M Hashemi, Executive Director, BRAC Development Institute, BRAC University were the Designated Discussants at the dialogue.

In his presentation, Professor Hulme labeled the claims of MFIs and their leaders that they reach the 'poorest of the poor' and all loans are taken for investment in microenterprises as 'nonsense'. He underlined that MFIs generally reach a combination of poor and non-poor people and the loans are used for many different purposes such as microenterprise, education, health expenses, repaying debt, on-lending, wedding celebrations and even dowry. According to him, second on the list of 'what's wrong with microfinance' is the allegation that MFI field staffs treat clients badly. They encourage clients to take on bigger loans, but if the debtors miss repayment schedule, they disgrace clients in public and threats them psychologically and physically. These events have led to many 'microfinance suicides'. It is clear that MFIs put pressure on the field staff to achieve financial targets and ignore their social performance. Another allegation is that MFI interest rates on loans (Grameen Bank



Atiur Rahman addresses the dialogue (from left) Mustafizur Rahman, David Hulme, Khushi Kabir, Qazi Kholiqzaman Ahmad, M A Baqui Khalily and Syed M Hashemi are also seen

charged about 22 per cent per annum) are too high for poor people to pay. Professor Hulme mentioned that though these rates sound quite high in South Asia, but are quite similar to the credit card rates and significantly lower than MFI loan rates in Southeast Asia, Africa and Latin America where rates of 50 per cent to 120 per cent are common.

He also pointed out 'what's right about microfinance'. Apart from increasing opportunities for the poor to have basic financial service-loans, savings and insurance, MFIs also offer micro savings products. Central banks, however, do not allow MFIs to offer savings products as there is a risk of fraudulency. Finally, MFI's activities have also endowed the economy with some social benefits. South Asia's MFIs have focused on female clients and after joining MFI, women have become more independent and physically mobile.

The speaker finally suggested that the MFIs and their leaders need to be more honest and more humble about their products and their impacts. MFIs need to be much more transparent about their charges, terms and conditions – putting them on the door of all branches in an easy to understand form or print them in the borrowers' passbook. MFIs need to review the ways to assess the field staff performance. It is important for the staff to understand that the quality of their relationships with clients is as important as achieving financial targets. He also asked for changes in the agencies that regulate MFIs.

Speaking as the Chief Guest, Dr Atiur Rahman stated that the relatively higher interest rates and charges of MFIs have attracted criticism, albeit more from populist political authorities than from actual borrowers. Regulators and government authorities can however encourage and support MFIs in minimising supervision costs, as much as possible, adopting remote loan delivery and recovery mechanisms in partnership with mobile phone companies and IT platforms offering card-based financial service delivery, he commented. He appreciated that the present government has published the Microcredit Regulatory Authority Guidelines, 2010 as the gazette to augment the pace of regulation and supervision of the MFIs. He opined that authorities should use anti-money laundering regulations to check anomalies in the microfinance sector. The country's microfinance institutions should go beyond their

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Inclusiveness and social equality

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decision making power for these authorities; however, there is clear lack of political willingness in this regard, not only in Bangladesh but all over the region.

Professor Rehman Sobhan, Chairman, CPD and also the Chair of the dialogue voiced his opinion saying, prevalent tension constraints the inherently non-inclusive development process, and growing inequality in the region is the cause for this tension.

Barrister Moudud Ahmed, MP said the governments of South Asian countries should change their mind-set and avoid the path of

revenge towards their rivals for achieving the sustainable economical growth in the region.

Barrister Anisul Islam Mahmud remarked that gradual erosion of trust in democratic institutions are also raising the level of conflict and widening the inequality gap although the economic growth in South Asia is on the rise. Dr Gowher Rizvi, however, opposed the idea by saying that in countries such as Bangladesh people look up to the state for their need for social security, and a democratic government is the mechanism for ensuring transparency in delivering services to them. Government's failure to deliver service according to their promise is the reason behind people losing trust upon the institution, he added.

The programme was attended among others by CPD Board of Trustees Ms Khushi Kabir and Professor Anisuzzaman; Mr Shamsher Mobin Chowdhury, Vice Chairman, BNP; H E Mr W A Sarath K Weragoda, High Commissioner of Sri Lanka in Bangladesh; Mr C D Casie Chety, Executive Director, SAPRI; Mr Mahbubur Rahman, President, ICC-B; and Mr Abdul Awal Mintoo, CEO, Multimode Group of Companies.

Hon'ble Kumaratunga on her ending note stressed on the need for South Asia to work together as a region in mitigating the adverse situation and ensuring inclusive development for the poor for the sustainability of democratic system.



Bangladesh slips again in global competitiveness ranking

Says GCR 2011-2012 released by CPD

Bangladesh slips for the second year in Global Competitiveness Index (GCI). It came down by one position securing 108th rank in 2010 and where it was 107th in 2009. The Global Competitiveness Report (GCR) is an annual publication of World Economic Forum (WEF). CPD as a partner institute of the WEF has been conducting the Executive Opinion Survey (Bangladesh Chapter) since 2001. The report was released in a press briefing organised by CPD at its Dialogue Room on 8 September 2011, where *Dr Khondakar Golam Moazzem*, Senior Research Fellow briefed the print and electronic media on GCR 2011-2012 and the findings of Bangladesh Business Environment Study 2011. A total of 142 countries which includes Bangladesh have been assessed in the 2011 study. The survey ranks countries according to their business competitiveness environment based on the information provided by the business people as regards their perception on various contemporary issues of concern.

According to the survey, inadequate infrastructure, corruption and inefficient government bureaucracy were the main factors impeding business activity in the country in 2010. The report also says, though Bangladesh has dropped by one position its score has increased by 2.5 per cent. The areas where deterioration was observed are the education workforce, inflation, foreign currency regulation, crime and theft, and tax rates. Improvements have been observed in the case of financing, tax regulations, government stability and work ethics.



Khondaker Golam Moazzem addresses the media while CPD researchers pay attention

The top most problematic external factors are identified as global economic uncertainty, energy price volatility, trade barriers, exchange rate volatility and lack of natural resources. The problematic factors in the export and Import of Bangladeshi products are difficulty with proper identification of market/buyers, use of unsuitable technologies, poor access to imported inputs at competitive prices, burdensome import procedures, tariffs and delay in domestic transportation.

There are no major changes in the perception about the recent issues and domestic economy.

Though positive changes were recognised, "but these changes were insignificant to create enough forces to run the economy at a required pace," said *Professor Mustafizur Rahman*, Executive Director, CPD. Bangladesh should make a strategic target to lift its ranking upward slowly. To reach level 99 in GCI ranking Bangladesh needs to improve her GCI score from 3.73 to 3.84. Focus should be put in place on infrastructure development, creating efficient public institution, reducing corruption and human resource development in order to enhance productivity.

India also has failed to retain its last year's position like Bangladesh. Top 10 countries in GCI 2011-2012 have been dominated by a number of European countries. Switzerland retained the 1st, Singapore moved to 2nd, USA moved backward to 5th position, China has improved and moved to 26th position, Brazil (53), India (56), Russia (66), and Sri Lanka (52). Other Asian and South Asian countries advanced well.

Senior CPD researchers were present during the briefing session.

YSSS on Unfolding Global Economic Crisis and Implications for Bangladesh

As part of Young Scholars' Seminar Series (YSSS), young researchers of CPD presented paper on the theme of *Unfolding Global Economic Crisis and Implications for Bangladesh*. Under this broad theme, researchers presented their papers on individual areas of interest. *Mr Towfiqul Islam Khan*, Senior Research Associate presented a paper on Global Economic Governance. *Mr Md. Ashiqul Iqbal* and *Mr Ashiqun Nabi*, Senior Research Associates presented a joint paper on Impact of the Downgrading of US Credit Rating on Resource Flow to Bangladesh. *Mr Syed Saifuddin Hossain*, Senior Research Associate presented a paper on Bangladesh's External Sector in the Context of Recent US Credit Crunch. *Ms Farzana A Misha*, Senior Research Associate presented a paper on Impact of US Currency Degradation Risks on G20. *Mr Md. Tariqur Rahman*, Senior Research Associate presented a paper on Impact of Global Reserve Currency; and *Ms Nusrat Jahan Tania*, Programme Associate presented a paper on Economic Impact of US Credit Downgrade. Senior CPD researchers and other officials were present at the seminar and provided comments and inputs to develop the papers further.



CPD briefed the Ambassadors on current development of Bangladesh



CPD organised a briefing session for the Ambassadors on 18 August 2011 at its own premises as a continuation of its regular high level interactions with major stakeholders including international development partners. The theme of the briefing was *Current Developments in the Bangladesh Economy and Upcoming Challenges*. In the meeting *Dr Debapriya Bhattacharya*, Distinguished Fellow, CPD made a brief presentation on some critical issues including implications of evolving global and regional trends for the Bangladesh economy, state of public finance, macroeconomic management and development governance which was followed by an engaging discussion.

Dignitaries present in the meeting were *H E Mr Michael Holger*, Ambassador, Germany; *Mr Bjorn Meusel*, Attaché, Development Cooperation and Economic Affairs, Germany; *Mr Pierre Buyschaert*, Attaché, Political, Trade & Press Section, European Union Delegation to Bangladesh; *H E Dr Justin Lee*, High Commissioner, Australia; *Mr Nicholas Dean*, Charge d' Affairs, USA; *Ms Miki Yamamoto*, Economic Researcher, Japan; *Dr Keane Clyde*, Second Secretary, Political & Global Issues Section, British High Commission; *Mr Neal Walker*, UN Resident Coordinator and UNDP Resident Representative in Bangladesh; *Mr Alnoor Maherali*, First Secretary, Canada; *Mr Tomas Bergenholtz*, First Secretary, Sweden; and *Mr Gabriele Derighetti*, Deputy Head of Mission, Political, Cultural and Economic Affairs, Switzerland.

Meeting of the CPD-BoT Executive Committee held

The 34th meeting of the Executive Committee (EC) of the CPD Board of Trustees was held on 9 August 2011 at the CPD Meeting Room. The meeting was chaired by *Professor Rehman Sobhan*, Chairman, CPD-BoT. Executive Director *Professor Mustafizur Rahman* briefed the EC about the initiatives taken and progress made with regard to purchase of property by the CPD. The EC members appreciated the progress made by the CPD management and advised the Executive Director to keep the Board updated on the issue.

EC members *Mr M Syeduzzaman* and *Syed Manzur Elahi* were present at the meeting. *Dr Debapriya Bhattacharya*, Distinguished Fellow, CPD attended the meeting on invitation by the EC. *Mr M Shafiqul Islam*, Additional Director (AF), CPD also joined the meeting on invitation.

South Asian Ambassadors briefed on SAES IV

A breakfast meeting with South Asian Ambassadors in Bangladesh was organised by CPD on 8 September 2011 at the Westin Hotel, Dhaka. The objective of the meeting was to brief the Ambassadors on the upcoming Fourth South Asia Economic Summit (SAES IV) to be held on 22-23 October 2011, hosted by CPD.

H E Mr Rajeet Mitter, High Commissioner, India; *Mr Afzaal Mahmood*, Acting High Commissioner, Pakistan; *Mr Krishna Chandra Aryal*, Counsellor & Deputy Chief of the Mission, Nepal; *H E Mr Dasho Bap Kesang*, Ambassador, Bhutan; *Mr Karma S Tshosar*, Counselor, Bhutan; *H E Mr W A Sarath K Weragoda*, High Commissioner, Sri Lanka; *Mr Mohamed Thahseen*, Chargé d'Affaires, Maldives were present at the meeting.

Greater transparency

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financial services and adopt more human and social visions for the greater benefit of society, he added.

Dr Qazi Kholiquzzaman Ahmad observed that although MFIs have created huge jobs within themselves, the question such as what is the borrowers' employment status, and how long will the borrowers remain borrowers, need to be answered. Otherwise, the MFIs cannot be sustainable, and the impact cannot be measured, he commented. He also stated that there are many MFIs who are charging 40-60 per cent interest, which needs to be addressed as well.

Professor Hashemi commented that MFIs should not be looked at as a financial tool only. He noted that both academics and politicians have

labeled MFIs as blood-suckers, without understanding the financial lives of the poor. It is quite difficult for the banks to operate in the rural areas with such a low interest rate, he added.

Professor Khalily stated that MFIs have to be efficient and competitive to survive. He ruled out the claims that microloans are used for unintended purposes. He noted that at least two-thirds of the loans are used to expand economic activities. He urged the government to sit with the MFIs regularly to sort out differences and fix anomalies.

Among the dialogue participants, *Dr M Osman Farruk*, Former Education Minister remarked that there is no scope to brand MFIs as blood-suckers when the break even is 23 per cent. *Mr Hasanul Haque Inu*, MP, Chairman, Parliamentary Standing Committee on Ministry of Posts and Telecommunication urged the political and social activists not to say 'no' to microcredit, rather concerned authorities should work together to enhance the performance and effectiveness of MFIs, he added.



CPD professionals in international fora

Rehman Sobhan, Chairman

- Attended the Regional Conference on SAARC Democracy Charter: Citizen's Initiative, on 20-21 September 2011, in Kathmandu, Nepal.
- Participated as a Speaker on 4th SAARC Business Leaders Conclave (4th SBLC) on 20-22 September 2011, in Kathmandu, Nepal.

Mustafizur Rahman, Executive Director

- Participated in the European Report on Development (ERD) 2011/2012 Consultation on *Effective Natural Resource Management for Inclusive and Sustainable Growth in the Context of Increased Scarcity and Climate Change: What Role for the Public and Private Sector?* organised by AERC and ODI, DIE and ECDDP, on 11-12 July 2011, in Nairobi, Kenya.
- Attended the seminar on *Towards an Independent Monitoring of the Istanbul Plan of Action for the Least Developed Countries*, organised in collaboration of CPD, OECD Development Centre, Paris, International Centre for Trade and Sustainable Development (ICTSD), Galatasaray University and Foundation for International Development Study and Research (FERDI), on 12 September 2011, in France.
- Attended the IMF-World Bank Annual Meeting on 19-24 September 2011, in Washington, D.C.

Debapriya Bhattacharya, Distinguished Fellow

- Chaired the Opening Plenary of the KDI-OECD Workshop on *Knowledge Sharing for Development: Taking Stock of Best Practices*, organised by KDI Center for International Development and OECD Development Centre, Paris, on 11-12 July 2011, in Paris, France.
- Participated at the ARTNeT Symposium on *Towards a Return of Industrial Policy?* organised by United Nations Economic and Social Commission for Asia and the Pacific (UN-ESCAP), Asia-Pacific Research and Training Network (ARTNeT) and International Development Research Centre (IDRC), on 25-26 July 2011, in Bangkok, Thailand.
- Presented a paper on "Independent Monitoring of LDC IV Outcome," at a seminar on *Towards an Independent Monitoring of the Istanbul Plan of Action for the Least Developed Countries*, organised by CPD, OECD Development Centre Paris, ICTSD, Galatasaray University, and FERDI, 12 September 2011, Clermont Ferrand, France.
- Presented a paper on "Non Tariff Measures and LDCs," at a Seminar on *The Non Tariff Measures on Food and Agricultural Products: Which Road Ahead*, organised by OECD and International Food and Agricultural Trade Policy Council, on 13 September 2011, in Paris, France.
- Participated at the Plenary Meeting of the International Food and Agricultural Trade Policy Council, on 14-15 September 2011, in Paris, France.
- Presented two papers on "Multilateral Trading System" (Session: *What Happens to Development after Doha*) and "Export Promotion of Agricultural Products" (Session: *Rebalancing the Rights of Importers and Exporters: How to Address Agricultural Export*

Restrictions?), at the WTO Public Forum on *Seeking Answers to Global Trade Challenges*, organised by the Information and External Relations Division, World Trade Organization (WTO), on 19-21 September 2011, in Geneva, Switzerland.

- Presented a paper on "Exploring Resilience of the Least Developed Countries in the face of the Global Financial and Economic Crisis," at the EADI-DSA Conference on *Rethinking Development in an Age of Scarcity and Uncertainty: New Values, Voices and Alliances for Increased Resilience*, organised by the European Association of Development Research and Training Institutes (EADI) and the Development Studies Association (DSA), on 21 September 2011, in York, UK.

Fahmida Khatun, Head of Research

- Participated at the Roundtable Discussion on *Towards an Independent Monitoring of the Istanbul Plan of Action for the LDCs*, on 12 September 2011, in Paris, France.

Khondaker Golam Moazzem, Senior Research Fellow

- Presented a paper on "SAARC-China Economic Cooperation: Recent Trends, Potentials and Challenges," at the international conference on *China-SAARC: Towards A Better Understanding through Enhanced People-to-People Exchanges*, organised by the China Institute of International Studies, on 26-27 July 2011, in Kunming, China.

Syed Saifuddin Hossain, Senior Research Associate

- Participated in the Special Short Course on *India-Bangladesh Studies* in Gangtok, Sikkim during 9-11 September 2011. The course was jointly organised by Jamia Millia Islamia, New Delhi; Department of International Relations, University of Dhaka; and Sikkim University, Sikkim. The second leg of the course was held in Dhaka during 13-15 September 2011 at the Dhaka University Senate Bhaban.

Md. Ashiq Iqbal, Senior Research Associate

- Participated in the WTO/ESCAP Seventh ARTNeT Capacity Building Workshop for *Trade Research on Recent Advances in the Field of Trade Theory and Policy Analysis Using Micro-Level Data*, on 12-16 September 2011, in Yogyakarta, Indonesia.

Hasanuzzaman, Senior Research Associate

- Participated as a member of the National Steering Committee, Ministry of Commerce, Government of Bangladesh, in a study tour programme in Kathmandu, Nepal from 29 June - 4 July, 2011.

Ashiqun Nabi, Senior Research Associate

- Participated at the Policy Dialogue on *Building Climate-Resilient Agriculture in Asia*, organised by ICRISAT in collaboration with ADB and the Vietnam Academy of Agricultural Sciences (VAAS), on 21-22 July 2011, Hanoi, Vietnam.

Farzana A Misha, Senior Research Associate

- Participated in the WTO/ESCAP Seventh ARTNeT Capacity Building Workshop for *Trade Research on Recent Advances in the Field of Trade Theory and Policy Analysis Using Micro-Level Data*, on 12-16 September 2011, in Yogyakarta, Indonesia.

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CPD professionals in international fora

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Kishore Kumar Basak, Research Associate

- Participated in *Fourth South Asian Training Programme on CGE Modelling*, jointly organised by South Asia Watch on Trade, Economics and Environment (SAWTEE) and South Asian Network on Economic Modeling (SANEM), on 20-23 September 2011, in Kathmandu, Nepal.

Mazbahul Golam Ahamad, Research Associate

- Participated in the WTO/ESCAP Seventh ARTNet Capacity Building Workshop for *Trade Research on Recent Advances in the Field of Trade Theory and Policy Analysis Using Micro-Level Data*, on 12-16 September 2011, in Yogyakarta, Indonesia.
- Participated in a writeshop on *Vulnerability to Climate Change: Adaptation Strategies and Layers of Resilience*, organised by ICRISAT, on 26-30 September 2011, in Hyderabad, India.

Md. Zafar Sadique, Research Associate

- Participated in *Fourth South Asian Training Programme on CGE Modelling*, jointly organised by SAWTEE and SANEM, on 20-23 September 2011, in Kathmandu, Nepal.

CPD professionals in national fora

Mustafizur Rahman, Executive Director

- Chaired the Working Session II on "Expanding Regional Production and Trade in South Asia with Global Production Network" of the Regional Workshop on *Strategic Partnership for Policy Development and Action to Foster Regional Cooperation in South Asia*, organised jointly by South Asian Network on Economic Modeling (SANEM) and Research and Information System for Developing Countries (RIS), New Delhi on 23 July 2011 at the BRAC Centre Inn Auditorium, Dhaka.
- Participated as the Special Guest at a Seminar on *National Handicrafts Policy*, organised by Bangladesh Handicrafts Manufacturers and Exporters Association (Banglacraft) on 31 July 2011 at the Ruposhi Bangla Hotel, Dhaka.
- Participated as Panel Discussant at the Round Table Conference on *Food Sovereignty of Poor Farmers and Marginalized vs their Access to Land and Natural Resources*, organised by Association for Land Reform and Development (ALRD) on 1 August 2011 at the YWCA Conference Hall, Dhaka.

Debapriya Bhattacharya, Distinguished Fellow

- Attended as the Chief Guest and presented a paper on *Value of Learning Economics*, at Flambe, Dhaka, at the reception for Bangladeshi students admitted to London School of Economics (LSE), organised by LSE Alumni Association on 18 August 2011,
- Attended as the Chief Guest and presented paper on *The Future Role of Youth in Bangladesh*, at the reception for meritorious students of Tangail organised by Tangail Bank Samity at Tangail.

Khondaker Golam Moazzem, Senior Research Fellow

- Presented keynote paper on *South Asian Regional Cooperation Economic Corridor*, in a seminar organised by SANEM on 7 July 2011.
- Presented a paper on *Reaction over National Budget* at a seminar organised by Department of International Relations, Jahangirnagar University, on 9 July 2011.
- Presented a paper on *Reaction over National Budget* at a seminar, on 16 July 2011 at the ICMAB.
- Presented a paper on *Expenditure or Priority* at the national parliament organised by Unnayan Shamannay, on 19 July 2011.

Mehrana Islam Chowdhury, Research Associate

- Participated in *Environmental Economics and Policy: Research and Writing Workshop*, organised by South Asian Network for Development and Environmental Economics (SANDEE) during 23-26 September, 2011, at Tangail, Bangladesh.

Nepoleon Dewan, Research Associate

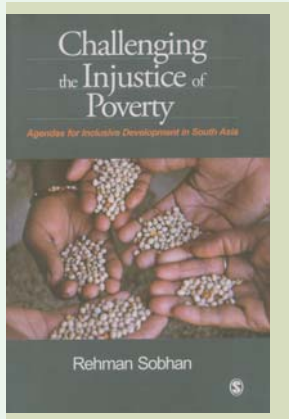
- Attended a training programme on *Macroeconomic Analysis and Public Sector*, organised by USAID PROGOTI, on 19-23 July 2011.
- Attended *Public Expenditure Management Workshop*, organised by USAID PROGOTI, during 16-18 August 2011.

Shamma Tabassum, Research Associate

- Attended a training programme on *Macroeconomic Analysis and Public Sector*, organised by USAID PROGOTI, during 19-23 July 2011.



Publications of CPD researchers outside CPD

**Challenging the Injustice of Poverty:
Agendas for Inclusive Development in South Asia**

Rehman Sobhan

This book explores issues related to poverty in South Asia in a two-pronged manner – by focusing on injustice created and perpetuated by the unjust nature of a social order as its source, and then providing concrete suggestions about how policymakers may move to challenge these injustices. The particular interpretation of poverty serves as the point of departure from most of the other policy interventions at the institutional level, both national and global, aspiring to reduce poverty. Drawing research inputs from studies across various South Asian countries, the book redefines poverty as a process where certain sections of the society are excluded from equal participation in development opportunities as well as decision making. Hence, the proposed interventions are intended to promote a more inclusive development process. It further identifies a variety of operational ideas for policymakers, political activists and civil society advocacy groups committed to build a more just and poverty-free society in South Asia.

This book was published from SAGE Publications India Pvt Ltd, New Delhi, India

Journal Articles

- Hasanuzzaman. 2011. "Assessing the Impact of Employment Generation Programmes in Challenging Rural Poverty: A Comparative Study on Bangladesh and India." *Journal of Poverty*, Routledge, 15 (3): 259-276.
- Rahman, M.T. and Moazzem, K.G. 2011. "Capital Market of Bangladesh: Volatility in the Dhaka Stock Exchange and Role of Regulators." *International Journal of Business and Management*, 6 (7): 86-93.

Book Chapters

- Rahman, K.M., Hossain, S.S., Anwar, A. and Rahman, M.T. 2011. "Fostering Regional Trade in South Asia: Prospects and Challenges." In *Regional and Multilateral Trade in Developing Countries*. Routledge: Taylor and Francis Group, India.
- Moazzem, K.G., and Rahman, M.T. 2011. "Development of the Value Chain in the Textile and Clothing Sector of Bangladesh: Is There a Role for Regional Trade Agreements?" In Narjoko, D.A. and Pasha, M. (eds) *Fighting Irrelevance: The Role of Regional Trade Agreements in International Production Networks in Asia*. United Nations, ESCAP.

Policy Briefs

- Hasanuzzaman. 2011. *Strengthening and Diversifying the WTO Focal Point in Bangladesh: Drawing Lessons from the Nepalese Experience*. CPD Policy Brief 47. Dhaka: Centre for Policy Dialogue (CPD).
- Bhattacharya, D. and Hossain, S.S. 2011. *Securing the Outcome of the UN LDC IV: The Need for an Independent Monitoring Mechanism*. Policy Brief No. 5. Geneva: International Centre for Trade and Sustainable Development (ICTSD) (Available at: <http://www.iadb.org/intal/intalcdi/PE/2011/08913.pdf>).

Newspaper and Magazine Articles

- Khan, T.I. 2011. Bangladesh Banker Mudraneeti Kichhu Prashongik Prosanga (in Bangla). *Banik Barta*, 20 July.
- Hasanuzzaman. 2011. Righting our Historical Atrocities. *The Daily Sun*, 26 July.

- Rahman, M. 2011. Arek Dofa Mondar Ashonka Royechhe: Shotorko Thakte Hobe Age Thekei (in Bangla). *The Daily Ittefaq*, 15 August.
- Rehman, S. 2011. Shadharon Manushoy Chhilo Shaktir Utsho. *The Daily Samakal*, 15 August.
- Rahman, M. 2011. Indo-Bangladesh Bilateral Trade Deficit: Seize the Opportunities to Reduce It. *The Daily Star*, 5 September.
- Bhattacharya, D. 2011. Transiter Shubidha Pete Negotiatione Koushuli Hobe Hobe (in Bangla). *The Daily Ittefaq*, 5 September.
- Rahman, M. 2011. Orthonoitik Ongone Notun Shombhabona: (in Bangla). *The Daily Samakal*, 6 September.
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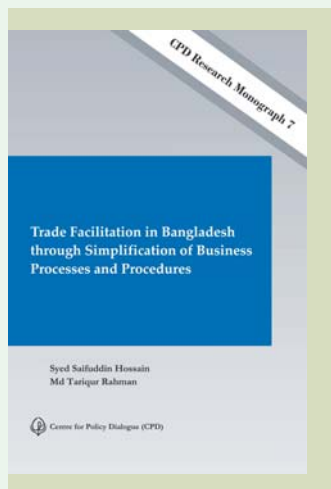


CPD publications

CPD Research Monograph 7

Trade Facilitation in Bangladesh through Simplification of Business Processes and Procedures

Syed Saifuddin Hossain and Md Tariqur Rahman



Cross-border trade and transactions require a number of steps and procedures that need to be completed. The related exercise engages several actors and requires a number of documents at various stages of the supply chain. Country-level and regional experiences indicate that removal, mergence and rationalisation of many of the involved steps can enhance efficiency throughout the entire business process, and save time and reduce the cost of doing business. This research monograph focuses on some of the key issues related to this process of trade facilitation in the particular context of Bangladesh. Using the Business Process Analysis (BPA) method, the study has undertaken trade process mapping for four selected products (two for export and two for import), and puts forward a set of policy recommendations for policymakers and business community with a view to simplifying and improving the efficacy of cross-border trade transactions.

CPD-SACEPS Monograph 7

Approach of the International Development Community towards Poverty Eradication in Bangladesh

Md Tajul Islam



The seventh monograph of the CPD-SACEPS Monograph series is a Bangladesh Country Study that focuses on the fundamental weaknesses in the poverty reduction strategies of the international development community. The monograph attempts to analyse the evolution of perception, strategy and practice regarding poverty eradication since the 70s by the major donors in South Asia, namely the World Bank and Asian Development Bank (ADB), by reviewing their specific policies and programmes in Bangladesh.

The study interviewed eight donors in Bangladesh to seek their perceptions about policy agendas suggested under the CPD-SACEPS work programme to address the structural causes underlying poverty, such as lack of access to assets and resources, inequitable participation in markets, and unequal access to human development resources. It was revealed that these agencies had so far never contemplated such structural interventions in their aid programmes for Bangladesh.

CPD-CMI Working Paper 1

Traditional Market Institutions and Complex Exchange: Exploring Transition and Change in the Bangladesh Rice Market

K A S Murshid

This paper explores the unaddressed question of how the large, complex paddy-rice market in Bangladesh is able to solve the problem of complex exchange, faced by the dominant rice millers and brokers (*aratdars*) who face the most complex risks. It explores agency issues in exchange resolved by intermediaries, and points to norms and trusts within trading networks that underpin these. It notes significant but opposing trends over two decades in different areas, particularly in terms of market structure, trade circuits and exchange relations. Evidence of a sharp decline in tied transactions points to the growing importance of impersonal exchange.

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