



# Economic governance quite weak: WB

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THE World Bank in its latest report on Bangladesh has termed "quite weak" the country's economic governance despite its

earlier appreciation on Dhaka's economic performance.

The report says weakness in the economic governance has seriously hurt public confidence in enforcement of the rules of

law and impartial protection of property rights which ultimately deteriorating the business environment and harming long-run growth.

The lending agency's latest report, titled 'Bangladesh Development Forum Economic Update', has been prepared for the upcoming Bangladesh Development Forum, to be held in Dhaka on May 8-10.

The report highlights current economic trends and achievements, including social progress of Bangladesh, backed by the favourable macro-financial conditions and suggested some development policy agenda.

"Bangladesh achieved faster progress in social indicators than most of countries at similar income levels," the report says.

"Notwithstanding the impressive gains thus far, the magnitude of remaining development challenges is enormous," the report adds, pointing at the existing high levels of poverty and low levels of human development.

The bank observes that Bangladesh has received a lot of negative attention due to perceptions of widespread corruption in public-private dealings as reflected in the Transparency International report which placed the country last in cross-country corruption ratings.

"While such a blanket indictment of Bangladesh could be viewed as unjustified since it reflects subjective perceptions that may not be meaningful in a cross-country setup, the problem of endemic corruption in Bangladesh is undeniable," the report says.

The bank also points out widespread corruption in police and lower courts, one of the major governance problem which is hurting people's confidence in rule of law.

According to the World Bank, the cost of starting business in Bangladesh is higher than in China, India, Indonesia, Sri Lanka, Thailand and Vietnam though initial procedures are lower in the country.

In a bid to reduce the cost of doing business, the bank has suggested improving the economic governance, especially by strengthening rule of law and streamlining regulatory and administrative environment in its growth agenda.

It has also suggested enhancement of global integration, acceleration of human capital and infrastructure development and improvement of quality of financial intermediation.