

Banyan Asia



- Comment (5) Print E-mail Permalink Reprints & permissions

Previous Next Latest Banyan Latest from all our blogs

Bangladesh and counterfeiting

Capital control

Jan 17th 2013, 7:41 by T.J. | BANGKOK

Like 45 Tweet 6

Update to this article

SINCE its creation the German Bundesbank has done a great deal of good. It owes the respect it commands to its unmatched skill at improving peoples' lives. Not shortening them.



So what was the Bundesbank (or, more likely, German diplomats who nudged it) thinking when it offered to provide technical assistance on the detection of counterfeit currency to a country that is about to introduce the death penalty for currency counterfeiters?

Why Bangladesh wants to join the likes of China and Vietnam in putting to death people who produce cash without the legal sanction of the state is unclear. But it's not especially startling either. That the German central bank should come anywhere near assisting the Bangladeshi authorities in this venture would seem as nutty as the suggestion that the Bundesbank would start preaching the merits of hyperinflation.

Nuttiness notwithstanding, Asim Kumar Dasgupta, the executive director at Bangladesh Bank, the country's own central bank, said this week that German officials are scheduled to arrive in Dhaka next month. They are supposed to help Bangladesh Bank set up a "Fake Note Analysis Centre", to "improve security features of banknotes and check circulation of fake notes".

They are to conduct comprehensive training of Bangladesh's central-bank officials, to help them trace counterfeit currency and prevent its distribution. According to Mr Dasgupta, a new law (the Fake Note Prevention Act) in conjunction with the Bundesbank's technical assistance, "will help us to protect our currency from counterfeiting".

The number of hangings may rise, too. Counterfeiting is rather popular in Bangladesh. More than 5,000 cases of currency counterfeiting are currently pending in Bangladeshi courts. The proposed legislation, drafted by Bangladesh Bank and currently being vetted by the law ministry, is expected to be signed into law this year.

On Tuesday, the Bundesbank said it had not been aware of the Bangladesh government's plans to introduce the death penalty for currency counterfeiters. In response to questions about the new policy it said its "next step will be gathering more information on this matter as soon as possible and—if necessary—reconsidering [its] technical assistance".

Meanwhile, officials at Bangladesh Bank say that the signing of a formal agreement with the Germans is still under discussion. Still time, then, for a grand old financial institution to demur expanding its mandate to a Deutschmark-less country some 7,000 km away from Frankfurt.



Navigation bar with Previous/Next buttons and article thumbnails for Narendra Modi and Bangladesh and counterfeiting.

Recommend 78 Like 45 Tweet 6 reddit Share +1 3

View all comments (5) Add your comment

About Banyan

Analysis of Asian politics and culture, from our Banyan columnist and other correspondents. Named for a tree whose branches have sheltered great ideas

Follow @EconAsia 8,278 followers

RSS feed

Advertisement

RAFALE advertisement featuring a fighter jet and text: THIS REPUBLIC DAY WE SALUTE 63 YEARS OF TOGETHERNESS. TOOFANI | MYSTERE IV | ALIZE | JAGUAR | MIRAGE 2000

Explore trending topics

Comments and tweets on popular topics

Word cloud visualization showing trending topics like wef, davos, people, world, today, king, now, need, china, media, social, good, president, make, out, mobile, yahoo, mayer, marissamay, session, women, ygl, king, now, need, china, media, social, good, president, make, out, mobile, yahoo, mayer, marissamay.

Recent Activity facebook

- Login You need to be logged into Facebook to see your friends' recent activity. Dance it or hate it 1,237 people recommended this. Is Thank the man? 240 people recommended this. The long game 220 people recommended this. Has Apple peaked? 763 people recommended this.

Latest blog posts - All times are GMT

Presidential power: When is a recess really a recess? Democracy in America - Jan 26th, 01:30