

Commentary on Impact on Business and Banking Sector After The Arrival of Cryptocurrency and Rohingya Refugees in Bangladesh

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In the last 10 years, the economic distress of Bangladesh has reduced to a large extent. Currently, the gross domestic product per capita of this country is 6019.52 US dollars (Trading Economics, 2022). But around October 2017, due to the arrival of Rohingya tribals from Myanmar to Bangladesh, the economy of the country, especially the banking sector, has seen a huge change (Wikipedia contributors, 2022). On the other hand, before cryptocurrency entered the country around 2017, the Central Bank of Bangladesh declared it illegal (Freeman, 2022). But even then hundreds of crores of currencies are being smuggled out of the country every month through online gambling and virtual currency in various games (Cryptocurrency | Bizz Talk | Somoytv | part - 23, 2021). Banks of the country have also informed their customers to refrain from such transactions cause it is used more for criminal activities (Kayes, 2022). Despite taking so many protective measures, online gambling & cryptocurrency are causing huge damage to the country's economy (Haq et al., 2021). Besides this, the country's government had to spend a lot of money to suddenly provide food, shelter, etc. to a large number (1.1 million) Rohingya refugee (Associated Press, 2018). Bangladesh was transforming into a developing country but at the same time, these issues were greatly affecting the country's economy. If we do not deal with them on time, I think it will harm the country's economy in the future.

Bangladesh, a small country in South Asia, is bordered by India on three sides and Myanmar on the other (Tinker, 2022). The country is relatively peaceful (Chakravorty, 2016). The population is about 165,158,616 (2022 est.) (Hasnat, 2022). GDP is \$416.26 billion (nominal; 2021 est.) (The World Bank, 2021). GDP growth Increase 3.4% (2020), Increase 6.9% (2021e), Increase 6.4% (2022f), Increase 6.7% (2023f) (World Bank, 2022). GDP per capita Increased by \$2,503 (nominal, 2022 est.) (The World Bank, 2021). Increase \$6,633 (PPP, 2022 est.) (International Monetary Fund, 2022). There are 61 scheduled banks in Bangladesh (Bangladesh Bank, 2022). It appears that the country's economy has been showing promising results over the past few years. Which is good for our future. But this cryptocurrency and the Rohingya issue are affecting and hindering this growth in many ways and Cox's Bazar's beaches were once the most popular tourist destinations in Bangladesh; now, the area is overrun with foreign aid workers. However, day laborers and poorer locals have complained about price increases for basic goods as well as job losses to refugees willing to accept far lower wages. (Alam, 2018). Apart from this, criminal activities have increased manifold in these areas. Bangladesh spends \$1.22 billion US dollars per year, or nearly Tk 13,000 crore, to support the Rohingya people of Myanmar (Star Digital Report, 2022). Which is a country's economic problem as well as a social problem. But the government has taken a good decision for them which is going to play a big role in the overall development of the country in the future (Olowo-Okere, 2022). At present, the government of the country has brought these refugees to a certain place and provided them with education, food, employment, and accommodation, and now it is possible to gradually reduce the various problems caused by them (Anirudh, 2020). I think that now there will not be any kind of problem in the future with this Rohingya issue.

The first cryptocurrency was eCash, which was created in 1990 by David Chaum's company DigiCash (Reiff et al., 2022). It was introduced in Asia first in China in 2011 and later in India (Sharma et al., 2021). Nowadays it has become very popular in India (NDtv, 2022). I said earlier that India is outside of Bangladesh, so that effect has started sparing in Bangladesh as well. But the Central Bank of Bangladesh banned it from Bangladesh in 2017 due to the high number of transactions involving criminal activities (Star Business Report, 2021). With a negative attitude toward cryptocurrency, the government has made it illegal under the Foreign Exchange Regulation Act (Jafrin & Rashid, 2022). The act also states that anyone in Bangladesh who is involved with cryptocurrency will face serious consequences under the Foreign Exchange Regulation Act of 1947, the Anti-Terrorism Act of 2009, and the Money Laundering Prevention Act of 2012 (Bangladesh Bank, 2017). Mainly online gambling and illegal work transactions are more common here (Sadon, 2022). Apart from Bangladesh, this cryptocurrency has also been declared illegal in some other countries (Orji, 2022). Even the law enforcement force of Bangladesh is looking for illegal bitcoin traders (Reza, 2021). It is an invisible currency, they exist only online, so it is difficult to trace them, therefore, illegal transactions are carried out with these currencies, which has a good enough impact on the businesses and banks of the country (Zeya & Majumder, n.d.). The online activities of Bangladesh are not yet fully developed but are only on the way to development (Al-Amin et al., 2021). Currently, there are 52.58 million internet subscribers in the country (Kemp, 2022). Although Bangladesh is making rapid progress in the online world, the country is still not ready to properly regulate cryptocurrency. But experts are hopeful that the country can recover from this problem soon (Sujat, 2020). Since Bangladesh is going digital, it is expected that this digital currency will be used by the country in the future (Islam, 2021). Thailand has the highest proportion of cryptocurrencies in the world and Nigeria ranks second in the world in terms of cryptocurrency adoption. (Gourtsilidou, 2022). Cryptocurrency has several positive aspects but to enjoy those positive aspects one needs to know more tools or strategies, without which it is impossible to profit here (Cointelegraph, 2022). For these reasons, I think Bangladeshis will have to wait for some time to use it. But it is certain that if proper control and usage are known, it will bring great positive change in future business and economy in Bangladesh as well (Kader, 2022).

Bangladesh is a developing country, and there are many areas of potential in this country, it is our responsibility to develop them properly (Byron & Mirdha, 2021). I think the country will improve a lot in the future by overcoming all the odds.

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