The Tokyo Olympics must go ahead

Although they are one year later, the "2020" Tokyo Olympics are finally around the corner, with less than two months to go before the opening ceremony.

The Olympics have never been so uncertain or locally unpopular, driven by large parts of Japan, including the capital, Tokyo, being in a state of emergency due to COVID-19, with polls showing that 80 percent of Tokyo's population are against the Games.

The Japanese government under new Prime Minister Yoshihide Suga has so far resisted the pressure to cancel. But is Suga right to gamble Japan's health for a sporting event?

The Olympics are the most prominent global event a country can hope to host. Prospective nations would roll out the red carpet to woo the International Olympic Committee (IOC) in a bid to become the host city. The winner is "awarded" the obligation to spend billions of their citizens' taxpayers' cash to build the necessary infrastructure to host 339 events in 33 sports, with brand new stadiums, new roads and thousands of apartments to house the Athletes Village.

Ministers usually justify this huge cost by extolling the virtues of raising their country's profile, with billions of people watching the events on TV and millions of tourists flooding into the host city to boost the economy. Further prestige comes from bringing world leaders together to build strategic relationships and strike deals. The Olympics can also be a catalyst for new infrastructure, which will bring in jobs and investment. If done right, the Olympics can leave better services for local citizens to enjoy for decades to come.

However, COVID has raised the stakes of hosting the Olympics to unprecedented levels. Japan is already paying dearly for the event, with costs ballooning from the initial $7.3bn budget to potentially more than $26bn, the most expensive Summer Olympics on record.

The one-year delay to this Olympics alone has cost $2.8bn, and billions more are being spent on new safety protocols, maintaining the payroll of thousands of staff for another year and not being able to sell apartments at the Athletes Village, which comprises 5,632 luxury homes, to the private sector. Flight restrictions also mean the expected tourism income has plummeted. The Japanese people will be expecting a return on all of that investment.

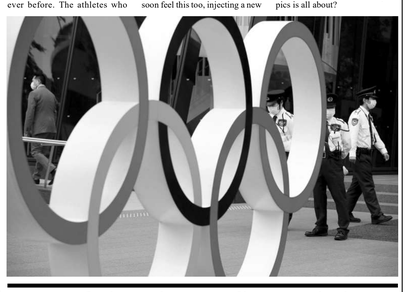
The biggest gamble, of course, is on the nation's health. Japan is battling a surge in COVID-19 cases, with residents questioning the wisdom of letting 15,000 athletes and their entourage from 200 countries into the country during a time of increasingly contagious variants. Japan has the most elderly population in the world, with one-third of Japan's people aged over 65, making COVID-19 a particular threat given its deadliness to the elderly. There may also be a further economic cost if the Olympics leads to more lockdowns. If Japan had the level of vaccination intake of, say, Israel or the UK, perhaps Tokyo residents would feel more comfortable, but less than 5 percent of the Japanese population has had a single jab so far.

The constant media speculation about whether the Olympics will go ahead must be corrosive for the event organisers, not helped by Tokyo's Olympic Chief Mori Yoshiro's resignation over his offensive remarks about women. As the costs and COVID-19 cases have mounted, the thought of pulling the plug has likely flashed across the mind of Prime Minister Suga. Surely any spike in the virus post-Olympics would be fatal for his government?

Yet, the Japanese government is right to resist cancelling the event. The tide against the pandemic is turning, and vaccine rollouts continue at pace across the world. As a technologically advanced nation, Japan is well placed to showcase its innovation and imagination to manage protocols through rapid tests, vaccines, tracking apps and, if necessary, virtual audiences. There is also no Plan B. The government has ruled out any further delays and cancellation would mean further costs through the breaking of contracts with broadcasters.

After 18 months of relentless battles against a common enemy, we need the Olympics more than ever before. The athletes who have trained for years, often against extreme adversity, echo the billions of individual stories across the world of people who similarly have faced life-changing challenges. Forfeiting the Olympics would be a painful symbol of defeat. The upside will come for Japan. The sceptical British public was downcast when the London Olympics started in 2012, with complaints about costs during a time of a recession and low attendance at events, but that was soon replaced with abiding memories of national pride as they hosted the greatest show on earth. Japan will soon feel this too, injecting a new sense of optimism and national honour that will leave a positive legacy, including inspiring their younger generations to take up a sport.

There is no reason why an advanced country like Japan cannot hold an excellent if slightly different Olympics. It may even spur some innovation and reform in the Games, which sometimes can feel formulaic. The arduous journey to get there would make hosting the 2020 Tokyo Games even sweeter as we witness humanity coming together against all odds. Isn't that what the Olympics is all about?



Afghanistan financial sector-Amid pandemic...

From P2

Afghanistan, being one of the countries most affected by the Covid pandemic, was expected was expected to face a large growth shock to our economy. However, to everyone's surprise our financial sector performed relatively well.

The good turnout was a result a monetary policy measure to prevent any further downturns.

Upon becoming the Governor of the Central Bank, I began my new role by bringing extensive reforms. Starting from institutional reforms by removing corrupt officials to changing procedures, regulations and eventually focusing on monetary policy and banking reforms. In the span of a year, I have developed 70 working procedures and regulations that lay a strong foundation of the central banking. As a result, private banks injected more than AFN 1 billion in additional capital to support and mitigate their capital position.

Another financial reform was the corporatization of Money Services provider (MSPs) and Foreign Exchange Dealers (FXDs), an effort to tackle money laundering and illegal monetary activities, which previously were disorganized and lacked proper reporting and transparency.

The corporatization of the MSPs and FXDs was a major challenge as it was vehemently opposed by a few persons within the sector, but has turned into a large success.

Next, let us examine DAB's monetary policy.

A large part of DAB's success can be attributed to the monetary policy regime. DAB was able to meet all monetary aggregate quantitative targets during 2020, and expects to be able to meet any targets for 2021.

In terms of growth, DAB has been able to mitigate the negative growth shock during 2020, as a result of the Covid-19 crisis. We now expect growth to resume in 2021, with DAB's forecast to be between 4-5%.

There may be some downside risk due to potential lower agricultural sector growth. DAB is reviewing various monetary and macro-prudential measures to support growth.

Reserves continued to grow during the first quarter of 2021, and we expect to be able to continue to grow reserves during 2021 by any international metric, Afghanistan has ample reserves to deal with most external shocks. To ensure that reserves contribute to the betterment of citizen's welfare, DAB has made improvements to the reserve management policies and management to align with best practices among central banks.

In sum, DAB has been able to meet the inflation target and increase Afghanistan's international reserve, while at the same time being able to reduce currency volatility.

We allow the market to set the exchange rate, but do so while reducing volatility. In this regard, recent changes to deepen financial market and improve auction procedures have contributed to this positive development.

Banking Sector

Beside the basic banking services, DAB has also taken initiatives to support local businesses access to finance. DAB finalized SME support package that includes actions to provide fiscal, monetary, and structural support for the sector.

We have structured the package to provide both immediate supports to combat the Covid-19 crisis, but also to provide a foundation for continuous support for the SME sector. In April 2021, DAB also initiated the lending program for industrialists, entrepreneurs, agricultures and craftsmen by commercial banks.

International Partners

DAB's performance as the country's main financial pillar has been regarded positively by international partners. As much as Afghanistan tries to be independent, the country still remains reliant on foreign aid for monetary and policy support.

Da Afghanistan Bank has been working in collaboration with international partners. International Monetary Fund (IMF) has been one of DAB's strategic partners. DAB works with IMF on three benchmarks, Safeguard Assessment and Extended Credit Facility programs.

IMF recently after completing their assessments, praised Da Afghanistan Bank on extending credit facility program.

The full IMF statement can be read here: IMF Reaches Staff-Level Agreement on the First Review under Afghanistan's Extended Credit Facility Arrangement.

"The team discussed with the Afghan authorities the implementation of economic reforms, commending them for prudent macroeconomic management under challenging circumstances as well as progress towards bolstering financial sector resilience." IMF Praising DAB's Performance

Author: Ajmal Ahmady – Da Afghanistan Bank Governor

Ajmal Ahmady is the Governor of Da Afghanistan Bank, who previously served as the Minister of Industry and Commerce and Economic Advisor to the President of Afghanistan. He also worked at various asset management firms and the World Bank for almost a decade.

He has two masters from Harvard (MBA and MPA/ID). Mr. Ahmady is previously published in Harvard Business School, The Hill and The Financial Times.

Students are doing the hard work – governments should, too

Like millions of other children, Mia Sulastri has been putting in extra effort to keep up with her studies. When her school in Indonesia closed due to the COVID-19 pandemic, the 17-year-old travelled 24 kilometres by motorbike, four times a week, to find a phone signal to receive messages from her teachers and email back her assignments.

Mia is one of the hundreds of students, parents and teachers Human Rights Watch has interviewed in 60 countries over the past year, to find out how they are trying to keep learning during COVID-19 school closures.

We heard repeatedly that children – who tend to escape the more severe symptoms of COVID-19 – have had to sacrifice the education to which they are entitled. The school shutdowns are part of public efforts to help protect the health and save the lives of their families, friends, teachers and those in their communities.

It is a trade-off students usually made willingly, but at a loss nonetheless.

We also heard that governments' failures before the pandemic to provide adequate public services or to welcome and include all students in schools, made the consequences of the pandemic even worse for children's education.

A 14-year-old girl in Lebanon told us that her English teacher cancelled online classes almost every time because of a lack of electricity. Lebanon has long failed to reform its dilapidated electricity system, so those who cannot afford a private generator are left without reliable power.

A principal at a school with a predominately Indigenous Alaskan student body said she had the best internet plan available in her community, costing her $315 a month. "I can start loading a web page and go sweep my floors while I wait for the page to load," she said. "I don't believe that going to online learning could ever be an option unless the internet infrastructure is better."

A second-grade teacher in Germany said that her school has long struggled to invest in technology. "Then the announcement came that Skype would be installed on the school computers," she said. "It turned out that the school computers did not have a camera, so the topic was closed."

In contrast, a teacher at a private secondary school in São Paulo, Brazil, which he described as "extremely privileged", said that he had already been teaching using a digital platform for five years: "In my world, things are pretty easy."

The pandemic did not cause these problems or inequalities, it just made their consequences worse.

Governments already had solid evidence about which children were disproportionately excluded from schooling before the pandemic – often girls, children living in poverty, with disabilities, or living in war zones. Yet these very same children felt the brunt of school closures particularly hard.

The Ugandan government should have provided 12 years of free education to the 14-year-old boy who told us he was selling biscuits on the streets of Uganda's capital to save for school fees, after his family's financial situation took a hit due to the pandemic.

The Armenian government should have predicted that it would be tough for the 14-year-old boy with a hearing disability whose mother we spoke to, to read sign language on a phone screen divided into seven for a Zoom class. The British government should have paid closer attention to ensuring that children from families living in poverty who get their main meal of the day at school did not go hungry during pandemic school closures.

The Iraqi father was right when he said it was not his 15-year-old son's fault that he could not write his own name – after years of schools being forced shut by ISIL (ISIS) extremists, and no schooling in the camp for internally displaced people where the family was living.

As the rollout of COVID-19 vaccines brings hope of an eventual end to pandemic-related school closures, it is clear that merely returning things to the way they were is insufficient and reckless.

So many students have been working so hard. Governments need to fulfil their own responsibilities. They should ameliorate, mitigate, and correct the long-standing structural inequalities in access to education, availability of free secondary education, and accessibility to learning in the virtual or actual classroom.

They need to track down children who do not return to the classroom when schools reopen and give them a reason to return, as they should for children who were not going to school even before schools closed. Governments should make primary and secondary education completely free and accessible for all children. They should erase inequalities in access to electricity.

They need to stop dithering, recognise that the web is now indispensable for children's education and expand affordable access to the internet. They need to end child marriage, a major barrier to girls' education. They need to structure education systems so children with disabilities, who are Indigenous, refugees, or live in poverty or war zones, are welcome and included.

Reopening classroom doors is just the beginning. **aljazeera**

Iran oil cargo landed on US shores one month after ship seizure, records show

A cargo of 1.033 million barrels of Iranian crude oil landed on US shores in March, data from the US Energy Information Administration (EIA) showed, the second shipment of Iranian oil to be imported into the United States since 1991.

The cargo was registered in EIA data released late last week for the month following the seizure by US authorities of the Liberian-flagged tanker Achilleas, which was transporting Iranian crude.

The EIA gave no other details on the Iranian cargo, and the agency could not be reached for comment outside of US office hours. Monday is a holiday in the United States.

The United States last recorded Iranian crude and petroleum imports of 3,000 barrels per day for October 2020, EIA data showed, also oil Washington had seized under its sanctions program.

Refinitiv Eikon shipping data showed that the Achilleas discharged its cargo at the US Gulf port of Galveston in March.

The seizure was in line with tough economic sanctions imposed by Washington on Tehran over its nuclear program and the US designation of a number of Iranian groups as terrorist organisations, continuing decades of rancor between the two nations.

Iran rejects US accusations of wrongdoing.

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