

Arson, anarchy, abdication of leadership in the garments industry

Perhaps the most important improvements in labour productivity come by way of what economists call "learning by doing". There are ample reasons to believe that years of work experience have led to significantly improved productivity of the work force in the garments industry. It is time to recognise this and pay workers better real wages, pay them their due, and pay them on time. This should in turn lead to further improvement in labour productivity and strengthen, and not diminish, the competitiveness of the industry.

MAHFUZUR RAHMAN

THE recent acts of violence and destruction in the garments industry of the country are deeply disturbing. As worrying as the response from the leaders of the industry and the nation. The owners of the garment factories have decided the supposed lack of tough measures to quell the present disturbances. The party in power, true to form, has sought scapegoats.

The Bangladesh Nationalist Party General Secretary and a prominent cabinet minister in the present government has, according to press reports, said that "local and foreign conspirators" might be behind the present outbreak of violence in the industry. This reminds one of the instant response of the party in power to the spate of bombings by Islamic fundamentalists last year. The opposition, possibly in league with some foreign powers, so the unfounded allegation went at the time, was behind these bombings. This time too the party has found scapegoats in dreamt-up conspiracies to destabilise the garments industry.

The leadership of the industry, for its part, has been beating its breast and pointing a finger at the government for not doing enough to maintain law and order in the factories. In what must be called a pathetic display, industry leaders in immaculate white shirts were seen lying on the not all-too-clean streets of Dhaka in protest against government inaction.

But don't we urgently need some introspection too? The garments

industry has been one of the best things that have happened to the economy of the country. Thanks to some pioneering work in the 1970s and 1980s and some benign forces of comparative advantage in international trade, the industry is now by far the largest source of industrial employment in the country as well as its largest foreign exchange earner. Yet how have we viewed the sources of success of the industry?

The bulk of the attention of industry leaders and other policy makers has always centred round questions of access to foreign markets. This was evident, for example, in the anxiety often expressed not so long ago over the fate of the industry after the termination of international Agreement on Textiles and Clothing on January 1, 2005. The erosion of preference received in developed countries generally has long been a considerable source of angst. In the event, they and other doomsayers were proved wrong. Exports of garments from Bangladesh continued to grow strongly.

There can be no disputing the importance of the question of market access for an industry that is primarily meant to cater for foreign demand. But the inherent strength of the industry to compete for markets lies at home. It would indeed be ironic if the industry leaders were to be seen as propagating the view abroad that the industry was in some sense weak and needed special market treatment, and at the same time sapping the inherent strength of the industry at home by their policy or the lack of it.

That strength of the industry is derived from the central role of labour in the production process, where it is translated into low labour cost. This must look like a trite proposition. But the crux of the present domestic problem of the industry lies precisely in this critical question: how did the industry leadership view the role of labour in the continuing strength of the industry in international markets?

Labour-management relationship in the industry has long remained a dangerously neglected area of policy decisions. Considering the importance of labour in the industry, the danger should appear more than usually large. To the owners of an unconscionably large number of garments factories, labour wellbeing probably appears at the bottom of the list of management priorities. Over the past decade hundreds of garments workers have been killed because of management failures, not the least of which were the numerous lapses in safety measures that have led to devastating fires and deadly stampedes. Collapsing factory buildings have led to many more deaths. Inhuman working conditions may have been silent killers in many factories. There are numerous reports of wages being unpaid or underpaid. While not all industry leaders fit the description of the Dickensian factory owner, many undoubtedly do.

That is the crux of the problem in the industry today. Which also suggests that there is an enormous scope for improvement. Perhaps a beginning should be made with the

recognition that real wages of garments workers needed to increase with improvement in their productivity. There is little doubt in my mind that such productivity has increased over the years, without there being any significant increase in real wages. One does not need sophisticated data to see this. Perhaps the most important improvements in labour productivity come by way of what economists call "learning by doing". There are ample reasons to believe that years of work experience have led to significantly improved productivity of the work force in the garments industry. It is time to recognise this and pay workers better real wages, pay them their due, and pay them on time. This should in turn lead to further improvement in labour productivity and strengthen, and not diminish, the competitiveness of the industry.

The neglect of these issues by industry leaders and other policy makers lies at the heart of the present problem. Conspiracy theories would not help. Nor would calls for measures of law and order. The return of a relative calm in the factories must not divert attention from the real problems that have been allowed to fester for so long.

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All about the Election Commission

What is needed is sincerity and seriousness from all quarters so that democratic institutions could become stronger paving the way for consolidation of the country's fledgling democracy. One hopes that the country's major political parties would sit together and devise ways and means so that the EC could enjoy greater power keeping the country's constitutional bodies above all controversy.

NURUL HUDA

THE Election Commission (EC), as it seems, has been suffering from indecision and uncertainties as regards revision of the electoral roll following the court verdict. It is being asked whether the EC is in a position to update the list of voters so that it becomes acceptable to all quarters with only a few months left for the elections.

Unless there is updated and correct voters' list one cannot expect free and fair polls in the country. The holding of credible and fair elections would mostly depend on flawless list of voters. One would hope that the EC would live up to the expectation in the discharge of the responsibility reposed on it.

Meanwhile, the Supreme Court (SC) upheld the High Court directives and observations of January 4 this year over the EC's preparation of a voter list for the upcoming elections with modification of two High Court directives. In a situation like this it is being discussed in different circles that in the interest of keeping the office of the CEC above any controversy Justice MA Aziz should find his way out.

The EC's expenditure of about Taka 60 crore for preparing a fresh voter list is also being seen as a mere wastage for the unilateral decision of Justice Aziz ignoring directives of the High Court. The CEC is being openly blamed for the huge loss of money of the public exchequer.

The demand for resignation of CEC Justice MA Aziz and three other Election Commissioners is becoming stronger. The AL-led combine, as it appears, will try to reap some political benefits out of the situation. If they succeed that would pay them some political dividends. His resignation would on the other hand, mean a face loss for the government.

The demand for resignation has, however, been rejected by the



CEC. The government on the other hand, considers that there was no reason for him to quit. The sooner the dispute over the issue is resolved, the better.

Neither BNP nor Awami League can really shrug off their responsibilities for the present state of the EC as both the parties have been in power alternatively since the fall of autocratic Ershad government in 1990.

The EC had to swallow allegations of being biased to the government and acting under its influence when the Awami League was in power. Now with BNP-led alliance in power the Awami League-led combine has been raising similar charges against the constitutional body. BNP was sharply critical of Awami League over appointment of Chief Election Commissioner MA Syed and Election Commissioner Shafiqur Rahman.

Syed was a retired secretary and a member of erstwhile CSP family. The reason of his not being acceptable to BNP was that he was incidentally born in Gopalganj, home district of Awami League Chief Sheikh Hasina.

The party was unhappy with Shafiqur Rahman, another CSP and

also a retired bureaucrat, as he was reportedly one of the key men behind "Janatar Mancha," which played an active role in pulling down the then BNP government in 1996. The results of 2001 elections, however, made it clear that the allegations brought against them had no basis.

The demand for resignation of CEC and Election Commissioners is nothing new in our country. Such demands, however, are not always backed by logic or reasons.

Meanwhile, the much talked about voters' ID card project initiated in 1995 to check fake votes, remains suspended for some years for reasons best known to the authorities. A total of over 4.55 crore voters' ID cards have been distributed after spending about 76 per cent of the estimated Taka 3450 crore of the project. Of the total cards distributed, between 5-7 per cent were with flaws.

Nothing is heard about the project or findings of the then Bureau of Anti-Corruption (BAC) in unmasking all those behind the plunder of the project money. Unless the project work is revived and issuance of voters' ID card resumes, the amount already

spent will be seen as mere drainage of public money. People have a right to know the fate of the project as the money spent was from the public exchequer.

Whether there will be dialogue between the ruling BNP-led alliance and the AL-led combine over the reforms of the Caretaker Government System (CTGS) and Electoral Reforms remains uncertain. But one would expect that some concrete steps are taken to strengthen the EC so that it could discharge the responsibility with greater dynamism and added efficiency.

The development partners of Bangladesh have also been raising the issue sometimes privately and at times openly. The new US ambassador to Bangladesh Ms Patricia A Butenis had a meeting with the CEC though the contents of the talks are not known to us.

What is needed is sincerity and seriousness from all quarters so that democratic institutions could become stronger paving the way for consolidation of the country's fledgling democracy.

One hopes that the country's major political parties would sit together and devise ways and means so that the EC could enjoy greater power keeping the country's constitutional bodies above all controversy. A stronger EC would ultimately pay dividends to them by reducing chances of any influence on the constitutional body by any party. In the process, Bangladesh's image would brighten as a country having cultures of democratic values.

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Where power corrupts, generation snaps

Although the State Minister for Power holds lack of fund responsible for the present crisis, well informed sources believe otherwise. In their opinion the donors do not feel confident to invest in this sector due to extreme corruption. If it was free of corruption there wouldn't be any dirt of local and foreign investors in this sector. The proposed two power generation plants of 120 mw capacity to be installed at Siddhirganj with ADB fund and their direct intervention from tender floating, processing and awarding work to the successful bidders is also allegedly feared to be foiled by some vested interests.

KAZI ALAUDDIN AHMED

THE State Minister for power has been caught off-foot for quite sometime. He has been in a desperate bid to convince the users of electricity of his earnest endeavours at ameliorating their grievances. In the course he has been much vocal about his handi-caps with the scanty installations for power generation across the country. Luxury or comfort apart of the city dwellers, his ministry has presented to the nation the Kansat tragedy at Chapainawabganj with a toll of twenty lives. Their offence was that they asked for power generation to keep their irrigation pumps on at the first instance. The failure of the power generation units kept on compounding the miseries of the farmers. It was but natural that they would consolidate their numerical strength to cry loud for power and survival. Golan Rabbani, reportedly a social activist having direct connection with the locality was elected, as the universal choice, to lead.

The situation eventually turned into a very strong, formidable movement. The local member of parliament wouldn't do anything positive. He also failed miserably to give the movement a political colour holding, as usual, the opposition parties (with pointed reference to Awami League) responsible for instigation. Such an unfortunate stance on his part put fuel to set in an absolute conflagration and waning law and order situation. The end result was police firing and other interventionist measures taking human lives. The aggravating situation was somehow contained though belatedly, by the government with commitment to meet the grievances of the people at the earliest. Things thus did calm down preemptively, chances of yet another outburst remaining there.

Coming by the heels of Kansat episode, among others, the incident at Shonir Akhra under Demra police station for electricity and water was yet another embarrassing situation for the government. The residents of the locality without identifying themselves with any political party organised as a strong social entity for seeking redress of their long standing demand on electricity and water. Here too, due to the apparent indifference of the local MP, the situation started deteriorating. At one stage the police and other law

enforcing agencies intervened with bullet, killing at least one and inflicting severe injuries to many. Exerting force of gun here was reportedly done at the instance of the people's representative of the constituency in the Jatiya Sangsad. The gentleman was chased by the mob and man-handled. His first express reaction in the electronic media had been again unfounded accusations against the opposition AL.

Between the two incidents, the nation had reports of other stray ones at different places of the country which are yet to take shape of Kansat or Shonir Akhra. Everywhere the people are raising their voices for electricity, water and gas. At such a moment of crisis, the State Minister for power made a funny revelation that the present difficulties in the power generation sector had been a perpetual phenomenon for the last 35 years of our national independence. Though he didn't tell specifically, such a historical reference could be construed to have been a very frail pretest on the part of the State Minister, failure of his government couldn't, in any manner, be a legacy of the past. Even if he holds it as such what would be his arguments in favour of the failure of the past two BNP governments, one might ask.

The truth has been that in spite of the short-fall in power generation the demand and supply didn't take such a vicious shape in the past as now. It is also equally true that the rate of shortfall has accentuated due to immense corresponding influx of demand. The growth has been enormous but the anticipation on the part of the governments since 1975 has been pitifully poor and erratic. It must be accepted as a stark reality that our planners in the administration machinery of the governments are unable to keep track with the tremendous growth in the industrial, commercial, housing sectors in particular. The rapid mechanisation in the agriculture and communication sectors vis-a-vis the massive strides in technological advances, etc are also not reckoned with in making both short and long term plans.

Alternatively, it could be some sort of enigmatic vision of our policy makers that has been a major stumbling block to a real and tangible development of the power sector. It is no use now blaming the IMF and the donor agencies for

belated release of fund. These are all lame excuses which the people will always reject. Instead let us look at the massive revival of the war-ravaged Vietnam which yields today a power generation capacity of 8400 mega watt for a total population of only eight crore. On the other hand, we here in Bangladesh with a total population of 14 crore have a paltry 3600 mega watt capacity to meet our needs. Shall our leaders in the government take lessons from this and many other South-Southeast Asian countries?

The decision-makers are now at their wit's end as to the course they could take to arrest the ever waning situation around power supply across the country. The government is now face to face with a record volume of power shortage. Since the commotion has been mostly in the urban areas it has been decided to curtail at least 300 mw from the rural supplies to divert to cities and towns. The current HSC examination, tremendous rise in temperature and steady supply of water to the urban dwellers have been at the cooling down of the turmoil partially. These are all mere stop got arrangements having no prospect of any tangible solution to the staggering problem. Meantime, there has been a growing realisation among the trade and commerce leaders, economists, intellectuals that only a long-term interventionist programme could give some positive results. Concurrently, the replacement of the old power generation plants along with routine maintenance of the comparatively newer ones will have to be done.

In spite of its importance in the national development programme the power sector remains ignored, inter alia, due to bureaucratic red tapes. Projects on enhanced power generation plants are reported to have been lying unattended for months together in the Planning Commission. Besides, the government departments concerned are also unable to take timely decision to keep things moving. The state minister himself laments specifically of mismanagement in the service part of the whole power generation system. He recounts too of his failure to make any addition to the existing capacity due to extreme financial constraints. In his own estimation the situation in the power sector is turning out to be terrible. May 18, 2006 eight power plants at

Ashuganj went out of commission due to fire. The grid at Bogra was also reported to have been suspended. For over two and a half years the process for installing 10 small power stations between 10 and 30 mega watts capacity has been going on. Yet the expected decision is not available due to in-house rift of the parties in power as to the award of tenders.

Although the State Minister for Power holds lack of fund responsible for the present crisis, well informed sources believe otherwise. In their opinion the donors do not feel confident to invest in this sector due to extreme corruption. If it was free of corruption there wouldn't be any dirt of local and foreign investors in this sector. The proposed two power generation plants of 120 mw capacity to be installed at Siddhirganj with ADB fund and their direct intervention from tender floating, processing and awarding work to the successful bidders is also allegedly feared to be foiled by some vested interests in the government. The reason has been that there is no scope for any one to mishandle the invested funds!

Mr. Iqbal Hasan Mahmood expressed his apprehension in a recent press conference that the present problem shall not be solved even in next three years. But he hasn't apportioned the liability of corruption and sharing the booties to the people of his ministry and different directorates. Nor we have known if the situation has been beyond his control. He has told us the partial truth. Hopefully, he will tell soon the full and absolute truth.

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Oil diplomacy pays off!

Oil diplomacy is paying off in international politics these days as has been reflected in the threat by Iran's President and its Interior Minister recently to deploy oil weapons if UN imposes sanctions against Iran on the issue of uranium enrichment programme. This being the situation, UN Security Council ponders twice whether sanction or tough measures would boomerang if Iran plays oil as weapon.

MOHAMMAD AMJAD HOSSAIN

ONE is really amused to see that Bush administration has awoken all on a sudden to declare that the United States has restored diplomatic relations on May 15 with Muammer Gaddafi's Libyan Republic, the oil rich country in northern Africa. This announcement was expected at least two years back when a deal was struck by Prince Bandar, former Saudi Ambassador to the USA, for compensation to the victims of the bombing of PAN AM flight 103 over Lockerbie, Scotland in 1988. Since the withdrawal of embargo against Libya in 2004, major oil companies of the United States have re-established link with Libyan government for drilling and exploration of oil. Libya is the world's eighth largest oil resource country.

The normalisation of diplomatic relations with Libya reflects the fact that Bush administration's pronounced policy of promotion of democracy becomes a rhetoric or political stunt as Libya is known to have one of the world's worst repressive governments and has been placed in "the bottom five countries in terms of free flow of information" by US based Freedom House that promotes democracy. State department in its report this year described Gaddafi's regime as authoritarian. It is an irony of fate that Bush administration has abandoned its mission of spreading democracy in the non-democratic parts of the world, particularly the Muslim world as has been reflected in the normalization of relations with Libya.

It is equally amazing to note the voice of a Republican, Ron Paul who said in the House of Representatives on April 5, 2006 that "even with the horrible results of the past three years, Congress is abuzz with plans to change the Iranian government. There is little resistance to the rising clamor for democratising Iran, even though current President Mahmoud Ahmadinejad is an elected leader. Though Iran is hardly a perfect democracy, its system is far superior to most of our Arab allies about which we never complain". Although he is correct to say so, but he is a lone voice.



The reason of restoring diplomatic relations was gradual sky-rocketing of oil prices and the trend of nationalization of foreign oil companies in the northern hemisphere and redrawing new contracts with foreign companies. These trends may have caused panic in oil markets. Newly elected President Evo Morales, an Indian aborigine, declared nationalisation of oil and gas fields in Bolivia.

While nationalising oil and gas fields President Evo Morales is reported to have accused foreign oil companies of the exploitation of the natural resources of Bolivia. His allegation is not without any basis. And President Morales is not alone in recognising the folly of the measures adopted by the past regimes in western hemisphere similar but harsh measures were adopted earlier by Venezuelan President Hugo Chavez.

Nationalisation of oil and gas fields has not caused any friction of interest or division among the countries in Latin America, which has been reflected in the recent summit meeting among the pow-

erful countries of Latin America viz Brazil, Argentina, Venezuela, Bolivia. This has been echoed by Brazil's President Luiz Inacio Lula de Silva, that "there was no crisis and there would be no crisis between Bolivia and Brazil". To express resentment against Venezuelan government of Chavez Bush administration has imposed ban on May 15, 2006 on the sale of arms from America. This imposition came at a time when Chavez declared to sale weapons to Iran, which Bush administration considers as supporter of terrorism. Spokesman of the state department gave the reason of imposition of embargo as Venezuela not being helpful in combating terrorism.

Other side of the coin is that China has aggressively been buying oil and gas from all over the world which might contribute to further rise of oil price. India is not lagging behind either.

Oil diplomacy is paying off in international politics these days as has been reflected in the threat by Iran's President and its Interior Minister recently to deploy oil

weapons if UN imposes sanctions against Iran on the issue of uranium enrichment programme. This being the situation, UN Security Council ponders twice whether sanction or tough measures would boomerang if Iran plays oil as weapon. This is what the Washington Post wrote: "Many believe that Iran's oil weapon could prove more useful than any nuclear weapon it might develop. Using a nuclear weapon would assure Iran's destruction. Using the oil weapon, by trimming exports to jack up oil prices and holding the world's economy hostage, could bring influence, concessions and if handled adroitly, tens of billion of dollars in extra revenue without any direct military conflict".

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