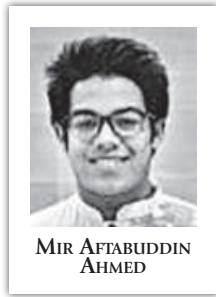


The dominance of business elites in the political economy



MIR AFTABUDDIN AHMED

THE term "neopatrimonialism" is defined by political scientist Christopher Clapham as a system in which "relationships of a broadly patrimonial type pervade a political and administrative system, which is formally constructed on rational-legal lines". In other

words, such is a structure where individuals with connections to power—through avenues of wealth and financial capital—carry superior socio-political precedence over those in constitutional posts. The increasing role of business elites in constructing the economic and political narratives of countries, including that of Bangladesh, has resulted in the institutional dependence of politics on the private sector. This has resulted in a system where business, rather than politics, is increasingly playing the most prominent role in defining the policymaking aspect of governance in our country.

Ever since the re-institutionalisation of parliamentary practices in Bangladesh in 1991, the country has witnessed widespread enhancements in its socio-economic capacities, leading to increased growth and higher aggregate wealth. With GDP growth rate hovering around eight percent, it is important to ascertain whether the quantitative increases in national income are benefiting the citizens of the nation equitably. The answer, if looked at deeply, is that it is clearly not.

According to a 2019 report released by the New York-based research firm Wealth-X, Bangladesh will witness the third quickest growth in the number of high-net-worth individuals in the world. The country's high-net-worth population, defined as having a net worth between USD 1 million and USD 30 million, is expected to increase by a compound annual rate of 11.4 percent up until 2023.

These figures, when considered in relation to the 2019 Household Income and Expenditure Survey of the Bangladesh Bureau of Statistics (BBS), paint a difficult picture. At a time when Bangladesh is considered the toast of the development world, the BBS survey indicates that increased GDP figures have simultaneously navigated the nation towards witnessing its highest levels of income inequality across its independent history. Therefore, it begs the question whether those who construe policies in this country are concerned about enhancing the scope for sustainable growth or, on the contrary, growth which benefits the richest in society. The answer to this question lies yet again in understanding the prominence of business elites in the country.

The private sector has played a unique role in lifting Bangladeshis out of poverty. In the past two decades, the role of investors has gone beyond

entrepreneurship and employment generation. Author Jalal Firoj, in his study titled *Forty Years of Bangladesh Parliament: Trends, Achievements and Challenges*, analyses the occupational backgrounds of Members of Parliament (MP) across parliaments; the seventh parliament (1996 to 2001) witnessed 47.8 percent of MPs being businessmen, with the percentage increasing consistently since then. The current parliament boasts a whopping 61 percent of businesspersons as elected MPs—the increasing dominance of

after analysing affidavits of about 740 candidates competing from both Dhaka North and South City Corporation elections, civil society platform Shushashoner Jonno Nagorik (Shujan) found that 73 percent candidates from Dhaka North City Corporation (DNCC) and about 74 percent from Dhaka South City Corporation (DSCC) are businesspersons. Therefore, it is safe to suggest that businesspersons feature front and centre within the governance structure of the country. Now, some may ask what the problem is in

business investment. Therefore, political parties have been more than willing to allow business leaders to get party nominations and influence political policy, thereby energising a system of neopatrimonialism which benefits only the richest in society. By investing time and money in politics, elite stakeholders such as entrepreneurs have both the tacit and tangible authority to determine policies which continue benefitting them, creating an intense relationship between money, wealth, power and politics.

A classic example of the problems arising from this structure can be seen across the banking sector of the country. Business elites with direct links to state power have successfully created a system where businesses acquire loans from public and private institutions, but are unable to repay the borrowed funds. Currently, this has led to a substantial increase in the number of loan defaulters across Bangladesh, resulting in an unstable banking system. The negative repercussions of this has primarily fallen on the working class, resulting in poor debt recovery within the banking sector and a constant culture of fragility within a growing financial system.

The increasing structural power of the business community has also resulted in the weakening of politics in general. Unlike the past, political movements nowadays stem not from philosophies to enact change, but rather from funds being diverted towards demonstrations, rallies, and protests. And the money for these activities comes from the very business elites closest to political power. Therefore, it is important to recognise that the key to politics and political activities lies not with the leadership of the country, but rather with individuals with wealth—in other words, with unchecked and unaccountable power.

It is positive to witness Bangladesh re-defining its journey towards economic success. However, if this success creates a structure where the wealthiest in society define the direction of the country, then no level of economic growth can support the civic development of the mass population. Military regimes such as that of the 1960s Ayub Khan-led Pakistan or the Hosni Mubarak regime in Egypt had indeed overseen periods of rapid growth and income generation but the benefits of this so-called progress went only to those closest to state power and not the people. If business elites are solely allowed to determine the direction of the country, then that nation's development is defined in the eyes of the wealthiest in society—and as such cannot be a driver of equitable growth. Therefore, it is important for the political leadership in Bangladesh to re-engage and prioritise the interests of the working class, and empower these groups to create a more equitable state-society relationship, truly recognising the meaning of a democracy.

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ILLUSTRATION: RUBAB NAYEEM KHAN

business elites indicates the power of wealth in defining political decisions in the country, a point repeated by even President Abdul Hamid over his tenure in Bangabhaban.

Even across smaller electoral platforms such as the upcoming Dhaka North mayoral elections, it is important to recognise that both the Awami League and the BNP have fielded veteran business elites for the key post. Mayor Atiqul Islam and his rival Tabith Awal come from the very heart of the industrial leadership in the country. In fact,

businessmen being involved in politics. And it is a logical question, especially given the fact that Bangladesh has reaped the benefits of industrialists investing their capital in sectors such as textiles and pharmaceuticals. Nevertheless, trends across electoral platforms indicate the primacy of money in acquiring political success, from campaign donations to hefty promises of investing in local infrastructure, wealthy elites have become a decisive interest group in party politics. In other words, politics is seen as a

It's good to talk



MOSTAFIZ UDDIN

WE need to talk more in the workplace. We need to communicate better. We need to get things out in the open, to air grievances, share our hopes, fears

and concerns and, where appropriate, ideas, aspirations and goals for the future.

Why? Because in any organisation, effective communication and high levels of productivity go hand in hand. A lot has been written about it with a wealth of research to back this up. In organisations where employees are comfortable to talk honestly and openly with their colleagues, people thrive and prosper. It's good for people and business.

I have recently written about the issues of industrial relations and, in particular, about the clashes we see in our industry between factories, unions, and employees. While there are many reasons why these clashes

take place and continue to damage the reputation of our industry, the underlying problem is communication or the lack of it.

When there's a gap in communication within organisations, problems emerge. Problems fester, issues go unresolved, workers become more and more unhappy, and eventually this breaks out into confrontations between owners/senior managers and workers on the factory floor, and in some cases including their union representatives.

It becomes an "us versus them" situation, with mistrust, anger, and frustration playing a role on both sides. We have seen in the recent history of the Bangladesh RMG industry how much damage can be caused when parties become entrenched in their respective positions. In many cases, what starts out as a small disagreement becomes something more serious and extensive. Sometimes, even workers who weren't involved are dragged into confrontations and forced to take sides. The damage—to the factory, to productivity, and to reputations—can be long lasting.

And yet, all these issues can be avoided if RMG factories have in place formal, structured communication mechanisms to facilitate constructive dialogues between respective parties and stakeholders, be they managers, supervisors, workers, owners, or union representatives. Discussions can be open, transparent, civilised, and with mutual benefits.

As well as reducing the risk of industrial strife, there are other benefits to good workplace communications. It is proven that when businesses fail to meet targets, it is often due to poor communication between employees regarding projects, including goals, milestones, and deadlines. It is vital, therefore, that a culture of talking is fostered within our industry.

Furthermore, good communication in the workplace is crucial for increasing accountability at each level of the business, from the garment worker to the supervisor through managers and the owners. Employees who are held accountable for their work and have a clear and distinct set of targets are better placed and more likely to finish their tasks on time, and that

too with high degrees of precision.

So, how can this communication be achieved? It is not rocket science. A daily discussion with line managers can ensure that all staff members are on track and placed to meet their respective milestones. This is also a chance for employees to have a clear understanding of what their colleagues are working on.

Such accountability breeds a win-win situation in the workplace. Employees held to account feel valued and are more likely to ask for help and support. This in turn leads to a culture where there is personal growth and knowledge development.

Another factor to discuss is that collaboration and teamwork are massively improved through better communication. A culture of open communication and dialogue means that issues are more easily resolved between different departments or functions within the business. As an example, in an RMG factory, if different departments such as marketing and R&D are often clashing, why not create a clear line of communication in the form of regular meetings so that these separate

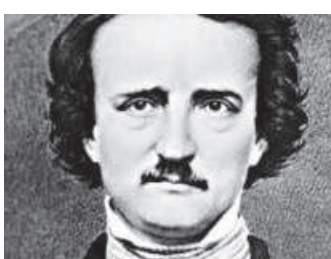
functions can gain greater awareness of each other's work and progress? In turn, they could support each other in solving problems and come up with innovative ideas if able to communicate effectively.

Communication is vital, but it does not happen by accident. If an RMG factory does not have open and clear lines of communication between employees and managers at all levels of the company, this needs to be established and nurtured. Do all employees feel they have a direct line of communication to superiors when needed? Are they comfortable approaching bosses or do they worry it could reflect badly in the future?

If not, it's imperative that factories encourage communication training and workshops. Communication is a skill to be learnt and a tool for successful businesses. A few words—some quiet encouragement or gentle reassurance—can stop a small problem becoming a large issue.

Mostafiz Uddin is the Managing Director of Denim Expert Limited. He is also the Founder and CEO of Bangladesh Denim Expo and Bangladesh Apparel Exchange (BAE). He can be reached at mostafiz@denimexpert.com

ON THIS DAY IN HISTORY



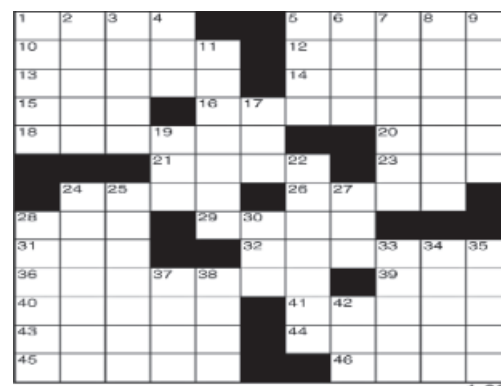
JANUARY 29, 1845

'The Raven' published

American author Edgar Allan Poe's "The Raven" was first published, appearing in the *New York Mirror*; a melancholy evocation of lost love, it became one of the best-known poems in American literature.

CROSSWORD BY THOMAS JOSEPH

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|---------------------------|-------------------------|--------------------------|
| ACROSS | 32 Sailor | 7 Widespread |
| 1 Glasgow native | 36 Iodine source | 8 Keeps |
| 5 Sows' mates | 39 Gorilla or gibbon | 9 Furrowed |
| 10 Comic's forte | 40 Betrayed nervousness | 11 Vacation spots |
| 12 Tree-lined walk | 41 Grow toward evening | 17 Ram's mate |
| 13 Tony winner | 43 Geriatrics study | 19 "60 Minutes" network |
| Worth | 44 Use, as force | 22 Cajole |
| 14 Island south of Sicily | 45 Lingerie item | 24 Ancestry |
| 15 Greedy one | 46 Historic times | 25 Tummy relief |
| 16 Blue-green hue | | 27 Greek vowel |
| 18 Manatee | | 28 Be audibly shocked by |
| 20 Be a contender | DOWN | 30 Purpose |
| 21 Make tea | 1 Fleet makeup | 33 Library stamp |
| 23 Conclude | 2 Science's Marie | 34 Wagner forte |
| 24 Endure | 3 Letter after psi | 35 Polite chaps |
| 26 That woman's | 4 Great weight | 37 Meander |
| 28 Bar staple | 5 Crimson Tide school | 38 Nervous |
| 29 Cooking fat | 6 Norwegian king | 42 Firefighter's tool |
| 31 Kitchen invader | | |



YESTERDAY'S ANSWERS

P I N A T A P I E S
 E R A S E R O N T O
 T E M P L E S T A Y
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 D U E L A V A T A R
 O N C E L A R E D O
 T O T S A L L D A Y

BETLE BAILEY

by Mort Walker



BABY BLUES

by Kirkman & Scott



WRITE FOR US. SEND US YOUR OPINION PIECES TO dsopinion@gmail.com.