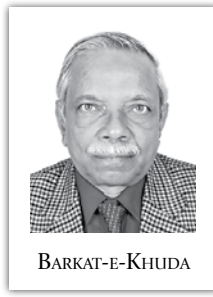


# How will the global economic downturn affect the Bangladesh economy?



BARKAT-E-KHUDA

**T**HE Covid-19 pandemic has caused unprecedented economic loss, which was more severe in the first half of 2020 than was earlier anticipated. The International

Monetary Fund (IMF) World Economic Outlook Update (June 2020) has projected negative global growth of a higher magnitude (-4.9 percent) in 2020. This is due to several factors. First, there has been a major downturn in GDP growth, particularly in the second quarter of 2020, especially in the advanced economies (-8 percent), the oil-exporting countries such as Saudi Arabia (-6.8 percent), and the Middle East (-4.7 percent). China will grow at 1 percent only, while India's growth will contract by 4.5 percent. In 2021, positive global growth is projected, but it will still be below the 2019 level.

Consumption and services have also declined sharply due to declines in output (20-25 percent), with consumer expenditure declining by around one-third, according to the Organisation for Economic Co-operation and Development (OECD) in June 2020. On top of this, the pandemic has caused huge unemployment—around 305 million full-time jobs across the world—with the youth and women being more disproportionately affected.

According to the World Trade Organisation (WTO), global trade will experience considerable negative growth (-13 percent) due to the pandemic, which will contribute to the projected negative global growth as well. Finally, prices of almost all commodities have declined sharply,

especially crude oil prices, declining by half, from USD 60 per barrel of oil in October to December 2019, to USD 30 per barrel of oil in May 2020.

How will this impact Bangladesh? Bangladesh's GDP growth, which has averaged around 8 percent during the past few years, has been disrupted by the outbreak of Covid-19. The incidence of poverty has also increased, and over two million people could be added to the ranks of the poor in 2020. The reported number of unemployed people now ranges from 10 million to 15 million, compared to 2.7 million in 2017.

Economic growth in Bangladesh, until the beginning of the pandemic, has been helped largely by four major drivers of growth—export earnings, especially from the ready-made garments (RMG) industry, remittances sent by migrant workers, growth in the agricultural sector, and expansion in cottage, micro, small and medium enterprises (CMSMEs). The first two are largely affected by external factors, although domestic factors can also play their part.

The RMG sector is the biggest source of foreign currency earnings for Bangladesh. Manufacture and export of RMG accounts for 13 percent of the GDP, and employs around four million people. Together with the knitwear sector, it contributed over 84 percent of total export earnings during the last financial year. Due to the global recession, growing trade tensions between the US and China and decline in oil prices, overall exports, including that of RMG products, have been declining. Total export earnings and export earnings from the RMG sector amounted to USD 30.18 billion and USD 25.71 billion respectively during July 2019 to May 2020, which is 18 percent and 19 percent lower, respectively, compared to the same

period during last financial year.

The industry has been facing a severe crisis, with mass cancellations of orders (around USD 3 billion), a virtual freeze on new business, delayed shipments, and heavy reliance on import of fibres and other raw materials from China. As a result, about one-quarter of the total number of factories are struggling to cope or survive, leading to huge unemployment (around two million),

pandemic level to the major countries of export—USA, UK, the European Union, India, Japan, Canada, Australia and China—which are all hard hit by the global economic downturn and are experiencing huge unemployment and the resultant decline in consumption? Under such unfavourable conditions, it would not be reasonable to expect that our exports will rebound to its pre-pandemic level or even close to it in the

individual levels as well.

Bangladesh received USD 18.20 billion remittances in the fiscal year (FY) of 2019-20, compared to USD 16.42 billion in FY 2018-19. However, due to the outbreak of the pandemic in major destinations for Bangladeshi migrant workers (Middle Eastern countries, USA, UK, Malaysia and Singapore) and the drastic fall in global crude oil prices affecting the Middle East countries, growth in remittances will quite likely slow down. The pandemic is pushing our migrant workers into unimaginable vulnerabilities. Tens of thousands of workers have already been sent back to Bangladesh. To deal with the problem of the returnee migrants, the government has undertaken several measures to protect them.

The greatest challenge would be for countries, where Bangladeshi migrant workers were in employment before the pandemic, to revive their economies to the pre-pandemic level. It is highly unlikely that, given reduced economic activity, the price of crude oil will rebound to its pre-pandemic level in the foreseeable future. It is not clear how long it would take for such economies to rebound to their usual economic activities and create demand for migrant workers. Thus, until such time, the migrant workers will have to wait to get jobs overseas.

Given the adverse affects of the global economic downturn on our export earnings and inward remittances, our foreign currency earnings are highly likely to be reduced, which will make it difficult for Bangladesh to achieve its desired level of economic growth.

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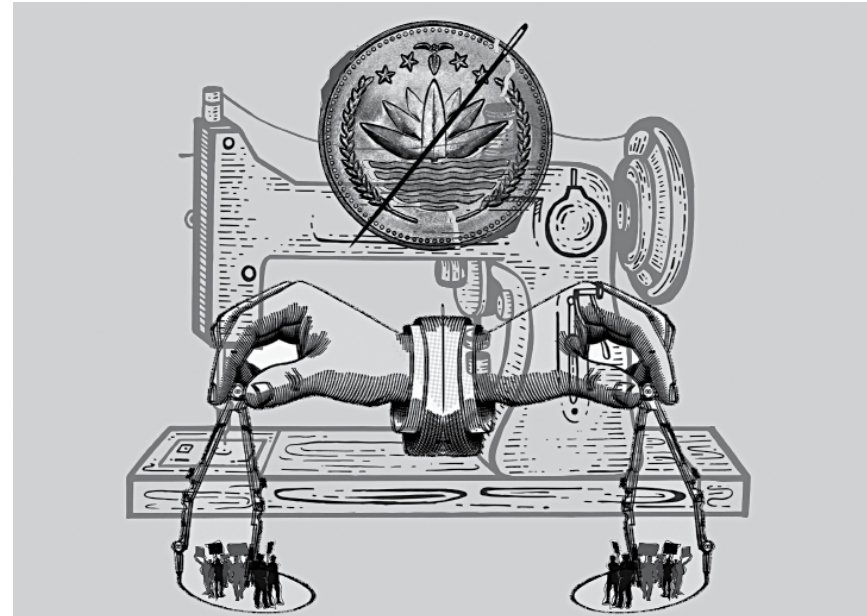


ILLUSTRATION: KAZI TAHSEN AGAZ APURBO

a projected decline in exports from March to May 2020 of around USD 5 billion and unsettled liability of about USD 2 billion.

In the face of these challenges, the government has undertaken several measures to protect the sector. However, it is quite unlikely that the sector will be able to produce at its pre-pandemic levels in the next six months or so. More critically, even if it does, will it be able to export at or near the pre-

## The pandemic of racism

*Adivasis in Bangladesh are facing greater discrimination during Covid-19*



MYAT MOE KHAING

**I**MAGINE waiting for a bus at a station when someone shouts "Corona, Corona, Corona!" while pointing at you. Instantly everyone looks at you and you

wish to disappear into thin air for being held responsible for a deadly virus.

While the world grapples with Covid-19, reports of racist attacks are rising globally. In the West, Asian people are getting yelled at in public spaces. In February 2020, parents refused to let doctors and nurses of "Asian appearance" at the Royal Children's hospital in Australia to treat their children. Northeastern Indians who have East Asian features have been denied health services in India.

According to the World Health Organization (WHO), social stigma in the context of health is the negative association between a person or group of people who share certain characteristics and a specific disease. They are labelled, stereotyped and discriminated against because of a perceived link with a disease.

People who don't have the disease but share other characteristics with this group may suffer from stigma. In the case of Covid-19 in Bangladesh, it mostly translates to indigenous communities or *adivasis*, and even the few Bengalis who have East Asian features.

According to the UN, indigenous people are inheritors and practitioners of unique cultures and ways of relating

to the environment. They have retained social, cultural, economic and political characteristics that are distinct from those of the dominant societies in which they live. The same distinctive attributes are being pointed out to corner them. Statements such as "Dekhho dekho Chakma jacche" (look there goes a Chakma!) are being used to alert others to stay away from *adivasis*, lest they should infect others.

Associating *adivasis* with coronavirus is actively giving the pandemic a racial identity. This results in the false and bigoted belief that an ethnicity is causing the outbreak. It is a lazy and convenient attempt at making sense of the pandemic. Such hostility is a reminder that indigenous communities are treated as outsiders in their own land even though they are the earliest known inhabitants to certain regions of the country.

Racial slurs reinforce the idea of the "other". Other cultures, other foods and other attire become inferior cultures, inferior foods and inferior attire. "Tomra naki shap, bang khao?" (do you really eat snakes and frogs?)—indigenous food still raise eyebrows for being labelled as unhygienic and unacceptable.

In reality, *adivasis* use their knowledge of their unique environment and traditional food systems to survive off the land. Variations in traditional food systems result from differences in geographical locations, the availability of food species, access to animal migration routes and plants species, and traditional hunting and fishing practices. For generations, traditional ecological knowledge is passed down through oral teachings, storytelling, and experiences on the land.

To term those food practices as

"disgusting" and the cause of spread of the virus is a result of ethnocentrism. It is basically saying, "Only my practices are right, the rest are to be held against our standards."

The normalisation of racial slurs dehumanises ethnic minorities by equating them to the disease, unwanted and deplored, so it becomes easy to scapegoat and attack them. Does it not shift the blame of the spread of the virus from poor policies to the lifestyles of marginalised communities? Does it not deviate the discussion from effective solutions to racial prejudices?

Covid-19 and social isolation impact people's usual routines or livelihoods, leading to elevated rates of stress and anxiety. In addition to social isolation, economic uncertainty and a pandemic threat, indigenous communities have to deal with fear.

Fear is the key ingredient for racism to thrive. Every time *adivasis* encounter racial attacks, they retreat deeper into themselves. Even when they aren't experiencing direct incidents, just the knowledge of it happening to their friends and families can cause them to feel anxious. Many on the receiving end of racism don't feel comfortable engaging with aggressors, especially when facing purposeful acts of racism than more subtle micro-aggressions. Saying "Adibashider aro bhalo kore check kora uchit" (*Adivasis* should go through more thorough security checks) while entering a supermarket is an intentional public humiliation. Engaging with them could feel like giving them more voice and power.

When you are being targeted and nobody intervenes, there is an implicit sense that the attitude is acceptable. Hence, staying silent often becomes the

only measure of self-protection. At the end of the day, it is you versus everyone else in the room. This intolerance in public gives unwarranted license to others to do the same. It undermines the effort invested in the integration of *adivasis* in mainstream spaces. Many *adivasis* come to cities for education, jobs and a better future. How do they

feel, knowing that they are unwanted and unwelcome? Stigma can prevent indigenous people infected by Covid-19 from seeking help by getting tested. They will be left to suffer alone in silence. In this pandemic, there are already limitations in resources. Racism limits *adivasis'* access to resources. The marginalised will be more marginalised, unheard and unseen.



PHOTO: AFP

Humans have a long history of turning their fear of disease into unwarranted panic about people and

encouraged people to call the disease caused by the novel coronavirus by its scientific name, Covid-19, in an attempt to fight the stigma. Past pandemics have exposed and increased existing inequalities, and this one is no different. If history is to serve as a guide, racism must be treated as a grave risk that is as contagious and as deadly as any virus. Battling one pandemic with another will only leave us defeated.

Myat Moe Khaing is a pricing manager at Gramephone.

### ON THIS DAY IN HISTORY



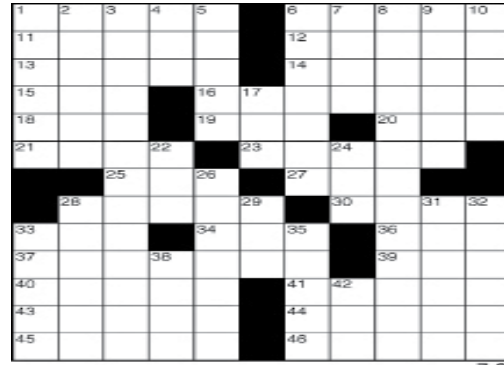
**JULY 8, 1497**  
**VASCO DA GAMA'S FIRST VOYAGE TO INDIA**

On this day in 1497, Vasco da Gama sailed from Lisbon with a fleet of four vessels, and he ultimately opened a sea route from western Europe to Asia by way of the Cape of Good Hope, ushering in a new era in world history.

### CROSSWORD BY THOMAS JOSEPH

- |                          |                             |                         |
|--------------------------|-----------------------------|-------------------------|
| <b>ACROSS</b>            | 34 Suitable                 | 5 Myrrh, for one        |
| 11 Stair part            | 36 Got together             | 6 We count in it        |
| 6 Some statuary          | 37 Ornate                   | 7 Radius partner        |
| 11 Plentiful             | wardrobe                    | 8 Breakfast choice      |
| 12 Dominant              | 39 Memorable time           | 9 Prosper               |
| 13 Floods with junk mail | 40 Barrel piece             | 10 Laced with profanity |
| 14 Canine warning        | 41 Less bright              | 17 Swamp stuff          |
| 15 Paint buy             | 43 Church leader            | 22 Deli choice          |
| 16 Parent's warning      | 44 Tony winner              | 24 Negating word        |
| 18 Ring great            | Worth                       | 26 Disobedient folks    |
| 19 Fruitcake bit         | 45 Mail-order               | 28 Slow mover           |
| 20 Vining plant          | pioneer                     | 29 Polite address       |
| 21 Mascara target        | 46 Hamper                   | 31 Peaceful             |
| 23 Slow-witted           | <b>DOWN</b>                 | 32 Rude person          |
| 25 Suffered from         | 1 Knave                     | 33 Docket listings      |
| 27 Japanese drama        | 2 Gazelle's kin             | 35 Luke-warm            |
| 28 Breaks, in a way      | 3 Threat to England in 1588 | 38 Finished             |
| 30 Fling                 | 4 Shade tree                | 42 Common verb          |
| 33 Nasty dog             |                             |                         |

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### YESTERDAY'S ANSWERS

GLOB SQUAD  
LOLA SHANIA  
AGES ARNOLD  
DOGEARED  
HOGWARTS  
COSINE EYE  
ORATE ZAIRE  
INN PINNED  
FOG BOUND  
ABLAZE NADA  
TEASET TIES  
MASTS ELSA

### BEEBLE BAILEY



### BY MORT WALKER



### BABY BLUES



### BY KIRKMAN & SCOTT

