

Mr. Powell's agenda and ours

We reiterate our pledge to root out terrorism

THE visit of the US's Secretary of State, Colin Powell, to Dhaka takes place amid intermittent monsoon rainfall, blossom of *Kadam* flower, and the enhanced expectation of a nation that has always looked upon the US as a partner in trade, development and international collaborations.

Mr. Powell's agenda during this visit may encompass a number of things. *The Daily Star* would like to put forward ours before Mr. Powell that will resonate the hopes and aspirations of our common mass. Before doing so we would like to say that we feel deeply gratified and honoured that Bangladesh's global image has been elevated lately by the US's showering of eulogy for the democratic achievements that our comparatively new nation has achieved so far.

Political freedom is often held back by economic debacles. We in Bangladesh know that very well. Hence we expect that the US would beef up its flow of investment, aid and grants to this friendly nation; allow quota free access to the export of Bangladeshi garments to the US (a facility the US had already extended to many African and Caribbean nations); remove the name of Bangladesh from the infamous category 1V immigration stratification (necessitating registration of Bangladeshi non-immigrants); and allow more students, entrepreneurs and other types of visitors to the US by easing the existing visa processing rigidities.

The road toward a lasting diplomatic partnership is paved with multi-layered avenues of give and take. As the only other Muslim majority country aside Turkey and Malaysia with a functional democracy and a *laissez faire* economic model, Bangladesh has a lot to reciprocate with the US's genuine intent to restore the privileges that Bangladesh has had enjoyed prior to the 9/11 incidents of terrorism in the US.

The US's proposition to co-opt the services of the Bangladeshi peacekeepers in Iraq is undoubtedly a welcome gesture. But Bangladesh would prefer to render such a service within the mandate of the UN, as it has always done in the past. With regard to the reconstruction efforts in Iraq, the US is expected to facilitate Bangladesh's participation as a genuine partner in the Iraqi reconstruction. Some of our companies have extensive experience and expertise to make the Iraqi reconstruction story a successful one.

Mr. Powell must also be cognizant that, we in Bangladesh take a principal stand against any form of terrorism as a means to political ends. This avowed policy of our nation has been demonstrated time and again through the unfettered cooperation we had extended to the US in its global war against terrorism. Nothing will be more gratifying for us than the US's acknowledgement of this genuine intent of ours.

Passage of supplementary budget

The parliament fails to play its due role

THE Jatiya Sangsad gave approval to an additional expenditure of over Tk 2,150 crore by passing the supplementary budget for the outgoing fiscal 2002-03 on Tuesday.

To endorse all government expenditures before a new budget comes into effect is part of parliamentary practices. But the way the supplementary budget was passed created the impression that the treasury bench was in undue haste while dealing with a very important component of public expenditures. Though some opposition legislators took strong exception to the huge amount of money spent on payment of telephone bills and sumptuary allowances, the passage of the supplementary budget had a surprisingly easy sailing.

It is not unusual for the government to go for additional expenditures, but such expenditures must come under the close scrutiny of the lawmakers to ensure financial accountability. The whole idea of formulating a budget might lose its meaning if the parliament blindly Okays all additional expenditures without closely examining whether there was sufficient ground for drawing such a huge amount from the public exchequer.

So, there should have been elaborate discussion on the additional expenditures and the parliament was expected to play a responsible role in the matter. The government, for its part, cannot afford to lose control over public expenditures. If there were avoidable expenditures, the need was to place everything before the parliament and allow the lawmakers to have a clear view of how the additional expenditures reached such a staggering figure. It was certainly not an issue that could be disposed of so quickly, and so bluntly.

The treasury bench apparently relied on its majority to push through the supplementary budget, paying little attention to the need for a detailed discussion on how the public money was spent in an injudicious stance in our opinion.

M JINNAT ALI MIAN

THE Readymade Garment (RMG) emerged as an export item of Bangladesh in early 80s.

Today, this industry contributes 76 per cent of the total national export earning. The growth of backward linkage industries like fabric, accessories is due to the RMG sector.

The country's growing sectors like Banking, Insurance, Hotel and Restaurant and Tourism, Transport, Telecommunication including consumers' industries are the gifts of the RMG. Thus the sector indirectly employs over 10 million people of Bangladesh.

The vibrant growth over a period of two decades has been possible, principally, due to the preferential treatment of quota protection in the US and GSP facilities in the EU enjoyed by Bangladesh.

BGMEA, a conglomerate of 3600 Garment Manufacturers and Exporters directly employs over 1.8 million workers, 80 per cent of which are women and most of them are from the downtrodden rural households who would otherwise have been the net burden to the society.

RMG has turned them into income generating members of their families on one hand and critical parts of the engine-of-growth of Bangladesh on the other. Their employment in the garment sector has enshrined the women empowerment in Bangladesh and has changed their attitude to modern life.

The contribution of RMG to the national economy can hardly be over emphasized. However, the remarkable contributions of the industry may be summarized as:

In 2001-2002 fiscal year, total export earnings from garment industries was US\$ 4583 Million which was 9.5 per cent of Bangladesh's GDP.

Readymade Garment (RMG) Industries have generated direct employment opportunities for 1.8 million workers of which 80 per cent are female workers. Besides, more

than 0.8 million workers are engaged in accessory industries related to the garment industries.

10 million people are indirectly dependent on this sector.

With the growth of RMG industries, the business of banks, insurance, hotels, tourism, transport, buying houses, C&F, shipping and many other accessory operations, have flourished to a great extent.

Share of RMG industries in the manufacturing GDP of the country during the fiscal year 2001-02 was about 29.7 per cent.

The sector disburses US\$ 302 million as remuneration of workers and employees.

Garment Industries pay US\$

The information technology sector gets US\$ 9.5 million from this sector.

The sector generates US\$ 25 million as earnings for the real estate sector as office and factory rent.

The hotel and tourism sector earns US\$ 4.33 million from the sector.

0.2 Million workers are engaged in the Waste Recycling Industry, related with the industries.

The sector has helped growth of many domestic consumer industries in the country.

In addition of its contribution to the national economy the RMG is performing its share of responsibility

Programme in September 2001 to raise further awareness among the workers and the management. Regular fire evacuation drills have been made customary to all BGMEA member factories.

Since October 1998, with the help of the United Nations Population Fund (UNFPA) and Government of Bangladesh, BGMEA is implementing a project titled "Family Welfare and Reproductive Health Education Services for Garment workers" in Dhaka. More than 100,000 workers have been benefited from this project and has contributed to the reduction of population growth in the country.

The United Nations Population

have made the sector "the Engine of Growth" which has been possible due to the preferential treatment in the form of Quota in the US market and GSP facility in the EU market.

But, unfortunately, the engine seems to have been dwindling down with the phasing out of the MFA and introduction of the Free Trade regime under WTO from January 01, 2005. For being the world's one of the least developed countries, the growth of Textile was not enough to feed its rapidly growing Readymade garment industry with required quantity of fabrics. As a consequence the export of Bangladeshi garments will be severely marginalized in the Free Trade

socio-economic experiences on the one hand and have adopted to the urban life style on the other. The retrenched male workers will not have any possible alternative of employment elsewhere, but to add to the social evils and anarchy, which will go beyond any boundary measures of the government. That means a total socio-economic malaise might emerge in the country.

Bangladesh, even being an LDC, has been contributing to the world peace and tranquility. For example: Bangladesh is the biggest contributor of peacekeeping forces to the United Nations.

The country has also been called the 'World Leader' by the US State Department in the effort to end the Child Labour from Garment sector which is being replicated in many countries under the supervision of ILO.

In view of the above, it is explicitly clear that the ability to keep the pace of socio-economic development in Bangladesh and to maintain the sustainability of the garment export in the international market depends on its getting the duty free access to the US market.

We have come to know that 18 Muslim countries including Bangladesh are being considered under a new Trade Act providing duty free access of their exports to the US market. If this proposal comes to light, Bangladesh will be able to overcome the possible socio-economic disaster after phasing out of MFA on January 01, 2005.

In fine, we urge upon the Government of the United States of America to allow duty free access of readymade garments of Bangladesh to US market to salvage the industry thereby minimising the forcible socio-economic imbalances in Bangladesh which will not have any significant impact on the US economy.

M Jinnat Ali Mian is the second vice president of BGMEA.

The contributions of the garment industry have made the sector "the Engine of Growth" which has been possible due to the preferential treatment in the form of Quota in the US market and GSP facility in the EU market. In view of the above, it is explicitly clear that the ability to keep the pace of socio-economic development in Bangladesh and to maintain the sustainability of the garment export in the international market depends on its getting the duty free access to the US market.

35.50 million as interest and L/C charges to the banking sector.

In insurance sector, the premium earnings from RMG sector amount to US\$ 5.83 million.

The sector pays US\$ 62.33 million to the shipping business.

It pays US\$ 26.17 million to the domestic transportation sector.

RMG generates revenue earnings in the forms of postage, license and renewal fees to the tune of US\$ 6.17 million.

The sector contributes US\$ 1 million to the Export Promotion Bureau.

It contributes US\$ 2.33 million as direct tax to the national exchequer.

An amount of US\$ 3.5 million comes as professional service charges from RMG sector.

The RMG sector pays US\$ 13.67 million to the engineering sector.

It pays an amount of US\$ 3.67 million as Gas and WASAbills.

to social sector development some of which are summer sized below:

BGMEA has set up world-wide replicable model for eliminating child labour from the garment sector of Bangladesh with the active support of Mr. David N. Merrill the then US Ambassador in Dhaka. After retrenching these child labours, BGMEA has been providing non-formal education, skill development, part-time employment and a subsistence stipend to compensate their income loss with the cooperation of ILO and UNICEF.

BGMEA has established ten Medical Centers for the garment workers in Dhaka, Chittagong and Narayanganj in collaboration with UNFPA. The Medical Centers are providing free primary health care, medicine and advocacy services on Reproductive Health issues to the garment workers.

Giving a top priority on prevention of fire and eventual evacuation, BGMEA conducted a Crash

Fund (UNFPA) will provide technical assistance worth US\$290,000 to BGMEA during the period 2003-2005. The assistance will be used for creating awareness of the garment workers about reproductive health, gender issues, prevention of AIDS. Under this project, a total of 300,000 Readymade Garment workers of 375 factories in Dhaka and Chittagong will get services.

It has been mandatory to cover workers under group insurance policy of all member factories.

BGMEA has undertaken construction of a 150-bed modern hospital in its own land at Mirpur, Dhaka to provide effective health services to garment workers.

A three-year project embodying improvement of work place environment, improvement of occupational health and safety and labour standard has been going on with the partnership of BGMEA and ILO.

The contributions of the garment industry as has been outlined above

regime where the Textile producing giants like China, India, Pakistan, Hong Kong, Taiwan and Indonesia will take the market share to their hearts' content as the benefit of Free Trade World.

In the backdrop of the above, 72 countries of the LDCs in the Caribbean and Sub-Saharan African countries have been offered duty free access to US market under TDA-2000. Unfortunately Bangladesh has been left out of the preferential treatment of US Government.

As an impact of the above, maximum number of garment factories will go out of business throwing 800,000 to 1,000,000 of the workers out of jobs which has been substantiated by international studies and seminars in Europe. This will bring about a socio-economic havoc to Bangladesh the incidence of which might be felt outside. Because the retrenched women workers will find it difficult to go back to the village home of which they have the bitter

Chirique and Herr Gerhard Schroeder, forcing a split in Atlantic Alliance and EU itself. Such audacious unconcern with the icons of a gone by age needs to be studied with care by governments and intelligentsia of South Asia.

Two specific facts in South Asia have to be grasped: One, although India is certainly a large country, has a longer shore line and a bigger population entitling it to a bigger and larger military role in the world and more influence. But Indians are dogged by Pakistanis who insist on keeping up with the Indian Joneses in some fashion. Right or wrong, Indian nukes cannot but terrify most Pakistanis. It is also obvious that Pakistani nuclear WMDs mounted on missiles cannot but cause a matching mistrust in India. There is no way of overcoming this mistrust, as one has essayed to impress in this space. A resolution of this problem lies only in (a) total destruction of the nuclear weapons; and (b) a thoroughgoing reconciliation between the two peoples, indeed of much of South Asia, in which there is total transparency and cooperation in all matters, including military.

superimposed on a conventional build up. It is perhaps the only place where two sets of hawks sing praises of nuclear WMDs -- that scares the hell out of others. Both India and Pakistan are constantly in need of foreign support to their respective stances. But whoever extends support to either does so for its own sake -- in pursuit of its own objectives and interests. What no one in India's or Pakistan's political class is thinking happens to be the most natural -- the cheapest and most beneficial -- option of

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It is easy to be pessimistic about the prospects of India and Pakistan in the emerging world situation, as indeed one has noted in this space so many hurdles on the way to their friendship. But let no one forget the thousand and one commonalities between India, on the one hand, and Pakistan, Bangladesh, Sri Lanka and Nepal, on the other. And Indo-Pak rapprochement -- the need of which is enhanced in the new world order -- can be best anchored in a South Asia, that is reconciled within itself, such as EU became the best way in which France and Germany could finally bury their hatchet. That is a better way to face a unipolar world.

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