

No elegy for jute

Just recently, when the government took a rather hard-line in closing down more jute mills, a few economists even pointed out that by using half of the money that the government would be spending for finishing the mill-closure formalities (i.e. payment of arrears and others), it could have run those mills after sorting out the existing problems.

REAZ AHMAD

MUCH has been said about jute -- about the prospect of survival and revival of the "golden fibre" of Bangladesh. But it is not enough yet. While people speak or debate on the jute issue from their diversified stand-points they often tend to position themselves in a hostile situation -- they think their views are so dissimilar from each other that there is no converging point.

But, this notion is utterly perplexing, specially when one can see that there are enough common grounds to share, and learn from, rather than being argumentative and rigid.

While the post 1/11 caretaker regime sees the issue from the economic point of view that public money should not be wasted in running the production-inefficient state-run jute mills, independent economists and civil society members, particularly those having sympathy for the jute workers and their families, consider closing down of mills as a punishment to the workers for the failures of the management and corruption in Bangladesh Jute Mills Corporation (BJMC).

Civic forums and rights organi-

sations are campaigning for the revitalisation of the sector and criticising the government policy of mill closures. A citizens' body, Public Commission on Jute and Jute Industries, is now working on a report in this regard.

On the other hand, the World Bank, which has been associated with Bangladesh's jute sector reforms since the '90s, maintains that the poor financial performance of jute mills continues to be a major concern. Today, BJMC is the second largest loss maker among public sector manufacturing enterprises, with annual losses of Tk.2.3 billion, accounting for over 50 percent of total manufacturing SoE (state-owned enterprises) losses in FY2006.

In 2002, jute sector reforms got a new lease of life with the closure of Adamjee Jute Mills (AJM). This alone led to a decrease in BJMC's losses from Tk.3.9 billion in FY2002 to Tk.2.1 billion in FY2003. It also led to an increase in BJMC's productivity, which jumped from roughly Tk.25,000 per employee in FY2001 to Tk.39,000 per employee in FY2003," the World Bank Country Director in Bangladesh Xian Zhu wrote in a recent article.

Despite shutting down of many

state-run jute mills in recent years, and retrenchment of hundreds of jute workers, the time has not come yet to sing an elegy for the natural fibre. Every cloud has a silver lining. While, the government, World Bank, and civil society members are holding various critical, and sometimes very dissimilar, views on jute sector reform, they all have got one thing in common -- and that's the most important one -- HOPE for resurgence of jute in Bangladesh.

All the stakeholders in the jute sector might have severe differences of opinions on how to handle the jute sector and manage the mills, but it's very pleasant to note that none of them has actually ever said: "Jute is doomed in Bangladesh." Rather, they all are hopeful that good policy support combined with necessary reforms, cost-production rationalisation, and creation of level-playing field for private jute mills, can still bring about a jute renaissance in Bangladesh.

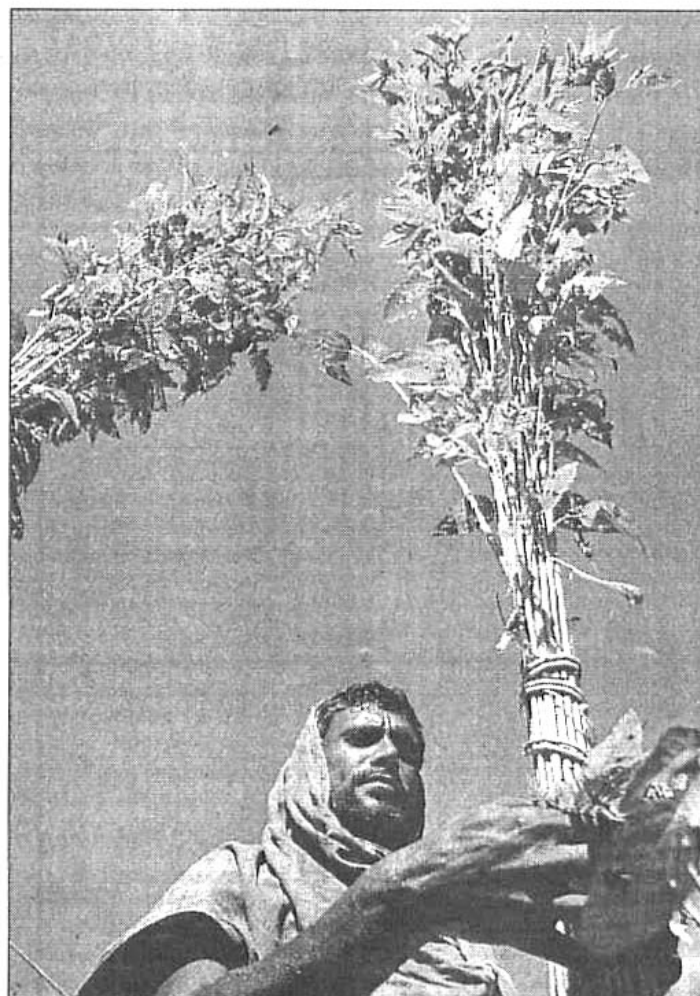
From this rare unison of positive notes of all the stakeholders about jute, we should find paths to rejuvenate the jute sector and regain the rich legacy of the "golden fibre" of Bangladesh.

The danger is not that synthetics will crowd out the demand for jute in international markets; it lies in our own inefficiency in operating the mills properly, and in the rampant corruption and non-accountability, and patronisation of non-cost-effective state-run mills by means of guaranteed bank loans year after year.

Just recently, when the government took a rather hard-line in closing down more jute mills, a few economists even pointed out that by using half of the money that the government would be spending for finishing the mill-closure formalities (i.e. payment of arrears and others), it could have run those mills after sorting out the existing problems.

But, as some say, its easier said than done. These jute mills actually carry a legacy of problems, ranging from unnecessary, politically motivated manpower recruitment to fund misuse, to loan non-repayment, to machinery wearing out -- all due to sheer negligence toward the jute sector by the successive political governments. No one possesses any magic to quick-fix all these in one go.

Now, a new thinking is brewing in government circles; to lease out all the state-owned jute mills in phases to stop spending on them. Press reports suggest that the jute ministry has initiated a move to strike management-outsourcing contracts with interested private parties, based on production sharing, to efficiently run the eight jute mills, instead of divestment.



The public sector jute units under the lease-out process include four closed mills -- People's Jute Mills, Karmaphuli Jute Mills, Forat-Karnaphuli Carpet Factory and Qoumi Jute Mills. Four

others are Alim Jute Mills, where a lay-off has been announced, Dhaka-Baghdad Jute Mills, RR Jute Mills and MM Jute Mills.

The idea is to enter into five-year production sharing contracts with

private entrepreneurs for the eight mills, as the government cannot guarantee the operation of the mills after their privatisation. It is something new by way of which BJMC can avoid losses, but can keep the industrial units in operation and earn some money as well.

We think that before the government embarks upon any new experiments with the much-neglected jute sector, it should further engage with other stakeholders, share their concepts, and listen to the workers, managers and the private parties. Let's not forget, once jute was on top of our export basket and used to fetch the highest amount of foreign currency.

When jute was the country's main export item, the activities were more rural based, rooted in agriculture. This had a broad based distributional effect on the rural economy. But slowly jute lost its edge in the export basket, from 59 percent of the total export earning in 1983-84 to only 4.7 percent in 2004-05.

Until the beginning of the privatisation of jute mills in 1983, the number of jute mills under state ownership was 77, which has now been brought down to a mere 18. Before we further narrow down our state-run capacity to produce jute products, we must give it a serious thought.

And, mind it, prudence does not rest with the government only -- we have to listen to other stakeholders' views too. After all, jute is a national asset -- grown over the years, much to the credit

of toiling farmers. Jute farmers had hard days when even the market did not give them the production price.

Now that things are changing for the positive -- and growers have started getting relatively better price -- it's high time for policy planners to give back the honour of producing the "golden fibre" to them (growers).

Bangladesh was all through the major provider of raw jute to the mills set up by the British in Calcutta. But then the scenario changed, and India has been the leading jute producers since the 1970s. Today, it produces 1.977 million metric tons of jute while Bangladesh produced only 963,000 metric tons in 2003-04.

The more recent growers, like

China and Thailand, decreased

output in the 1980s and 1990s.

Myanmar, Nepal and Brazil are just

some small producers on the edge.

Dhaka houses the International

Jute Study Group (IJSJG). The

government should also make

better use of IJSJG expertise to get

clues on how to steer the nation's

pride sector -- jute -- to a new

height. IJSJG must have records

and documents about how India

prospered in the jute sector over

the years -- and those were the

same years when Bangladesh's

jute sector suffered the most

setbacks. May be a sheer coincidence, or maybe not?

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Death from all sides

A nine-minute police video made in the moments after the shooting shows helicopters similar to those used by Blackwater still hovering over the wreckage of charred, smoking and bullet-pocked cars. The graphic images include footage of burned human remains and show the street littered with brass bullet casings.



KEVIN PERAINO

SINCE the fatal Sept. 16 Blackwater USA shooting in Baghdad's Nasoor Square, officials from the private security company have insisted that their guards were responding to fire from "armed enemies." Yet, an extensive evidence file put together by the Iraqi National Police and obtained by Newsweek -- including documents, maps, sworn witness statements and police video footage -- appears to contradict the contractors' version of events. A confidential incident report, which has been provided by Iraqi National Police investigators to American military and civilian officials, concludes that the Blackwater vehicles "opened fire crazily and randomly, without any reason."

A nine-minute police video made in the moments after the shooting shows helicopters similar to those used by Blackwater still hovering over the wreckage of charred, smoking and bullet-pocked cars. The graphic images include footage of burned human remains and show the street littered with brass bullet casings. They also show what appears to be a police officer waving a pistol at the scene; the footage was captured by a different police officer, who had run over from the nearby Iraqi National Police headquarters (portions of the video have been previously broadcast; it was

recorded without sound).

Iraqi National Police investigators also believe that Blackwater's helicopters fired on the cars from above, according to confidential police documents and interviews with senior police officials. A memo written on Sept. 17 by the lead Iraqi police investigator states that shortly after the shooting began, "helicopters opened fire from the air toward the cars and civilians." Gen. Hussein al-Awadi, the commander of the Iraqi National Police, told Newsweek that the trajectory of some of the bullet wounds could only have been caused by fire from the air. "If anyone moved -- whenever they saw someone leaving -- either the convoy or the chopper shot him," says Ali Kalaf Salman, an undercover Iraqi National Police officer who was working as a traffic cop at the scene (one of the police documents lists 17 fatalities and many more wounded from the shooting. Other accounts have put the death toll at 11).

Blackwater officials have acknowledged that their helicopters were at the scene of the shooting, but have denied that the guards in the choppers opened fire. In statements from Blackwater guards provided to the U.S. State Department and obtained by ABC News, the guards say they were fired upon by uniformed Iraqi police officers and others dressed in civilian clothes from multiple locations near the traffic circle. Still

images provided to the network show a Blackwater vehicle pocked with five bullet marks. Anne Tyrrell, a company spokesperson, said shortly after the incident that the company "acted lawfully and appropriately in response to a hostile attack in Baghdad ... The 'civilians' reportedly fired upon by Blackwater professionals were in fact armed enemies and Blackwater personnel returned defensive fire."

Yet, Iraqi policemen and other Iraqi witnesses told Newsweek that the Blackwater contractors opened fire unprovoked. "No one shot at Blackwater," says Col. Faris Saadi Abdul, the lead Iraqi police investigator. "Blackwater shot without any cause." Al-Awadi, the National Police commander, says that minutes after he heard the shooting begin, he rushed to the scene, which is just around the corner from the National Police headquarters (he says he was accompanied by a unit of American military trainers embedded with his police). "We were trying to figure out why they were shooting," he told a Newsweek reporter at the National Police headquarters in Baghdad over the weekend. "We tried to find a reason and we couldn't." He says that his men searched the civilian cars at the scene, but didn't find any weapons. When Iraqi investigators later stopped a different Blackwater convoy near the scene of the shooting, the general says that the Blackwater guards

refused to comment about the incident.

At the Iraqi National Police headquarters in Baghdad on Saturday, witnesses to the shooting milled around the halls, waiting to provide investigators with additional statements about the incident. Sirhan Diab, a traffic policeman who was working in Nasoor Square at the time of the shooting, said that he'd told his story to at least four separate investigators, including American military and civilian officials (he says that as far as he knows, nobody from Blackwater has contacted him directly).

The traffic cop, dressed in a crisp white shirt with blue epaulets, told Newsweek that he had been alerted by radio to the arrival of the Blackwater convoy shortly before the vehicles approached Nasoor Square, just after noon on Sept. 16. About 30 minutes before, Diab says, he'd heard an explosion in the distance that sounded like a car bomb, but says that it didn't worry him because "it was far away" (in the statements obtained by ABC, the Blackwater guards said that a car bomb exploded near the site of a meeting of the official that they were protecting, prompting them to evacuate).

Diab says that he stopped oncoming traffic to allow the Blackwater vehicles to pass. As the convoy pulled into the circle, according to Diab, the Blackwater guards began throwing bottles of water from their vehicles -- a signal to stay back. Yet shortly after the convoy slowed to a stop in the circle, he says, the Blackwater guards "started shooting randomly." One of the bullets hit the driver of a white Kia that had stopped near the roundabout (Blackwater guards have said they felt threatened because they believed the car was continuing to move toward them). Diab says that he and another policeman, Ali Kalaf Salman, rushed to the car and tried to pull open the doors. As they did, the Blackwater guards intensified their fire.

The Blackwater men said in their written statements that they believed a policeman was "pushing" one of the vehicles -- which the guards suspected to be a car bomb -- toward the circle, which prompted them to fire. When asked whether he was pushing the Kia, Salman, the undercover police officer, laughs. "When you see someone get shot, you try to help them," he says. Salman says he was carrying a 9mm Glock, but kept it holstered throughout the shooting. ABC reported that Blackwater guards also said they saw one person pull out what appeared to be a trigger device for a bomb. But the Iraqi policemen suggest that perhaps the edgy Blackwater guards mistook everyday items for lethal weapons. "I pulled my radio out to call an ambulance, and they

shot at me," says Diab.

When the traffic police arrived at the white Kia, a woman in the car "was crying and holding her son," says Salman. As the shooting intensified, the two policemen said they were forced to flee on foot across the square. They say they looked on as the guards fired at the Kia from all directions. "Whenever they saw movement inside the vehicle, they started shooting," says Salman. Eventually, the men said, the Blackwater guards launched larger projectiles -- perhaps rifle-fired grenades -- at the white Kia, setting it on fire. The video obtained by Newsweek shows a large-caliber shell casing at the scene.

The convoy then continued around the traffic circle, according to a confidential Iraqi police diagram obtained by Newsweek and provided to American investigators. According to the accompanying incident report, the Blackwater guards opened fire on an Iraqi Army checkpoint on a nearby road leading away from the square. The convoy also apparently sideswiped at least one Iraqi civilian vehicle in the circle. Samir Hobi, 40, says he got out of his car and complained to the Blackwater guards about the damage. He says one of the guards shouted back: "Shut up or I'll shoot you."

Iraqi officials have long chafed at what they perceive to be arrogance on the part of American contractors, and the fact that they are not technically subject to any local laws. In the immediate aftermath of the Nasoor Square incident they tried to ban Blackwater from Iraq (though they later relented and agreed to a joint U.S.-Iraqi investigation of the incident). Iraqi officials have maintained from the beginning that the incident was unprovoked. The Iraqi National Police force is itself controversial. A recent report by retired Marine general James Jones concluded that the force was infiltrated by sectarian loyalists and should be disbanded.

At times, the official National Police version of events seems to be tinged with hyperbole. Al-Awadi, the National Police commander, told Newsweek that there were "hundreds -- hundreds -- of American vehicles" on the scene shortly after the incident. That is almost certainly an exaggeration. Still, the Iraqi police accounts also roughly jibe with the stories of civilian eyewitnesses interviewed by Newsweek shortly after the shooting. Iraqi officials have hinted that additional videotapes of the incident may exist, that have yet to be made public. Ultimately, it may take further sifting of the hard evidence before investigators can determine what really happened at Nasoor Square.

Every time a natural disaster occurs, we appeal for global assistance, and the generous fund providers are never miserly in providing us with required funds to overcome the damage done. Funds, in the form of relief assistance, come to give us food, shelter, rehabilitation and health care, but all these measures are short term. To a certain extent, preparedness measures are also involved, which are too meager in a broader perspective. The five largest donors to Bangladesh are the World Bank, the Asian Development Bank, Japan, the European Union, and USAID.

Since 1994, humanitarian aid provided by the European Community Humanitarian Aid Office (ECHO) has played a crucial role in international emergency assistance, responding to natural disasters which struck Bangladesh, providing annually around 30 million of food security support through the government, WFP and NGOs. In the 2004 flood, Japan's cumulative assistance was about \$6.2 million for food, clothing, soap and clean water. Responding to flood in 2007, the UK has given £1.9

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Development and disaster

Temporarily, we get the needed food, shelter and medicine but, subsequently, our development sector suffers the most for lack of external funds which we desperately need for capacity building and for self-sustainability. Thus, in the long run, we always remain at risk of increased social vulnerability, which provokes further disasters and further need for more funds as humanitarian assistance, creating a vicious cycle of suffering and poverty.

ZULFIKUR AHMED AMIN

BANGLADESH is a naturally disaster-prone country by virtue of its location on the Bay of Bengal, which is augmented by interference in natural processes by neighbouring countries and the present global warming caused by indiscriminate exploitation of nature by the developed countries.

Bangladesh is situated at the interface of two contrasting settings, with the Bay of Bengal and the north Indian Ocean to the south and the Himalayas to the north. This gives the country the life-giving monsoons on one hand, and catastrophic disasters like tropical cyclones, storm surges, floods, droughts and erosion, on the other.

About 5.5% of cyclonic storms form in the Bay of Bengal, and about 1% of cyclonic storms of the global total hit Bangladesh. On the other hand, if the tropical cyclone disasters in which the minimum death toll was 5,000 are considered, then it is found that about 53% of the total number of deaths globally occurred in Bangladesh.

Thus, it is seen that with 1% cyclones hitting Bangladesh, it is the worst sufferer in terms of human casualty. These disasters cause huge loss of lives and property and impede the development activities. While Bangladesh is already struggling with these disasters, the country is likely to be affected by the biggest ever, long lasting, and global scale human-made disaster in the foreseeable future.

Every time a natural disaster occurs, we appeal for global assistance, and the generous fund providers are never miserly in providing us with required funds to overcome the damage done. Funds, in the form of relief assistance, come to give us food, shelter, rehabilitation and health care, but all these measures are short term. To a certain extent, preparedness measures are also involved, which are too meager in a broader perspective. The five largest donors to Bangladesh are the World Bank, the Asian Development Bank, Japan, the European Union, and USAID.

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million of immediate aid, providing food, water, shelter and medicines. All these donations are directed to meet the impact of disasters.

Disasters affect the whole nation, but it is the poor and vulnerable who are most prone to environmental degradation and natural hazards and who are likely to suffer the consequences through death and displacement, and the systematic loss of development gains. For them, it produces a vicious cycle of poverty. During disasters we are offered humanitarian assistance at the cost of developmental assistance from the global forum.

Temporarily, we get the needed food, shelter and medicine but, subsequently, our development sector suffers the most for lack of external funds which we desperately need for capacity building and for self-sustainability. Thus, in the long run, we always remain at risk of increased social vulnerability, which provokes further disasters and further need for more funds as humanitarian assistance, creating a vicious cycle of suffering and poverty.

The relief-development distinction is useful to describe two responses to human need that are premised on very different foundations. Relief is generally perceived as the short-term provision of physical commodities to victims of an acute crisis. Development, however, is understood as a process that enables chronically marginalised individuals, households, and communities to achieve greater self-reliance in meeting human needs. Self-reliance does not necessarily imply self-sufficiency, but enhanced capability through economic, social, and political change. This is achieved through the expansion of physical, human, and social capital, expanding economic productivity, social organisation, and political power.

In one sense relief and development processes are diametrically opposite. For instance, it is argued that through the provision of goods and services, the relief approach creates a dependency relationship between donor and recipient. This dependency relationship reinforces long-term structural constraints to development, weakening household and community self-reliance. Our present outlook towards disaster is focused mainly on the impact of the disaster only, and the result is apparent, despite the flow of funds we are dipping more into crisis and poverty.

A long term vision for development assistance rather than humanitarian assistance to face future onslaughts of disasters by capacity building and sustainability of efforts can be a

worthy approach. If we can strengthen our development sector, the marginalised population will leap above the poverty line and will develop the ability to cope with any disaster, and there will be only marginal changes in their socio-economic status, which they can regain by self-help without plunging into the poverty cycle.

The mathematical model of disaster says:

Disaster = Hazard x Vulnerability / Capacity

In the light of this model, the current natural disaster mitigation approach, where efforts are only directed to reducing the hazard, the component of nature, initiated, guided and directed by nature itself, can only treat the cause but cannot prevent it; whereas putting more efforts in reducing vulnerability and increasing capacity building can yield relatively permanent measures against natural disasters, which can only be attained by more attention to the development sector.

After the 2004 tsunami, India

and Thailand declined any external

humanitarian assistance,

though there was a flood of money

from the donors (estimated \$8000

per victim) to Indonesia, Sri Lanka

and Maldives, and an evaluation

analysis considered it a disastrous

wastage of money to face a disaster

without looking to the future.

Mitigating the adverse effects

of disasters is inextricably linked

to promoting sustainable develop-

ment. What is, therefore,

required to both improve humani-

tarian assistance during disasters

and accelerate progress towards

social development is a comprehensive

two-pronged approach that puts energy

and resources into preparedness for

catastrophic events, while simultane-

ously investing in mitigation and

development processes that aim to

reduce risk.

Continued donor support is vital

to sustain the safety net, but it is

imperative for us to decide how and

where to use the money to bring real

benefit for our society. We cannot

forego our interests for the interests

of the donor agencies, which will

lead us deeper into the crisis and

make us more dependant on them,

sacrificing our own sovereignty for

them to decide what is best for us. So

the real issue is: "Do we need food as

assistance during disaster, or tools

for self-reliance?"

Dr. Zulfikur Ahmed Amin is a specialist in Public Health Administration and Health Economics.

I am grateful to Brac University and All India Disaster Mitigation Institute to allow me to be a participant of a short training course on "Disaster Risk Management and Risk Transfer" held recently.