

The problems are compounded by the fact that orders are down from every single retailer in the US and Europe with the exception of Walmart.

if the situation continues, as many business plan for the future with expected profits. A substantial decrease such as the minimum of a 10% drop in prices the buyers are currently clamouring for could cripple the sector. Faruque continues, "The next three-four months are very critical for Bangladesh's garment sector. If we can sustain ourselves for the next four months, then maybe, we would be able to ride out the recession," he also cautiously added, "the access to credit should continue at any cost for the garment entrepreneurs."

Md. Fazlul Hoque, President of BKMEA says, "We need support from the government immediately if our sector is to be protected from the external shocks of the global recession. We have already asked for cash support and sought policy support regarding bank interest rates and banking rules." His major worry was how long the government would take to act on their demands. Others view this bailout strategy as questionable. Prof MA Taslim, chief executive officer of Bangladesh Foreign Trade Institute, says, "Talk of reducing bank rates and essentially asking for government subsidies do not make complete sense to me. Our banks survive on the garments industry, they are its meat and drink, but there is no way they can lend at lower rates than they are currently offering. We shouldn't jeopardise the banking sector just to help out another sector. We must keep our priorities in order."



Abdus Salam Murshedy, President, BGMEA

Prof Taslim raises some important issues, but most within the garments industry would probably disagree with his ideas. They see this as a crisis that must be avoided at all costs and in a way they are right, but by simply bending over backwards and providing them with everything they asked for would set a dangerous precedent. With that idea in mind Prof Taslim says, "this storm will be weathered by the companies that are willing to move with the times. Dynamic companies, those which are willing and able to change the way they think are the ones that will succeed." The companies that do