

# Business inclusiveness offers new opportunities

*Bridging producers and consumers*

PEOPLE living under the poverty line in the Asia and Pacific region have reduced drastically to about 21% over the last two decades. This has largely been made possible as countries across the region have adopted growth models that have deviated from traditional poverty reduction programmes to that of “inclusive growth” which directly help the poor and vulnerable. It is interesting to note that inclusive business has found a home in Asian economies that integrates low-income producers and consumers in their value chain.

The concept remains largely unexplored in Bangladesh. Yet across the border, the Indian dairy giant Amul which has become a global name has used inclusiveness as the driving force on the road to success. One of the key ingredients that made Amul what it is today is its ability to establish a sustainable supply of raw materials at a competitive price. It effectively brought the suppliers under the umbrella of the company to provide a smooth supply chain that benefits the business enterprise, the milk producers who get a fair price for their product and the end consumer is assured of the best quality at a price that they are willing to pay.

The International Finance Corporation estimates that 4billion people in the world live on less than US\$3,000 per annum and spend approximately \$5,000billion to pay for basic needs such as food, transportation, housing and health. Only a few companies, mostly in household cosmetics and fast food sectors have started using inclusiveness as a workable model.

There is undoubtedly serious potential for business inclusiveness, particularly in the agricultural sector where many of the largest corporate houses in the country have now become involved. We have witnessed in the RMG sector the benefits of composite factories which produce everything from weaving to churning out the final product. Similarly, institutionalising a value chain that would include farmers, particularly marginal farmers with producers could potentially revolutionise the way we do business, help reduce poverty and increase income levels of the rural populace.

# Manpower export problem with UAE

*Resolve it with utmost priority*

THE statistics speak loud and clear as far as current year's manpower export to UAE goes. In January with 33,073 Bangladeshi workers going there, the upward trend continued until July. Then in September, the figure went down from 2,337 in September to 351 in October and barely inched up to 355 in November.

Needless to say, this is something of disaster in view of the rapid decline in manpower export to UAE in a matter of less than a year. This stands in contrast to the overall figure between 2008 and 2012 when the country hosted as many as 13,78,433 out of a total of 28,53,203 Bangladeshi workers sent to various countries, according to BMET statistics.

The UAE has not officially given reasons behind its action but from various sources it is gathered that just as Bangladeshis are second highest in number there, incidence of crime among them is also rising. Also, many of them have lost legal status. Understandably, Bangladesh has broached a proposal to constitute a joint committee with UAE to thrash all obstacles in the way of restoring the prospects of work for those who have been sent back. The bleak signal will have to be reversed as well. In any case, efforts must energetically pursued at the diplomatic level to revive the manpower export market in UAE.

Let's not forget that when the export markets in Kuwait in 2008 and in Saudi Arabia and Malaysia in 2009 were shut off, it was UAE which remained a prized destination for our workers. We cannot allow the misdeeds of some Bangladeshis to spoil the image of greater number of workers in the country, or for that matter, elsewhere.

The overarching need is for a concerted strategy among all agencies involved with manpower export as well as their counterparts in the host countries to ensure sustainability of manpower export to countries with

# THIS DAY IN HISTORY

- December 8
- 1912

Leaders of the German Empire hold an Imperial War Council to discuss the possibility that war might break out.
- 1953

US President Dwight D. Eisenhower delivers his "Atoms for Peace" speech, and the US launches its "Atoms for Peace" programme that supplied equipment and information to schools, hospitals, and research institutions around the world.
- 1987

The Intermediate-Range Nuclear Forces Treaty is signed.
- 1991

The leaders of Russia, Belarus and Ukraine sign an agreement dissolving the Soviet Union and establishing the Commonwealth of Independent States.
- 2007

Benazir Bhutto, first and only female former Prime Minister of Pakistan, had her PPP Office stormed by unidentified gunmen. Three supporters are killed.

# Another take on RMG sector unrest and tragedy

SHADID ALAM

AT the risk of sounding like a conspiracy theorist or an alarmist, I would like to offer my own take on the spate of recent trials by fire being undergone by the country's RMG industry, the most tragic being the more than one hundred lives perishing at Tazreen Fashions.

Significantly, there were similar incidents, if not with the same number of fatalities, immediately preceding and following the Tazreen disaster. You could call it a manifestation of Murphy's Law, and it could well be that, or, it could be that in conjunction with poor safety standards and/or a planned attempt by vested quarters to at least severely damage a sector that earns the highest foreign exchange annually for the country through export.

Together with remittances sent by Bangladeshi workers employed in foreign countries, the RMG sector contributes significantly to Bangladesh's economy in general, and foreign exchange earnings in particular.

Given that Bangladesh has been relying inordinately for a number of years on one particular sector for the bulk of its export earnings (a tenuous situation in itself), one does not have to be a rocket scientist to understand the disastrous impact it would have on Bangladesh's economy if it was damaged in any significant way.

The question, then, is: Can legitimately be asked if there is an ongoing concerted effort by unknown quarters to do just that? The crucial point to be taken into consideration here is just who benefits from Bangladesh's predicament, and how? Not to say, 'why?'

Conspiracy theorists would have a field day in offering conjectures towards unravelling any sinister plot, that is, if there is such a plan in the first place. If there is, that would really be alarming for the country in more ways than one. Furthermore, if, indeed, there is one, then there could be any number of players, both internal and external, with complex agenda matrices, and that could easily prove to be nightmarish to unravel. The one certainty in all these scenarios is that the conspiracy angle cannot be totally ruled out. It might not be the eventual explanation, but it is at least well within the realm of possibility. We will return to it shortly.

Of course, the stark reality is that

safety failures were instrumental in the Tazreen tragedy. Equally true, there are a number of garment factories where the safety standards are unsatisfactory to say the least, with the attendant risk of them being potential death traps. For these hazardous places, the international buyers' (of RMG products) recommendations for fire safety following the Tazreen tragedy require implementation: upgrading the BGMEA fire-



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safety cell; training the owners; revising the building code; reviewing the fire license; listening to the workers; conducting fire drills; and regularly assessing power supply.

Some of these suggestions are elementary, others more compelling, and, surely, other measures, some specific to the requirements of individual installations, need to be taken. Of much concern, representing a fundamental failure is the revelation that BGMEA has conducted fire safety training in just 1,087 out of more than 5,000 of its member factories since the formation of its fire-safety cell in 1997. That translates to just around 20% of the factories over a period of 15 years! Another no-brainer in terms of putative disastrous consequences.

A major unwanted offshoot from the disasters occurring in the factories where accidents and tragedies are waiting to happen is that the entire

RMG industry becomes open to charges from various quarters as being mindless, careless entity out for the sole purpose of making huge profits with little regard for the welfare of the workers. The entire industry cannot be brought under the sweeping rubric of "dissatisfactory" for the culpability of some of its constituent organisations. Especially among a highly emotionally-driven people like the Bangladeshis, such

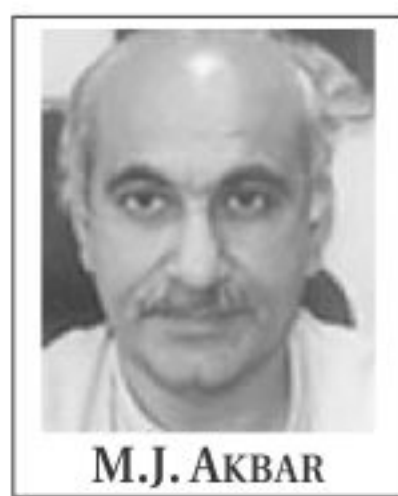
the government in power (now in the opposition) made the very same accusation against the opposition (now the government) when a spate of fires in a number of garment factories brought about death, injury, and destruction. The comical accusations and counter-accusations could be true, in which case they would not be funny, or they could just be political gamesmanship, but they are a clear illustration of the funky political culture that the country finds itself in. However, note the span of time when the rash of RMG destruction took place during the tenure of the two governments.

In both instances, the time period was approximately the last year of the incumbent government's tenure in office. Now, it could be that the political opposition could be, or have been, indulging in the destructive activities in order to show the incumbent government as being incompetent in the eyes of the voters as national election time looms, or loomed. Or, as not a few observers/conspiracy theorists suggest, other forces, made up of a permutation of internal and external players, are, or have been, taking advantage of the abysmal political culture, carrying out their design, all the while confident that the political parties will blame each other for scoring political points, and that the people will accuse the politicians of doing just that. Just what the conspirators' objectives are could be an exercise in educated guesswork, or who they are could be a matter of shrewd or wild conjecture.

The point is that if the political parties are intentionally indulging in political gamesmanship, while knowing full well that some other forces are behind the attacks on the RMG sector, then it behooves whoever holds the reins of government to nip such conspiracies in the bud and expose the conspirators. For that to happen, however, the politicians will have to drastically improve on the state of terrible political culture obtaining in the country. It is highly unlikely that any insidious conspiracy aimed at destroying vital sectors of the country's economy will succeed in the face of a healthy democratic political culture. What does it take for one to understand that the nation's welfare towers way above and beyond petty political ambitions and infantile political gamesmanship?

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## BYLINE



GIVING a reason is rarely a problem, but you need to choose your words carefully when offering an excuse. Words are both opaque and transparent. They can expose the inner thought that you would prefer to keep hidden.

Take, as an instance, the DMK's official explanation for supporting Congress on the FDI vote in Parliament. It could not keep the bitterness out of its voice even while calming Congress nerves, but that is the obvious part of the story since it actually said that it was bitter. The explanation was more interesting. It was only doing so to keep "communal forces" -- read BJP -- out of power.

Break down the thought process. There is no way that BJP can come to power in this Parliament. It is common knowledge that a government defeat on FDI will hasten a general election, which in turn means that DMK believes that if a general election were held within the next three months, UPA would lose. The DMK knows that it will lose in Tamil Nadu, and Congress will be decimated in Andhra Pradesh, which means that the numbers no longer add up for the alliance.

Or examine the phrase that Congress used when it announced cash subsidies from its party office, although the cash will come from

government, which means taxpayers' money. The eloquent Congress spokesman Jairam Ramesh promised cash subsidies would be a "game changer." Which precise game is Ramesh trying to change? The electoral game, naturally -- there is no other game in town. And, why is he changing the game? Clearly because Ramesh thinks Congress is behind by a few goals and it is long past half-time. You don't change a game which

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you are winning.

UPA2 believes that the cash subsidy scheme will prove to be NREGA2, and help the party win enough votes to get a third term. Is that a reasonable hope?

It is certainly better than nothing, but will it be enough? There are important differences, between the end game before the last general elections and the next one. The first UPA government was not burdened by a track record of corruption. Arvind Kejriwal probably voted for UPA in 2009. This time, he has stolen the base slogan of the Congress in 2004 and 2009, its appeal to the "Aam Aadmi," by naming his own fledgling party after the common man. Any Congress

advertisement appealing to this category will be counter-productive at the very least.

An analysis of Congress seats in 2009 indicates that NREGA was not as effective as might seem at first glance. NREGA was designed for the rural vote, but most Congress gains were in urban areas, in both the large cities as well as small towns. Urban India swung towards UPA because of Dr Manmohan Singh's honest image,

national policy initiatives. Congress will lose Rajasthan and Andhra this time. In Bengal, the UPA engine was powered by Mamata Banerjee. Her crusade now is against rising prices and corruption, for which she blames Congress: her pithy term is "loot-maar."

Congress strategists have not given up on Andhra. They believe recovery is possible by conceding the demand for Telangana and finding some way to get Jagan Reddy back. But surely, Jagan Reddy would have been more amenable if he had not been shut away in jail, with CBI pursuing a persistent no-bail approach to the case. It requires terrific arrogance to believe, as Andhra Congress does, that you can get away with anything.

A general election has many components, but the decisive edge comes increasingly from the states. Congress can draw some comfort from Maharashtra, where the Shiv Sena has lost its pillar and BJP remains in the doldrums in every region except Vidarbha. Karnataka is back in play, but a punctured BJP's losses will be shared with Deve Gowda. The North-East and Kerala have become fluid; and Congress will struggle to retain its seats in what is called the Hindi belt.

It will take more than one press conference at AICC to change this game, even if the BJP does specialise in helping out with self-goals.

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