

## Plight of Bangladeshi workers in Iraq

### Urgent steps to rescue them imperative

THE report carried by the Tuesday issue of this paper on the confinement and inhuman torture of some 180 Bangladeshi migrant workers at the hands of their Turkish employer at Najaf in Iraq is highly disconcerting. That these Bangladeshis landed themselves in such misfortune in a foreign country is for no fault of theirs as they were recruited genuinely by a local recruiting agency. The primary responsibility for what they have been put through since they joined their work in Najaf in May, therefore, falls on the agency that recruited them workers in the first place.

Evidently, these Bangladeshis undergoing such untold sufferings in a country that has been engulfed in a bloody civil war for more than a decade only points to their desperation for jobs. But the said recruiting agency took unfair advantage of their situation to throw them to the wolves. Fearful that they may even be trafficked elsewhere, these endangered Bangladeshis are seeking urgent government's intervention to rescue them from their hopeless situation.

It is sad to note that officials at the Bangladesh embassy in Baghdad were not reportedly instantly available on the phone to provide information know on these hapless Bangladeshis in Najaf. This is an unwarranted lapse on their part at a moment when some of their compatriots are in such a desperate need for sympathy and succor to escape their present predicament.

The government must sort out the issue diplomatically with the government in Baghdad to rescue these Bangladeshis. At the same, it should take immediate steps to hold the errant manpower recruiting agency to account.

## Banks losing money again

### Strengthen internal controls

SOME state-owned banks like BASIC appear to be unable to shake off malpractices. Such is its condition that repeated scandals running into thousands of crores of Taka are still being lost to bad loans. According to central bank data, the banking sector's default loans now stand at a little over Tk51,000crore of which BASIC bank alone accounts for over 2000 crore.

Although banks across the board, including foreign owned institutions have recorded a rise in classified loans due to multifarious reasons including violent politics last year, that BASIC alone accounts for two-thirds of the total increase in bad loans gives off a stink of something fundamentally wrong with the way it handles its loan portfolio.

Inspections by the Bangladesh Bank into the scams that hit state-run banks over the course of last year unearthed a number of systemic faults that allowed for sanction of bad loans. Some of those loopholes have been addressed, many have not. In the case of BASIC Bank, we are astonished to see that the malpractice of sanctioning loans without proper scrutiny is still in operation.

We find unacceptable what has become a practice for the government to bail out graft-ridden management of state-owned financial institutions. How else can one explain the government's recent injection of several thousand crores into loss making state-owned financial institutions? This is public money that is being squandered because authorities lack the political will to rectify bad practices which will put an end to the established norm of graft in these banks.

## Made in Bangladesh: Still sells

ABDUL MATIN

DURING my recent visit to the United States, I visited several renowned department stores in Connecticut and Maryland. I am very proud to say that all the stores had very large collections of clothes made in Bangladesh. It has always been my pleasure to buy clothes made in Bangladesh. For unknown reasons, many people of Bangladeshi origin avoid buying home made products. Gifts are not often appreciated at home if they are made in Bangladesh.

It may be noted here that the demand for Bangladeshi garments has increased steadily over the last three years even though we were made to believe that the poor safety and working conditions of the garment industry would have an adverse effect on our exports. After the Rana Plaza and the Tazreen tragedies, both the government and the factory owners took special measures to improve safety in factories and increase wages of workers. Though these measures are not adequate by international standards, it is apparent that such issues have had little impact on the demand of our products abroad. Why so?

I met by chance an American professor of journalism and communications who teaches at a renowned university in Connecticut. He is, by the way, a great admirer of Dr. Muhammad Yunus. He said that while teaching a course on communications, he asked his students to debate whether they should buy Bangladeshi garments or not in view of the workers' low wages and poor working conditions prevailing in the country. Some students opined that they should boycott Bangladeshi products until the conditions of the workers were improved. Others argued that if they stopped buying, the situation would further deteriorate due to financial constraints and the whole exercise would be counterproductive.

At the end of the debate, the professor asked the students to vote. He was pleased to inform me that the majority of the students voted in favour of buying Bangladeshi products. The students later explained that they did not care where a product was made in. They would buy any product from any country if the quality is good and the price reasonable.

This explains why Bangladesh has been able to expand its market in the States and also in Europe. This should not, however, make us complacent since the demand alone cannot guarantee a safe future for our garment industry. Unless the conditions of the workers are improved significantly, the growing resentment among them can make the industry vulnerable at any time. All resentments cannot always be explained by conspiracy theories. We must address the real issues seriously and urgently and not try to kill the goose that laid the golden eggs.

The writer is a former chief engineer of Bangladesh Atomic Energy Commission.

# Our adivasis, our constitution

## GROUND REALITIES



SYED BADRUL AHSAN

THERE are, if the government is to be believed, no adivasis or indigenous people in Bangladesh. Instructions went out last week from the administration, even as preparations were underway for the observance of International Indigenous Peoples' Day, that everyone should avoid using the term 'indigenous' and instead focus on the terms the government thought was proper to refer to people who, unlike so many of us, are not Bengalis. The people you and I know to have been, for centuries, adivasis are, in the definition formulated by the government, 'small ethnic groups or tribes.' That formulation is certainly an ingenious way of informing the world that our Chakmas, Mros, Santals and so many other indigenous groups are actually people who do not matter. Santu Larma's pain is thus understandable. Bangladesh's indigenous people, he has enlightened us, are being treated in the manner of exotic creatures in the zoo. He was not too far wrong.

It does not pay, in the long run, to deny history. When you remember this cardinal lesson coming down through generations of political evolution, it becomes easy for you to ignore the claims, spurious of course, made by some of those who have settled over the years in indigenous territory. There are, these self-righteous deniers of history will have you know, no indigenous people in Bangladesh. For good measure, they will take you back to America and Australia where, in their view, 'Red Indians' used to be. Do we have people like the 'Red Indians' in our midst? Before you go for a response, there is the ignorance of these people that hits you hard. In the first place, they do not know that the politically accepted term for 'Red Indians' is 'Native Americans'. In the second, there is no evidence that 'Red Indians' lived in Australia as well. The original inhabitants of Australia, indeed its indigenous people, were the Aborigines. And not long ago, the Australian authorities made it a point to apologise, officially, to their indigenous community for the sufferings inflicted on them down the centuries.

History suffers when it is denied or pushed aside. In the end, it is an entire society which gets battered when it refuses to acknowledge truths that are as bright as daylight. When there are Bengalis ready to inform you in a moment of 'discovery' that the real indigenous population of the country are themselves and not those who have been here since centuries before they appeared on the scene, you know what dangers you are being pulled into. There is then the argument thrown at you --- that Bangladesh being a land for all citizens, it is only proper that its citizens settle in any part of the country they wish to. That is no argument. It is sophistry at its weakest. The rights of citizens to their country apart, there are certain realities that you simply cannot wish away. Majoritarianism is never good policy when it comes to dealing with realities that have been the bedrock of particular phases in history. Indigenous communities in India, in Africa, in Latin America are today a globally recognized presence. Why must we in Bangladesh move in the opposite direction, knowing full well that our position on the issue is at best untenable and at worst

motivated?

Bangladesh's adivasis have been paying a price for being part of this stretch of geography since the late 1940s. Nothing can be more painful than for a community or a people to be rudely informed that its wishes, its dreams, indeed its rootedness do not matter. The Chakmas have suffered from day one, when in August 1947 they honestly and happily believed they were to be part of the Indian Union at partition. That belief was destroyed when Cyril Radcliffe ended up leaving them within the territories comprising Pakistan. In Bangladesh, once it ceased to be East Pakistan, these and other indigenous people have not ceased to suffer --- politically, economically and socially. Modern politics is about providing leadership to citizens across cultural frontiers. It is about respecting tradition and upholding heritage. And therein does it veer away from tribalism, for a tribe is always about itself, is full of itself and considers the rest of the world unworthy of being part of the good it thinks it embodies. The official Bengali attitude to Bangladesh's indigenous people has been a patent demonstration of the tribalism that has today graduated into something that can only be ominous for the future: that this country has no adivasis but only small ethnic groups. The subtle hint: small ethnic groups do not matter.



And here is an inconvenient truth: the seeds of adivasi discontent were sown in 1972 as the new state of Bangladesh prepared to adopt a constitution for itself. Bengali nationalism was --- and is --- the bedrock of our place in history. But to have ignored the existence of non-Bengali communities in Bangladesh, indeed to have lumped them all into an all-embracing concept of Bengali nationhood, was an unwitting opening of the door to unease in the future. That future is today our present. And we need to deal with it through a clear display of foresight, an open acceptance of cultural realities and a bold, liberal demonstration of political leadership.

Briefly, we will need to revisit the constitution, to make space in it for those citizens of Bangladesh who are not and will never be Bengalis but who are, in the regions they call home, are the original inhabitants of the land. They are our adivasis. And they do not belong in the zoo or in museums.

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# Argentina's Griesafault

JOSEPH E. STIGLITZ and MARTIN GUZMAN

ON July 30, Argentina's creditors did not receive their semiannual payment on the bonds that were restructured after the country's last default in 2001. Argentina had deposited \$539 million in the Bank of New York Mellon a few days before. But the bank could not transfer the funds to the creditors: US federal judge Thomas Griesa had ordered that Argentina could not pay the creditors who had accepted its restructuring until it fully paid -- including past interest -- those who had rejected it.

It was the first time in history that a country was willing and able to pay its creditors, but was blocked by a judge from doing so. The media called it a default by Argentina, but the Twitter hashtag #Griesafault was much more accurate. Argentina has fulfilled its obligations to its citizens and to the creditors who accepted its restructuring. Griesa's ruling, however, encourages usurious behavior, threatens the functioning of international financial markets, and defies a basic tenet of modern capitalism: insolvent debtors need a fresh start.

Sovereign defaults are common events with many causes. For Argentina, the path to its 2001 default started with the ballooning of its sovereign debt in the 1990s, which occurred alongside neoliberal "Washington Consensus" economic reforms that creditors believed would enrich the country. The experiment failed, and the country suffered a deep economic and social crisis, with a recession that lasted from 1998 to 2002. By the end, a record-high 57.5% of Argentinians were in poverty, and the unemployment rate skyrocketed to 20.8%.

Argentina restructured its debt in two rounds of negotiations, in 2005 and 2010. More than 92% of creditors accepted the new deal, and received exchanged bonds and GDP-indexed bonds. It worked out well for both Argentina and those who accepted the restructuring. The economy soared, so the GDP-indexed bonds paid off handsomely.

But so-called vulture investors saw an opportunity to make even larger profits. The vultures were neither long-term investors in Argentina nor the optimists who believed that Washington Consensus policies would work. They were simply speculators who swooped in after the 2001 default and bought up bonds for a fraction of their face value from panicky investors. They then sued Argentina to obtain 100% of that value. NML Capital, a subsidiary of the hedge fund Elliot Management, headed by Paul Singer, spent \$48 million on bonds in 2008; thanks to Griesa's ruling, NML Capital should now receive \$832 million -- a return of more than 1,600%.

The figures are so high in part because the vultures seek to earn past interest, which, for some securities, includes a country-risk premium -- the higher interest rate offered when they were issued to offset the larger perceived probability of default. Griesa found that this was reasonable. Economically, though, it makes no sense. When a country pays a risk premium on its debt, it means that default is a possibility. But if a court rules that a country always must repay the debt, there is no default risk to be compensated.

Repayment on Griesa's terms would devastate

Argentina's economy. NML Capital and the other vultures comprise just 1% of the creditors, but would receive a total of \$1.5 billion. Other holdouts (6.6% of total creditors) would receive \$15 billion. And, because the debt restructuring stipulated that all of the creditors who accepted it could demand the same terms as holdouts receive, Argentina might be on the hook for \$140 billion more.

Every Argentine might thus owe more than \$3,500 -- more than one-third of average annual per capita income. In the United States, applying the equivalent proportion would mean forcing every citizen to pay roughly \$20,000 -- all to line the pockets of some billionaires, intent on wringing the country dry.

What's more, the existence of credit default swaps creates the possibility of further gains for the vultures. A CDS insures against a default, paying off if the bonds do not. They can yield substantial returns, regardless of whether the bonds are repaid -- thus reducing their holders' incentive to achieve an agreement.

In the run-up to July 30, the vultures conducted a scare campaign. A second default in 13 years would be a big setback for Argentina, they claimed, threatening the

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country's fragile economy. But all of this presumed that financial markets would not distinguish between a default and a Griesafault. Fortunately, they did: Interest rates for different categories of Argentine corporate loans have not reacted to the event. In fact, borrowing costs on July 30 were lower than the average for the whole year.

Ultimately, though, the Griesafault will carry a high price -- less for Argentina than for the global economy and countries needing access to foreign financing. America will suffer, too. Its courts have been a travesty: As one observer pointed out, it was clear that Griesa never really fathomed the issue's complexity. The US financial system, already practiced at exploiting poor Americans, has extended its efforts globally. Sovereign borrowers will not -- and should not -- trust the fairness and competence of the US judiciary. The market for issuance of such bonds will move elsewhere.

The writer is a Nobel laureate in economics and University Professor at Columbia University.

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# LETTERS

## TO THE EDITOR

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## Zakat for poverty alleviation

Zakat being one of the five fundamental pillars of Islam plays a major role in providing economic security to the poor of society. From the Islamic point of view, the needy have a right in the wealth of the rich and the rich can purify their wealth by paying zakat regularly. During Eid-ul-Fitr, the rich people give zakat and fitra to the poor and during Eid-ul-Adha, they give the prices of the skins of their sacrificial animals to the poor. If the rich in society pay zakat properly to the poor, certainly it will alleviate poverty.

**Md. Mozaherul Hoque**  
Vice principal (retired)  
Jaldhaka Degree College  
Nilphamari

## Facebook or fakebook?

Facebook has been a popular social networking site. Here one can share one's views on any issue such as politics, social problems, etc. One can share pictures and subscribe to various pages. In order to acquire likes, various pages adopt various alluring techniques such as providing the users with fake news.

A few days ago, while browsing through the Facebook, I saw a status which stated that Aung San Suu Kyi of Myanmar has converted to Islam and there was a picture of her attached! I was astonished to see the status because I had not read anything in the newspapers about this. Later, I came to know that the picture was photoshopped and the information was wrong. However, some people shared the news with enthusiasm without knowing the fact and thus misled people.

We have to be cautious about the information we get from Facebook and should not believe or share any news without being sure about the authenticity of the news.

**Md. Zonaeed Emran**  
A banker

## Removing formalin from food

Now-a-days adding formalin to foods has become a common practice. We, the commoners are really worried about what we are eating. Formalin is a preservative used for corpses, but now dishonest traders are using it in food items to make food look fresh for a long time. Taking formalin-tainted foods may cause fatal diseases. Formalin can be removed by dipping the foods in salt water for half an hour. There are also many other ways to get rid of formalin and other chemicals from fruits, vegetables and fishes. We can use these methods to remove chemicals from food.

**Sheikh Zahid**  
Applied Chemistry & Chemical Engineering  
University of Dhaka

## Comments on news report, "Health insurance for all by 2032?" published on August 10, 2014

**Khairul Alam**

Well, this type of initiative will be highly appreciated.

**Deepjelejai**

This initiative will bode well for the poor as well as the middle class. Hope it will succeed.

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## "Broadcast policy takes effect" (August 8, 2014)

**Zaman Rahman**

The National Broadcast Policy 2014 for television and radio has been introduced to stop the media from criticising the government and choke the freedom of expression in the talk shows.

**Roni Rahman**

Baksali black law re-emerged from the grave!

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## "Govt call for not using 'Adivasi' term questioned" (August 9, 2014)

**Salma L.**

I have great sympathy for our tribal communities who have been ignored and mistreated by our governments for many decades. But I cannot agree with the word 'adivasi' which has been used to refer to our tribal communities who are not the indigenous people of Bangladesh. Our respected historians and anthropologists should be able to define who, if any, are our indigenous people.

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## "No consolation for victim families" (August 9, 2014)

**Mostafej**

Government does not do its work properly. Many government employees including those in the BIWTA are very idle and don't perform their duties.