

"These symbolic gestures do little to improve labour rights or build goodwill between the countries"

Dr Sanchita Banerjee Saxena shares with Amitava Kar of *The Daily Star* some views on the impact of US trade policy on Bangladesh and the role of interest groups in policymaking. Dr Saxena is the executive director of the Institute for South Asia Studies (ISAS) at the University of California at Berkeley, USA and the director of the Subir and Malini Chowdhury Center for Bangladesh Studies. She is the author of *Made in Bangladesh, Cambodia, and Sri Lanka: The Labor Behind the Global Garment and Textiles Industries* (2014, Cambria Press).

Please give us the background of the establishment of Bangladesh Studies Center at Berkeley. What are some of the objectives? What research projects are being undertaken currently?

The Subir and Malini Chowdhury Center for Bangladesh Studies was established through the kindness and generosity of Mr. Subir and Mrs. Malini Chowdhury. They recognised the importance of establishing the first centre of its kind in North America that focuses on innovative research, and training the next generation of scholars on Bangladesh. In just a short time, the Chowdhury Center has already taken a lead in supporting critical scholarship in such diverse areas as increasing the knowledge of antibiotic resistance in multidrug resistant bacteria, safe water and safe water technologies, studying the use of violence as political campaign strategies, technologies applied to improve the safety of garment sector workers, and the role of women in enterprise development.

We are able to offer vital support to students every year through fellowships awarded through the Chowdhury Center. This allows us to build a strong group of young scholars not only

focused on Bangladesh as a part of their study, but support scholars from Bangladesh as well. One of the key objectives of the Center is an emphasis on collaborative research between University of California, Berkeley and top universities in Bangladesh, designed not only to simply impart knowledge or build capacity but to generate new research ideas, projects, and programmes based on mutual understanding. To this end, we are pleased to be actively pursuing collaborations with BRAC University and Independent University, Bangladesh in several areas.

The US exclusion of Bangladesh from GSP has been demoralising for Bangladeshi business communities who have taken some important steps toward improving labour conditions. What can the US and Bangladesh do to build closer trade relations?

The US GSP scheme does not even include garments and textiles, which constitute the majority of Bangladesh's exports. To truly be able to use trade policy as an incentive to improve labour conditions, GSP must first include



Dr Sanchita Banerjee Saxena

garments and textiles, otherwise, having the scheme in place and then revoking it, is truly meaningless. These symbolic gestures do little to improve labour rights or build goodwill between the countries. Actually being able to use GSP as a real incentive to improve labour rights would be much more effective.

Could you please elaborate on your argument that high US tariffs on imports from Bangladesh and other Asian countries put pressure on contractors to scrimp on labour standards in order to stay competitive?

While garment owners themselves in Bangladesh or other exporting countries do not pay tariffs directly to the US, brands and international buyers do. These high tariffs are a part of their cost calculations and play an important role in further squeezing garment factories in Bangladesh and elsewhere by demanding the lowest price for the garments they produce. When owners have to produce garments at an extremely low cost (otherwise they fear that the buyer will go elsewhere), they have less incentive and are financially unable to improve conditions in the factories and provide higher wages and better benefits to workers.

What are the real challenges ahead for international organisations and NGOs working in Bangladesh?

I see two main challenges for NGOs working in Bangladesh. First, there are so many NGOs, they often duplicate efforts and there is limited coordination among those working on similar issues. The bigger challenge is the tension between NGOs that focus on longer-term societal change versus those that focus on projects that are data driven that demonstrate measurable results. The perfect example is, many NGOs focusing on girls' education concentrate on

building more schools (this is quantifiable - you can count the number of schools built), rather than on understanding the real barriers to girls' education (this is not quantifiable and takes much longer to see change and results). Many NGOs are moving away from trying to impact social change to engaging in activities that produce short-term results due to the demands placed on them by international donor agencies.

What roles do interest groups play in policymaking in a democracy?

Interest groups are important in a democracy to influence the policy agenda. They influence the State to enact certain policies and also prevent the State from unilaterally making decisions without taking into account the priorities of other groups in society. When groups that have been previously excluded begin to have a voice in policymaking, the agenda changes. To truly have a vibrant democracy, the policy network must open up to include all relevant groups in the decision making process.

[Prior to joining ISAS, Dr Saxena was the assistant director of economic programmes at the Asia Foundation. She was a Public Policy Fellow at the Woodrow Wilson International Center for Scholars in 2010 and 2014.]

In Remembrance of Jamaluddin Ahmed and Rezaur Rahman

M. MATIUL ISLAM

I recently lost two friends in quick succession - Mr. Jamaluddin Ahmed and Mr. Rezaur Rahman. All three of us were graduates of Chittagong Commerce College and all three of us were chartered accountants. I did my chartered accountancy from Pakistan while both of them did theirs from the UK.

Rezaur Rahman returned to Dhaka from London in the late 50s and took charge of the office of the audit firm Price Waterhouse Peat & Co. but launched his own chartered accountancy firm in 1963 when former finance minister Saifur Rahman resigned from Pakistan Oxygen and joined Rezaur Rahman along with Tashfin Huq to form Rahman Rahman Huq, which soon became one of the most prestigious audit and consultancy firms of the country. At that time, having joined the civil services of Pakistan, I was posted as an Additional Secretary in the Department of Finance under the Government of East Pakistan (GoEP).

In 1966, Rezaur Rahman was selected as a member of the Pakistan delegation to the United Nations General Assembly in New York where he met Peggy, fell in love and married her. His Gulshan house then became the venue for me and my wife for brunch every Sunday. Jamaluddin also returned to Dhaka in the early 60s, joined an international oil marketing company and got married. He was initially posted in Chittagong. I often expressed my intent to join

the profession but never had the courage to take the decisive step, but very soon fate took that step. I was forced to go into retirement from the civil services by martial law authorities in 1969 and had to look for new job openings in the private sector. Rezaur Rahman graciously offered me the post of a partner in his firm and asked me to take over their Karachi office. A car was also purchased for my use. I did go to Karachi but was inundated with a number of good offers and thus, could not join Rahman Rahman Huq.

After rejoining government services in January 1972, I was posted in the World Bank in Washington from 1974 to 1977. On the way back home, I stayed in London for some time and discovered that Rezaur Rahman was also staying there after taking a long leave from Rahman Rahman Huq. Initially, he joined Altaf Gauher in an outfit created by Aga Hasan Abedi but soon started his own business by taking up a costly office in Piccadilly. This was a bold attempt to get established in London. But he did succeed through his hard work and devotion. He also showed his business acumen back home. He bid for and acquired Messers Shaw Wallace, a British shipping company, from the Bangladesh government.

Rezaur Rahman offered me to join Rahman Rahman Huq in Dhaka for the second time when I expressed my desire not to rejoin the government. On my return to Dhaka, I did join the company but did not last there for more than two months. Although, President Ziaur Rahman agreed to my

joining the firm during my first meeting with him, he soon changed his mind and gave me an ultimatum to rejoin the government as secretary of the Ministry of Industries. Meanwhile, Jamaluddin, who held a senior position in an oil marketing company, was inducted as the Minister of Industries by the president. I had no clue that Jamaluddin was working behind the scene to get me appointed as the secretary in his own ministry.

During the next four years, the Ministry of Industries became the most productive ministry and this was because Jamaluddin gave me a free hand to operate and backed me up on all important matters like the formulation of new industrial policies, incentive packages for private sector, and the finalisation of a new act for promotion and protection of foreign investments. The Board of Directors of Ashuganj Fertilizer Company was reconstituted with me as the chairman and Mr. Muhith, Mr. Abul Khair and Mr. Al Hussaini as directors. Jamaluddin agreed to give the board the powers of the government on all matters concerning the company. When Haldor Topsoe came to Dhaka and proposed the setting up of a fertilizer company in the private sector, Jamaluddin instantly approved my approach and I had no problem in taking it forward. The same story was repeated for the creation of EPZ in Chittagong and the Aga Khan-sponsored IPDC, the first DFI in the private sector in

Bangladesh.

In recognition of his dynamism, Jamaluddin was promoted as the deputy prime minister, over a number of his senior colleagues, in 1979. He was a terrific public orator and was very important politically for President Ziaur Rahman. In 1980, when President Zia decided to allow commercial banks in the private sector, Jamaluddin was made the chairman of the selection committee. Being at the end of my contract with the government, when I decided to float a joint venture commercial bank and sought a foreign partner for that, Rezaur Rahman introduced me to the Galadari brothers who owned Dubai Bank and were willing to invest in Bangladesh. Arab Bangladesh Bank, with 60 percent foreign shareholding with UCB and National Bank, got quick approval. As I was leaving the government to join UNIDO in Vienna, Jamaluddin advanced the

date for a grand opening of Ashuganj Fertilizer Factory in recognition of my services as its chairman.

Rezaur Rahman and Peggy regularly visited Vienna, where I was posted from 1982 to 1987. I was then posted to Delhi where both Rezaur Rahman and Jamaluddin were house guests. I returned to Dhaka in 1993 and in 1996 decided to set up a finance company, International Leasing and Finance Company, where both Rahman and Jamaluddin

invested. Jamaluddin was also a director of ILFSL while I was its chairman. Jamaluddin floated a credit rating company, CRISL, of which I became a promoter director.

When Peggy died of cancer in 1997, my wife and I visited London where she was buried. It was there that Rezaur Rahman expressed his wish to be buried next to his wife.

During this period, Rezaur Rahman made a special request to

help him float a housing finance company. Shaw Wallace was his first promoter and finally, with 20 promoters, I applied to Bangladesh Bank for a license. It took me two years to get this proposal through Bangladesh Bank and I finally got the license in 1998. I had no shareholding in National Housing but gave two years of my life to redeem my pledge to my friend.

On the relinquishment of my directorship in ILFSL and retirement from the chairmanship of National Housing, communication with Rezaur Rahman and Jamaluddin became few and far between. Age took its toll on all of us. Rezaur Rahman was showing first signs of Alzheimer's. Jamaluddin also had health problems which deteriorated with age and he breathed his last on January 3, 2015, after being bedridden for most of 2014.

Rezaur Rahman did not have any children. He created the Mujibur Rahman Foundation, in the name of his late father who was a mathematical genius and was nominated in the Indian Civil Services. He donated Tk. 10 crore to Dhaka University to build and develop a separate building for the Mathematics Department.

Rezaur Rahman's Alzheimer's worsened over time and he had to be under the care of a nursing home in London, where he died on June 1, 2015. He was laid to rest next to his wife.

May their souls rest in peace.

The writer is the first finance secretary of Bangladesh government.



Jamaluddin Ahmed



Rezaur Rahman

BEETLE BAILEY

by Mort Walker

BABY BLUES

by Kirkman & Scott

A WORD A DAY

LIMERENCE

/ˈlɪməərəns/
the state of being infatuated with another person

CROSSWORD BY THOMAS JOSEPH

ACROSS

- Captivated
- Unexpected problem
- Forbidden
- Doughnut's shape
- Before, in Brest
- Concede
- Bridge goof
- Hubbub
- Hydrocarbon suffix
- Kitchen device
- Station worker
- Effortless
- Banded rock
- Minimal change
- Core groups
- Ketchikan resident
- Peyton's brother
- Crater part
- Requests
- Shark's home
- Gray-brown
- Nanny's mate
- Frequently
- Sort

DOWN

- Gaze
- Deep chasm
- Humbled
- Minnow's home
- Pledge drive reward
- Hackneyed
- Silent assent
- Spanish fleet
- Tour leaders
- Circus star
- Yarn
- Llamas' cousins
- Call for
- Memory musical
- Summer shirt
- Chocolate imitation
- Draw out
- To wit
- Prove false
- Impatient groom, e.g.
- Impetress
- West of music
- Ump's call
- High peak

YESTERDAY'S ANSWER

C	H	O	P	A	M	O	R		
L	O	V	E	S	N	A	V	E	S
I	R	E	N	E	G	R	E	T	A
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N	E	D	P	I	N				
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3rd Death Anniversary

We pray for Marhum Muslehuddin Ahmad on his 3rd death anniversary today, the 10th September 2015. Marhum Muslehuddin Ahmad was a Founder Life Member of the North South University (NSU) Foundation, renamed as the North South Foundation, which established and administered NSU, now run by the North South University Trust. He was also the Founder Life Member of the Board of Governors of the Foundation and the then Parichalona Porshod of NSU.

He was a senior civil servant and diplomat and contributed a lot in promoting and advancing higher education in the private sector of the country. He breathed his last on 10th September 2012.

May Allah bless his departed soul and give the members of his family the strength to keep on bearing the loss.

Members of
North South Foundation
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North South University