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FOUNDER EDITOR
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Eco-friendly production needed in RMG

Govt. must help companies access finance

THE readymade garments (RMG) sector contributes 12.5 percent to GDP and accounts for 80 percent of our export basket. It is slated to reach USD 50 billion in exports by 2021, but that success comes at the cost of the environment. Discussants at a roundtable organised at *The Daily Star* on May 20 highlighted the downsides of massive consumption of water in the industry. Every year, the apparel industry uses 1,500 billion litres of water to dye and wash garments which is equivalent to the drinking needs of 800,000 people. While the industry will continue to grow, it must be done in a manner that will reduce use of water and stop wastage of finite resources.

The industry needs to adopt innovative, eco-friendly solutions, much of which already exists, to retrofit factories with machinery that is both energy- and water-efficient. According to a study by the International Finance Corporation (IFC), the country can save 22 billion litres of water, cut down water waste by 18 billion litres and greenhouse gas by 46,000 tonnes in a year. Things are changing in Bangladesh, with at least 85 garment factories officially LEED-certified (Leadership in Energy and Environmental Design). Thus it makes sense to implement these changes since the European Union is going to become climate-neutral by 2050 and climate-positive afterwards. Hence, should Bangladesh wish to continue expanding its RMG sector, it will have to invest more in making its factories resource-efficient.

The government not only has to enforce rules and regulations that will govern efficiency of water use but also provide funding and a bridge to allow manufacturers access to bank credit. Going green is not just good for protecting natural resources but also makes good business sense as the cost savings from using less chemicals, energy and water offset the investments that need to be made to make factories use resources economically.

Fruits all year round!

Support such projects

WE congratulate the Department of Agricultural Extension (DAE) on its innovative project called "Year-Round Fruit Production for Nutrition Improvement" which aims to make fruits available all year round so that the nutritional demands of the population are met. This is certainly a breakthrough in agriculture since till now only the summer months gave us a good variety of local fruits while the rest of the year, only those who could afford imported fruits would be able to get the benefits.

According to a report in this daily, this project has already started to show remarkable success with fruit yields increasing significantly, enough to meet local and foreign demand. As many as one lakh farmers are being given training on fruit cultivation through horticulture centres. The initiative, which the DAE has been implementing since 2014-2015, has inspired farmers to plant two crore fruit trees on their own.

This is happy news for farmers and fruit lovers alike. Apart from getting local fruits such as guava, papaya, and pineapple all year round, exotic foreign fruits such as dragon fruit, avocado, Thai guava, and many more are being grown locally. What's more, high-yielding varieties have been developed over the years so there is an abundance of fruits in the market.

We hope that this project, and especially the farmers who grow these fruits, will be supported so that it is financially viable to sell the produce. Here, we urge the government to follow the High Court's directive and make sure that toxic chemicals are not used during the cultivation process or afterwards when the fruits are sold. The nutritional benefits will be lost if fruits are laden with toxic chemicals which come from fertilisers, pesticides and ripening agents. Since these fruits will be grown all throughout the year, including foreign varieties, there is no reason why they should be sold at exorbitant prices in the markets as is often the case. The authorities must monitor the markets so that unscrupulous traders do not unnaturally hike up the prices.

LETTERS TO THE EDITOR

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Ensure safety of home-bound people

Eid, one of the biggest festivals for Muslims, drives countless Dhaka-dwellers to rush to their hometowns. People from all walks of life want to spend Eid with their loved ones back home.

But it is a matter of despair that these home-bound people face numerous obstacles during their journey. Their troubles begin with purchasing transport tickets at inflated prices, followed by dreadful traffic jam and accidents. As a last resort, many people even climb to the roof of trains, putting their lives at great risk, just to be able to travel back home. Trains, buses and all sorts of water transports are overloaded by an excessive number of passengers, which raises the possibility of deadly accidents. One mishap can turn this joyous and festive atmosphere into a horrible tragedy for a family.

This is a common scenario every year but no one seems to be worried about it. The authorities must take steps to make the Eid journey for travellers smoother and hassle-free. Additional modes of transport should be made available owing to the great demand for transport during such festivals. Furthermore, transport officials should be fair and more efficient in distributing tickets and must ensure safe journeys for home-goers during Eid.

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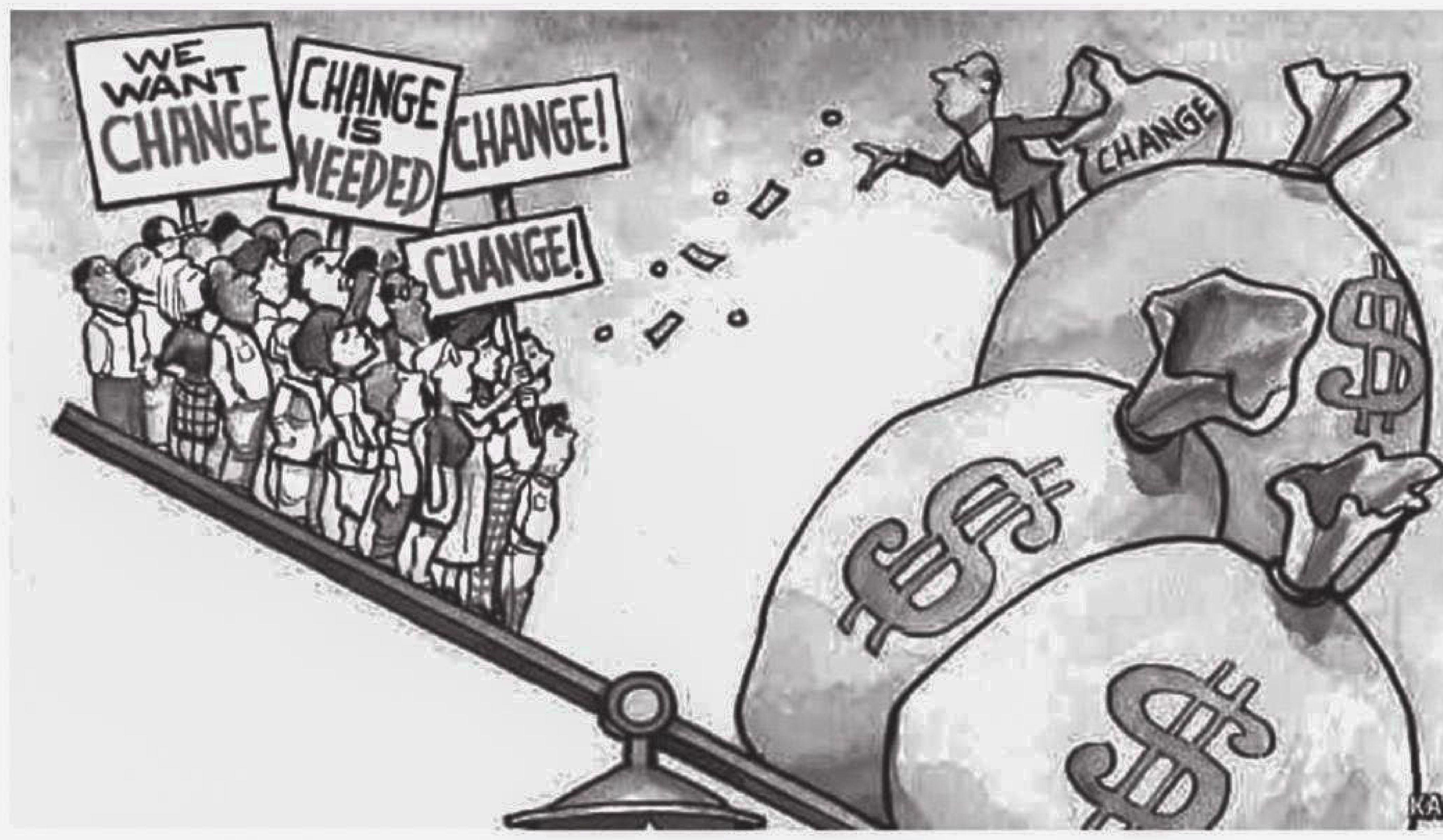
Poverty, policy and economic ruin?

The true folly of neoliberalism

THE OVERTON WINDOW

ERESH OMAR JAMAL



NO matter which approach is used, every method of measurement shows inequality has risen in Bangladesh (at least) over the last 10 years. If we take the latest Household Income and Expenditure Survey of the Bangladesh Bureau of Statistics, we see that the country's Gini coefficient—a measure of inequality—went up (indicating disparity has grown) from 0.458 in 2010 to 0.482 in 2016. From a different angle, a report released by Oxfam towards the close of last year ranked Bangladesh 148th in the world—out of 157 countries—for reducing inequality.

Around the same time, reports were coming out that the International Monetary Fund and the Asian Development Bank were forecasting Bangladesh's economy to grow by 7.5 percent in the current fiscal year—illustrating a somewhat confusing contradiction of inequality rising significantly at the same time as GDP.

While some have since then dismissed this as inevitable, in reality that is far from the truth.

"The economic growth in recent years has been far from inclusive," according to Selim Raihan, executive director of the South Asian Network on Economic Modeling. And is the result of *failed economic policies*—time-tested to have proven disastrous.

According to a 2018 Transparency International Bangladesh study, over 63 percent households seek healthcare from the private sector, which shows either a lack of availability of public healthcare facilities, or that they are abysmal—forcing people to seek treatment elsewhere.

And, according to a 2015 study by the health ministry, out-of-pocket (OOP) healthcare expenditure in Bangladesh was 67 percent—the highest in South and Southeast Asia—whereas the global average was 32 percent. Which shows the lack of government control over healthcare costs because the private sector has no meaningful competition from the public sector.

The combination of these two has been devastating. A study by the International Centre for Diarrhoeal Disease Research, Bangladesh, found that four to five million people were being pushed into poverty by OOP healthcare expenditures every year. Yet, the government has shown minimal interest in increasing its involvement in providing better healthcare service, even though healthcare is a quasi-public good in the sense that it benefits everyone in the community—and thus where government support should be focused on.

Public expenditure on education and health, which were already low, has declined in recent years. And "such low expenditure does not help...reduce poverty and inequality," according to Raihan, whose view has been echoed by Zahid Hussein, lead economist of the World Bank's Dhaka office who added that the poor are not "in a position to access privileges that the government gives to particular businesses and interest groups" such as "bailouts", which have vacuumed away Tk 10,272 crore of government funds as of September last year, that could have gone into providing improved healthcare—not only to offset the aforementioned problems, but because that generally benefits less wealthy sections of society.

But that is just the tip of the iceberg.

In his book *And Forgive Them Their Debts*, professor of economics and economic history, Dr Michael Hudson, mentions how one of the first things the Babylonians, who first invented the concept of the Jubilee Year (derived from debt jubilee), realised was that "finance was not a part of the economy, but grew by its own mathematical laws." Their scribes noted how while compound interest grew "at the equivalent of 20 percent a year, doubling in five years and quadrupling in 10," their herd population and agriculture grew (GDP of ancient times) as an "S-Curve and tapered off".

So, every ruler, going thousands of years back into history, knew that debts tended to grow faster than the economy's ability to pay. Giving rise to the idea of debt jubilee—but with one catch: it was personal debts that were forgiven, not business debts or debts of the criminally rich who made their fortunes by borrowing from the public exchequer with the intention of never paying back.

During the last century (era of neoliberalism), everything somehow got reversed. And debt was turned from being "a balance sheet item to a growth item," according to financial expert Max Keiser—popularising the perception that "the faster companies could incur debt", the faster it could be "securitised" to "other banks to create this daisy-chain", not only making debt "okay" but the "basis of the economy".

This brought about a historic change because "never in history did people think that the way to get rich was to go into debt," says Dr Hudson. And yet this was being done by countries "on a national level" to commit "economic suicide".

What neoliberals failed to see was that money, despite being needed to buy a car or education, was not a factor of production. And that banks, in the process of giving people access to credit—which is an unproductive activity in itself as it produces nothing extra but simply allows someone to acquire what has already been produced—were simply extracting wealth out of the economy for themselves, and not even reinvesting it back into the economy.

Basically, finance became the tool for the ultra-rich to gain their "unearned" share from the "productive" activities of others. And instead of providing tangible services that balance the scale such as healthcare, the service that the government has been providing is the facilitation of this wealth extraction—which, to some extent, is the service of "you scratch my back and I'll scratch yours" essentially.

Similar to every other country suffering from the curse of neoliberalism, parallel to the hollowing out of banks and government-backed extortion of the public exchequer, Bangladesh too saw huge amounts of money fleeing the country during this period.

In late January, the Global Financial Integrity released a report ranking Bangladesh second in South Asia for illicit money outflows. And said that some USD 5.9 billion was siphoned out of Bangladesh in 2015 through trade misinvoicing, after a report released in 2017 estimated that Bangladesh lost between USD 6-9 billion to illicit outflows in 2014. What has been the government's (policy or any other) response? To do nothing—except siphon off more and more taxpayers' funds and ship them into dying banks that seem to be taking the economy with them, to the grave.

In the process of extracting wealth from the real wealth producers, what these "real dependent" classes are doing is killing the Golden Goose that they rely on, which is why we see such capital outflows as the corrupt set aside their retirement funds before escaping to other countries.

But, have these people looked around properly? Nearly the entire world (especially developed countries) is under the thumb of neoliberalism. And so, those who believe they can profit by leeching off the productive powers of others in this country because of their "position" can only be the feed of others doing the same elsewhere.

Because *neoliberalism* is the economic and financial ideology that is most akin to that of today's radicalism, which makes the role of its agents equivalent to that of suicide bombers—whose ultimate destination too is one of complete economic and financial ruin.

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Bangladesh shines at Geneva meeting

POLITICS OF CLIMATE CHANGE

SALEEMUL HUQ

LAST week the Global Facility for Disaster Reduction and Recovery (GFDRR) meeting was held in Geneva, Switzerland with more than 4,000 delegates from all over the world and many different stakeholders including government, UN agencies, private sector, civil society, women's groups, indigenous peoples' groups, youth groups, groups related to people with disabilities, and many others.

I had been invited to chair a session and to look at synergies between Disaster Risk Reduction (DRR) and Adaptation to Climate Change (ACC). It was my first time at the GFDRR event and I was struck by the contrast with the Conference of Parties (COP) under the United Nations Framework Convention on Climate Change (UNFCCC) which I am used to attending. The big difference between the GFDRR and the COP was that the former did not involve any formal negotiations, whereas the COP involves highly tense negotiations between governments which often go into the night and leave everyone exhausted and in a bad mood!

At the GFDRR, there were many different events in plenary and in parallel on a variety of different topics and they were aimed at maximising sharing knowledge and experience and allowing everyone to have a say including non-governmental participants. The whole spirit of the weeklong series of meetings was friendly.

I also noticed how it has become normal for the DRR groups who are under the umbrella of the Sendai Framework on DRR to now accept the need to recognise and include not only ACC along with DRR but also Sustainable Development Goals (SDGs). This is indeed a very positive development which I found very refreshing.

I was pleasantly surprised by how significant the presence and roles of Bangladesh as a country and Bangladeshis as speakers and panellists were. This included both government and non-governmental representatives: my colleague Shaila Shahid who, during the opening session, spoke on behalf of major groups; Saima Wazed (Putul), the prime minister's daughter; Dilruba Haider from UN Women; Farah Kabir from ActionAid Bangladesh who is the chair of the Global Network on DRR; and many more.

> *There is a great opportunity for Bangladesh to build on the success that has been achieved in disaster risk reduction through a whole-of-society approach and replicate it in the field of adaptation to climate change going forward.*

There were two distinctions, namely the presentation of the Dhaka Declaration by the Bangladesh government that came out of the meeting of the Platform on Disaster Displacement (PDD) hosted a few weeks ago in Bangladesh and the prize for cyclone-resilient housing won by Nandan Mukerjee of BRAC University.

It was indeed extremely pleasing to hear everyone citing Bangladesh as a leader in DRR as well as to see so many individuals from Bangladesh playing a prominent role and speaking up.

Finally, there is a great opportunity for Bangladesh, including the government and different non-governmental stakeholders, to build on the success that has been achieved in disaster risk reduction through a whole-of-society approach and replicate it in the field of adaptation to climate change going forward. I am confident that we will be able to do so.

How is Bangladesh faring in the fight against climate change? | SOURCE: WWW.AMIRJINA.COM

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