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FOUNDER EDITOR
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The emperor's fall

Government should not limit this drive to casinos alone

THE arrest of Ismail Hossain Chowdhury Samrat—president of Jubo League Dhaka South unit, also a casino kingpin—on October 6, by Rapid Action Battalion, along with Enamul Haque Arman, vice president of the same unit of the ruling party's youth wing, is commendable.

While the ongoing drive is appreciable, the government must not allow complacence to water down its efforts to wipe out this social malaise. We would like to take Road Transport and Bridges Minister Obaidul Quader on his word that this drive will continue and that no one involved in corruption will be spared. Thus the government should not limit this steadfast drive only against the casino business, but it should work towards exterminating corruption in all the other sectors for the development of the country.

The government should also look into and eliminate all the factors that have led to the festering of the casino business, including identification and punishment of the individuals who have funded, encouraged, participated in and benefitted from this illegal activity. It should also make sure that unlike the half-demolished buildings of Beribadh that have soon been reoccupied by the inhabitants, or the half-hearted drives to free our footpaths that are taken over by the hawkers no sooner than the drives are over, this crackdown on the casino business is watertight with no possibility of the resurgence of this illegal business in the country. Samrat's empty throne should be dismantled so that no one can sit on it ever again. The prime minister has rightfully said, "I have taken action against Chhatra League and Jubo League. I won't spare anyone," and indeed the government should take this drive to every other sector in order to rid our country of corruption and social evils.

Saving our rivers from grabbers

Deliver on the commitments

IT is encouraging that the state minister for shipping has taken a strong position with regard to protecting our rivers from encroachment and pollution. He recently said that there will be no compromise in reclaiming our rivers, including the four rivers around Dhaka. The government has taken 49 projects at a cost of Tk 4,713.31 crore to free the rivers from encroachment and pollution as well as to restore their navigability. And reportedly, the BIWTA has already started implementing a Tk 848 crore project to construct infrastructure, including walkways, jetties and boundary pillars on the reclaimed river land.

However, while these projects are being implemented, several news reports and photos published in this daily recently suggest that the situation of the four rivers surrounding Dhaka has not actually improved much. We could see from a photo published on October 7 how the walkways built beside the Turag river in Abdullahpur were occupied by vendors while another photo published in this paper on September 16 showed how indiscriminate dumping of all types of waste, including plastic materials and polythene, in a landfill in Aminbazar on the outskirts of Dhaka, has been polluting the nearby two rivers—Buriganga and Turag. Such is the case of all the four rivers surrounding Dhaka. And other big rivers across the country also suffer a similar fate.

If the government is really sincere about protecting our rivers, the17-point directives given by the High Court earlier this year, including stopping the river grabbers from participating in elections, not giving them bank loans, making a list of river grabbers and publicising their names in the media, etc., should be strictly implemented. Also, the National River Conservation Commission, being the legal guardian of our rivers, should be given more power to perform their job. In addition, the government must ensure that the large amount of money allocated for the 49 projects is spent in a transparent manner. The government has made enough promises, now it's time for them to deliver on them.

LETTERS TO THE EDITOR

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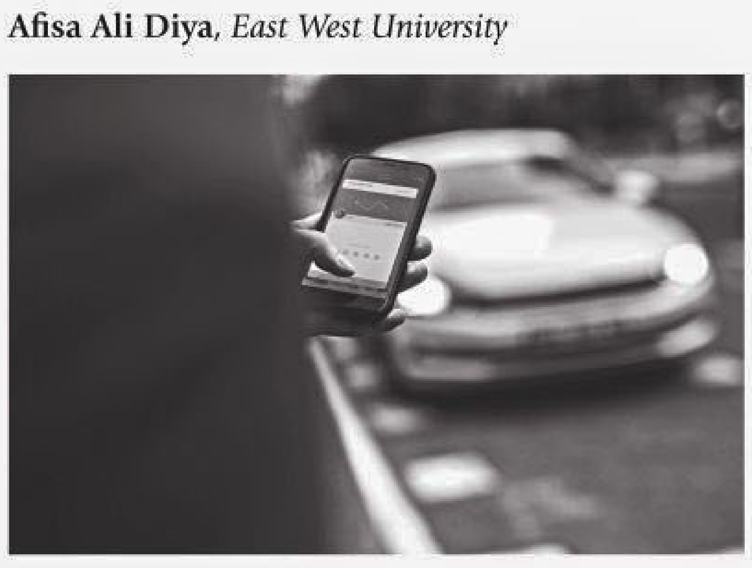
Fares must be fair

There was a time when ride sharing services were meant solely for the convenience of its users. Lately, it is no longer the case. Drivers from popular ride sharing services recently started behaving like the existing CNG-run auto-rickshaw drivers in Dhaka. According to the rules set by the mobile application, the drivers are not allowed to ask for more than what the application decides, based on its algorithm.

Unfortunately, a significant number of cases began to come under the spotlight where the drivers unjustifiably demanded two to three times more than the actual prescribed fare. This clearly jeopardises the formal pricing system. Also, it has a rather negative impact on customer demand, whereas customer service should be the topmost priority for these kinds of services. Such disappointing incidents occurring frequently have left the customers extremely disconcerted and exasperated. Hence, necessary measures should be taken immediately in order to put an end to the unexpected problems regarding the ride sharing services.

Afisa Ali Diya, *East West University*



How to open the floodgates for foreign investment

CYBERNAUTIC RUMINATIONS

HABIBULLAH N KARIM

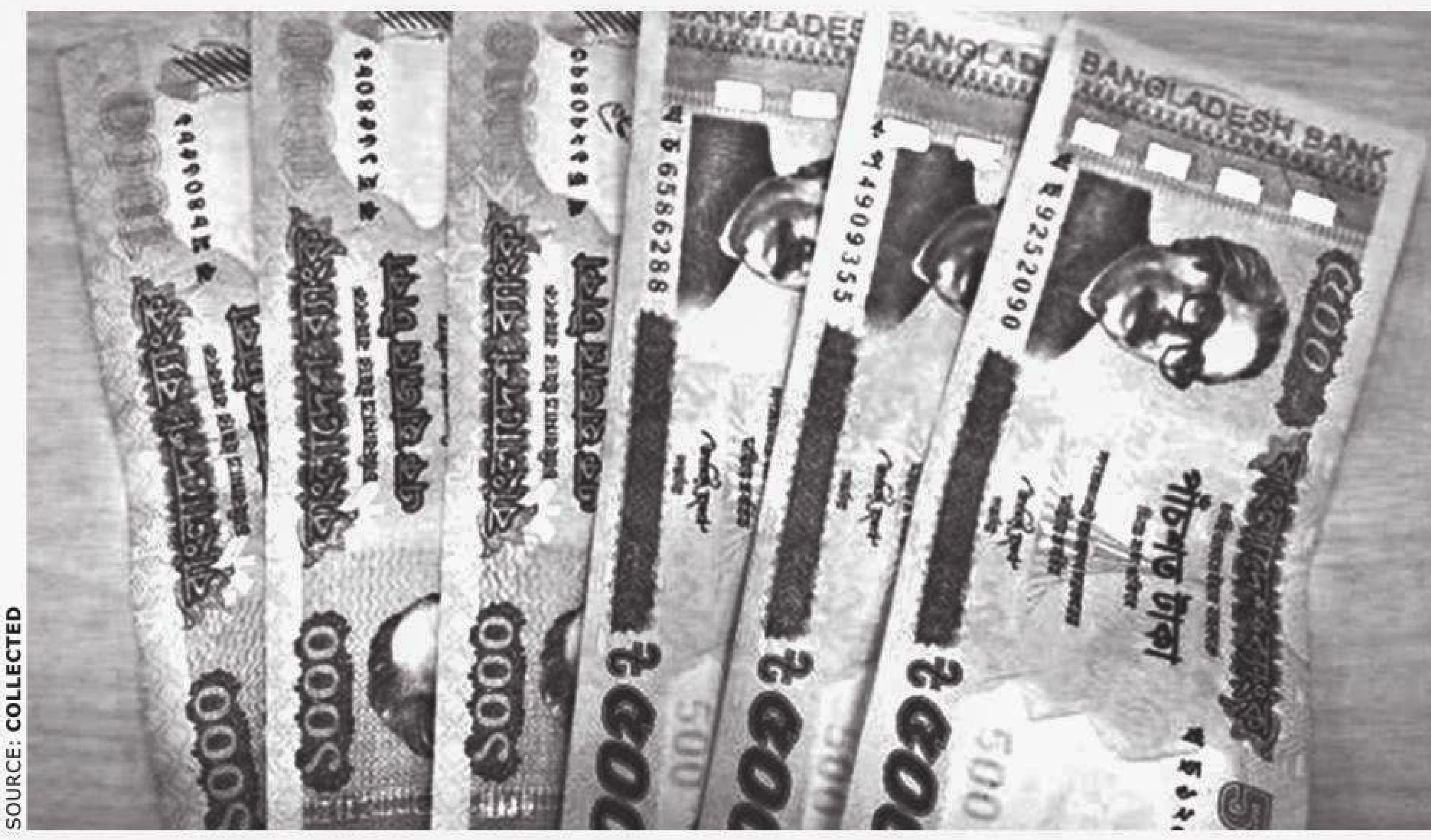
LIKE any other developing nation, Bangladesh puts a lot of emphasis on foreign direct investment (FDI) as a vehicle of growth for jobs, technical know-how and gross domestic product (GDP). The country has some of the finest export processing zones, very attractive tax breaks, and other incentives as part of an entrenched investment promotion policy. But despite all that, our FDI levels have remained stagnant over the last decade while the same for our neighbouring countries like Sri Lanka and Myanmar has grown at a healthy clip during the period.

So what gives? In many investment seminars that I attended over the last couple of decades, the message was clear: listen to foreign investors who are in the country already, help solve their persistent problems, and make them the goodwill ambassadors of the country. This is not so tough a thing to get done. The demands of foreign investors, not unlike the demands of domestic investors, are simply to do away with stark inconsistencies in the enforcement of policy incentives which look very good on paper but are extremely difficult to achieve on the ground.

Let's jot down a few examples to get a clearer picture. Our investment policy allows "easy" profit and investment repatriation. Ask any foreign investor and they will have many expletive-filled definitions of "easy". There are cases where foreign investors have waited years and still could not manage to "expatriate"investments and profits. The policy welcomes foreign investors as honoured guests. Ask any first-time visitor how he or she was treated at the airport immigration, and again there will be unkind descriptions galore (not to mention the hours one has to wait for checked-in baggage). Even if one could manage to get through the ordeals of immigration and baggage collection, getting a taxi to the city can be a huge hassle compared to any major airport in South Asia. Once inside the city, any foreign businessman is bombarded with calls of entreaties from strangers, most likely due to information given out by the hotel staff for some gratuity.

Local businesses, however, pay a lot of attention and go over the top to keep such foreign investors and customers happy. If anything, the complaint here is that businesses spend too much time on hospitality and too little time on the matter of business, but investors generally remain happy with the care and importance given.

However, when the investors go back through the gauntlet that we call airport, again they are disappointed by the long wait to even enter the departure hall and are often harassed by security personnel to cough up money for imaginary fees and services, and thus they enter the country unglamorously and leave unceremoniously with the bitter tastes of officiousness, incompetence and corruption both on the way in and out of the country. No matter how much we expect them, our policy hype and hospitality cannot hide the fact that we simply can't get rid of the rough edges in our handling of the much-coveted foreign investors.



SOURCE: COLLECTED

Unless we remove the barriers facing foreign investors, we cannot expect them to come and invest in our country.

But the country needs them badly and have to compete for their attention while all developing nations try to roll out the red carpet for them. Investors look for places where they can set up a factory or a business quickly and don't expect any hassles along the way. This whole experience is measured in countries around the world for a ranking in the Ease of Doing Business Index. As one can imagine, Bangladesh does not rank very high on this metric.

The nation adds two to three million new workers to the labour pool every year, and without a massive influx of FDI creating much-needed manufacturing jobs in the formal sector, there simply isn't going to be that many jobs on offer from organic job growth in the domestic industry. Even local businesses get a huge boost when big investments come in from overseas through sub-contracts, supplies and support services to the micro-ecosystems that such investments help to create.

Large growth in FDI is also needed to push the investment-GDP ratio to over 30 percent from the mid-twenties it's stuck at if we want to accelerate the economic growth rate to two digits and drastically reduce poverty levels. The only other way to augment this ratio is through higher national savings but that too has remained static in recent years.

Tens of billions of dollars' worth of FDI is coursing through the veins of the global economy but our ability to attract a sizeable portion of this free-flowing money has remained anaemic to date, simply because our investment policy mandates for easy repatriation of funds, single-window facilitation of local licenses and permits, and fast and courteous handling at the airport are a far cry from reality. There are dozens of other issues tracked in the Ease of Doing Business Index but these three are low hanging fruits that can quickly improve the perception of foreign investors.

Unless these anomalies are addressed forcefully and expeditiously, and then such services to foreign investors from both central and local government functionaries are sustained in a consistent fashion, we cannot expect foreign investors who have taken the trouble of coming to our shores to speak passionately about their investment destination and thus become the most effective and trusted business ambassadors for our homeland. And until we can turn foreign investors' experience in our country into great memories they would cherish their whole life and great stories they would love to share with anyone they know, our dreams of overflowing FDI will remain a pipe dream.

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Nurturing local managers

SABBIR RAHMAN KHAN

THE managerial capacity problem, first coined by Penrose (1959), implies that a firm's ability to grow effectively is directly related to its ability to add managerial capacity to administer and accommodate its growth. This argument entails a debate that is currently being discussed in our context. The debate involves why we are paying about USD 5 billion by recruiting less than half a million foreign professionals mostly engaged in apparel, textile, buying house, telecommunications, information for developing countries for fostering innovation, creating business wealth, increasing productivity, integrating with interconnected global value chain and tapping the future prosperity. In line with the global phenomenon, the demand for soft skills related to managerial and professional jobs has been growing in Bangladesh.

Bangladesh is the eighth most populous country in the world. The huge population of the country has opened up an avenue of demographic dividend endowed with more than 20 million youth between the ages of 15 and 29 participating in the labour force (LFS, 2016-17). Of the total 30 million youths between the ages of 15 and 29 in Bangladesh, roughly 3 million go on to pursue higher education. As per the

PHOTO: STAR

technology, poultry and poultry feed sectors. And, this debate warrants a thorough revisit to the capacity of our local managerial ecosystem. In a bid to cushion this backlog, experts are trying to demystify the avenues of local managerial capacity building.

In the current complex global economy, countries need to equip themselves with demand-driven technical, managerial and professional skills for better utilisation and leverage of human capital. Therefore, managerial and professional skills development has emerged as a key competitive factor

UGC's (University Grants Commission) estimation, the total tertiary enrolment over the next decade (2016-2026) may reach 4.6 million. Therefore, due to scarce growth at tertiary enrolment, we are falling short of producing home-grown managers and professionals as needed. Additionally, disparity is evident in urban and rural areas when it comes to average monthly earnings of managers.

According to the International Labour Organization (ILO), Bangladesh's labour force is growing at a rate of 2.2 percent, which means there are roughly 1.8-2 million new entrants in the labour force each year. Only 1.4 million of them are being trained by government-operated skills development agencies, leaving an unmet need for skilled human resources by both local industries and international markets.

The recent Labour Force Survey showed that as per occupation distribution, only 1.6 percent of the total workface are managers and 4.8 percent are professionals. The meagre percentages of managers and professionals indicate that there is a huge gap between our education and the managerial soft skill set that the industry needs in Bangladesh. This skill gap in the managerial position, especially in RMG, textile, power, construction and consultancy sectors, has created a window for the influx of foreign professionals to grab our market with their quality skill set. According to BGMEA, half of the foreign nationals working in the country's RMG sector are Indians while Sri Lanka and China represent 25 percent and 13 percent respectively.

Stating that Bangladesh's service sector contribution to GDP is not as well as its regional peers, a research anthology prepared by Institute of Diploma Engineers, Bangladesh (IDEB) found that Bangladesh's workforce productivity in the service sector, in terms of GDP, was 23 percent less than Thailand, followed by 24 percent of Sri Lanka, 29 percent of China, 45 percent of India and 65 percent of Vietnam. Inarguably, service sector growth is predominantly led by the efficiency of managers and professionals and this is where Bangladesh is falling behind.

Bangladesh Employer's Federation (BEF) and UNDP Bangladesh commissioned a study titled "Capacity Needs Assessment for Enhancing Management and Professional Capacity of the Private Sector in Bangladesh". The study found 10 weakest areas of competency our local managers undergo. They are: communication competency, strategic thinking, market forecasting ability, promotional activity, product development, innovation and creativity, critical thinking, sales planning and operations management. Surprisingly, "communication competency" ranked as the top weakest competency area, followed by "strategic thinking" and "market forecast". The study also found that local professionals are not getting sector-specific training to boost their skills and employers are not creating the scope for them to go abroad to attend advanced training courses, whereas our local managers are popularly considered quick learners.

It's rarely seen that a firm can evade the effect of managerial incompetence simply by hiring new managers to shore up its managerial resources. What we need to do is create new managers who will easily become familiar with the culture of the place, acquire firm-specific skills and knowledge, and work with other employees long enough to develop trusting relationships. Globally, best practices in the corporate sector are evident where companies examined diversified models to develop human capital. Those can be replicated in Bangladesh. Additionally, it is critical to put emphasis on restructuring our education system.

Unfortunately, our education system is mostly saddled with curricula that clearly lack professional orientation. Therefore, course curricula at all levels need to be updated and should have an orientation towards the changing dynamics of real-world professionals and entrepreneurs. In this connection, the partnership between academia and industry needs to be strengthen to address the skill gap. Furthermore, ratification of SDGs (Goal 8: Decent Work and Economic Growth) demands specific policies involving skills-matching for jobs, sector-specific training institutes, building an entrepreneurial centre of excellence, imparting top management development programmes, foundation programmes for youth entering the workforce, tax waivers for organisations investing in HRD, creativity and innovation-led academic reform and lastly, the participation of public-private partners.

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