

The Daily Star

FOUNDER EDITOR
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Rupnagar’s inferno

What will happen to the homeless?

WE are shocked that a fire that broke out in Rupnagar slum in the city’s Mirpur area on Wednesday morning has destroyed at least 200 shanties, leaving hundreds of its residents homeless. The fire also spread to a nearby six-storey building which was doused later. Thankfully, no lives were lost in the incident. Frequent fires occurring at the city’s slums just go to show our lack of awareness, among other things, and the time it takes for the fire service to douse the fire brings to the fore how ill-prepared the authorities are in handling such incidents.

In many previous fire incidents in the city, including those in the slums, one of the main reasons of delay in controlling the fire has been the lack of natural water sources like ponds or canals in the respective areas. The situation was the same this time as fire-fighters struggled to bring water to douse the fire. Since scarcity of water has always been and will always be an issue in this congested city, shouldn’t the fire service have the required preparation for that? Also, the narrow roads and lanes being a constant reality in Dhaka, shouldn’t they procure the necessary equipment to navigate through these areas?

Sometimes when there is a fire in a slum, we are told that the exact reason behind it couldn’t be ascertained. And in cases where the reasons are identified—where fire either originates from a faulty electric line or a leaked gas pipe—no corrective steps are taken. The committees formed to ascertain the reasons hardly come up with any conclusive answer, as the incidents go into oblivion with time.

This time, we hope the reasons for the Rupnagar fire would be identified soon and acted upon, and those affected by it will be rehabilitated immediately by the government. Also, the government should come up with a functional housing policy for the low-income people in the city so that they do not have to face the dangers of living in slums, fearing for their lives as they go to sleep every night.

Nine years of negligence at Chattogram port!

More boats and patrols needed to stop smuggling

ACCORDING to a report published in this daily, the outer anchorage of Chattogram port has not been properly monitored by the Customs House Chattogram (CHC) for the last nine years. It is incredible that this has been the status quo for so long in the largest entrance to the country’s busiest port. According to the CHC, around 70 percent of the total imported goods enter Bangladesh through this outer anchorage, yet due to a lack of patrol boats and acute manpower shortages, only two out of the average of 40 vessels that dock there every day are being inspected.

This means that on average, 95 percent of the vessels docking at the outer anchorage are not being checked by CHC officials, turning it into a hotspot for smugglers. What is even more shocking is the level of mismanagement that has led to this prolonged state of affairs. According to a report in *The Daily Star*, two patrol boats fell into disrepair nine years ago, leaving the outer anchorage unprotected. Five years ago, the Ministry of Finance allocated Tk 5 crore for their repair, which was undertaken by the company Chittagong Dry Dock Ltd. However, this money was wholly squandered, since neither of the patrol boats were returned to usable conditions, and at least 40 problems were found after they finished the job, including engine malfunction and leakages. None of these irregularities were ever investigated.

The CHC has once again asked the government for Tk 3.11 crore to repair at least one of the patrol boats, but what is the guarantee that the same thing will not happen again? According to a member of the National Board of Revenue, at least 10 speed boats and 5 patrol boats are required for customs to conduct proper inspections at the outer anchorage, so what good will a repaired patrol boat from the 80s be when the manpower and other equipment required are missing?

It is an open secret that illicit drug trafficking and other forms of black-market activity are taking place in the port city of Chattogram. We urge the authorities to take this issue seriously and provide the CHC with the manpower and equipment needed to properly manage the outer anchorage of the port. We also ask the government to immediately set up a probe committee that is independent of the customs authorities in order to investigate the misuse of funds and past irregularities, and ensure that these mistakes are not repeated again.

LETTERS TO THE EDITOR

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Celebrations postponed in fear of COVID-19

Bangladeshis were eagerly waiting to celebrate the grand occasion of the birth centenary of the Father of the Nation Bangabandhu Sheikh Mujibur Rahman on March 17. Major preparations were underway to celebrate the occasion. However, with the spread of the deadly coronavirus, it has rightly been postponed, due to the health and safety concerns. The spread of the virus has become a matter of grave concern across the globe and we Bangladeshis are no different.

We need not be disheartened as the “Mujib Borsho” will still go ahead; only the programmes have been rearranged and the gatherings will be kept “limited” as a precautionary measure. Those who cannot be present to share the spirit of the moment in real time will still be able to participate through TV and social media. What is of utmost importance at the moment is patience. Nothing lasts forever, so there is no need to panic unnecessarily. Overtime, things will all fall into place. Till then, be strong and stay clean.

Shefa Samia, by email

Plagued by coronavirus, can the RMG industry pull together?

RMG NOTES



MOSTAFIZ UDDIN

RECENTLY, I wrote about how coronavirus (COVID-19), which is now on the verge of becoming a global pandemic, has provided a wake-up call for Bangladesh and its RMG industry. An over-dependence on China has left many manufacturers in Bangladesh (as well as our rivals) exposed due to a lack of raw materials and intermediaries for garment and textile production.

In only a few days since I wrote that article, the situation with regard to COVID-19 has become much worse. I will outline here a few ways in which RMG manufacturers in Bangladesh are being impacted.

Firstly, many of our buyers are facing challenges of their own (of which more below). For this reason, they are writing to their suppliers in Bangladesh asking if payment for products can be delayed—by up to 30 days and beyond in some cases. This is a real challenge, and will prove particularly troublesome for SMEs with limited cash reserves and poor cashflow generally. For those who are running a tight ship, how will they pay their staff on time? As ever, factories—suppliers—are proving the fall guy in an industry-wide problem.

The second issue is that the holidays associated with the Chinese New Year, including in Hong Kong, were extended by around 20 days due to the outbreak of COVID-19. The fact that payments from customers via Hong Kong had already been delayed, and the lack of ability to get into work as outlined above have only made a bad problem even worse and extended payment delays further.

Moreover, many Bangladeshi apparel manufacturers have opened back-to-back Letters of Credit for fabrics and raw materials with Chinese companies. Because of COVID-19, many Chinese suppliers have not been able to deliver these fabrics or raw materials. However, in this scenario, Bangladeshi suppliers are becoming the defaulter to the banks as most Letters of Credit are irrecoverable once the importer has sent them.

All of the above factors are hitting Bangladeshi RMG suppliers hard in the pocket. Against such a backdrop, the question that needs to be asked is: if suppliers are experiencing major delays in

themselves and minimise social contact. Less people out and about means less shopping, and there can be no question now that consumer goods including apparel are going to be hit by COVID-19. McKinsey has issued a briefing suggesting that consumer goods will not be impacted as badly as services since they will only suffer a “delayed spend.” In other words, people will put off purchases they might make now to a later date. But the uncertainty of the current situation means we simply do not know what that date might be. Spring? Summer? This is a new disease and the world is in new territory. It is for these reasons that I believe

enterprises. I believe that banking supports such as zero-interest loans to help factories with cashflow problems and the option to allow the garment factories to reschedule their loans without penalty can help the industry from steep falling. Actions should be taken sooner rather than later to ensure factories are best placed to weather the storm. It is hoped that our policymakers will sit down carefully to develop innovative, intelligent solutions which will enable the manufacturers to face head-on one of the biggest challenges for a generation. Most importantly, it is not an isolated crisis for Bangladesh, rather a critical time



Workers make protective clothing at a factory in Wuxi, in China's Jiangsu province, on February 8, 2020.

PHOTO: AFP

If suppliers are experiencing major delays in payment, or are not even receiving goods which they are now financially liable for, how can they be expected to pay their workers’ salary on time?

payment, or are not even receiving goods which they are now financially liable for, how can they be expected to pay their workers’ salary on time?

All of us in the supply chain recognise the huge challenges that COVID-19 represents and understand that it is a human tragedy first and foremost. But it also has huge business ramifications.

There are also broader, long-term economic factors to consider. As well as already being squeezed hard financially due to the above factors, there are potentially dark clouds on the horizon for our industry. In Europe, our largest market, we are seeing massively reduced footfall on the high streets as people are being advised by governments to isolate

Bangladesh’s RMG industry is facing a once-in-a-generation challenge. The closest we have had to anything like this in recent years is the 2008 financial crash which placed a liquidity squeeze on the global economy. That’s how serious this is, economically at least.

I say all of this not to be a scaremonger, rather, to say that now is the time we as a country—and RMG as an industry—should pull together like never before. The government needs to provide policy support to the RMG manufacturing community at this challenging time. It should consider working closely with industry stakeholders to introduce short-term financial relief mechanisms for the directly impacted as well as supporting

for the entire world. So the time demands greater collaboration. Global apparel stakeholders need to come up with a harmonised strategy to respond to the epidemic outbreak of COVID-19.

In this tumultuous time for business, neither the manufacturers nor the buyers seem to be spared from the fallout. Clearly, the epidemic has put us into a situation where strengthening relationship between buyers and suppliers can only help each other to face the blow. Responsible purchasing practices are needed now more than any time before.

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PALLAB BHATTACHARYA

WHEN the legislative assembly of the eastern Indian state of Bihar passed a resolution against the government’s proposed National Register of Citizens (NRC) recently, it was not just another state to have done so. True, the legislatures in opposition-ruled West Bengal, Kerala and some other states too had passed separate resolutions opposing NRC. But Bihar stands out for more reasons than one.

First, Bihar is the first state ruled by the National Democratic Alliance, which includes the Bharatiya Janata Party (BJP), where the assembly passed an anti-NRC resolution. The BJP leads the NDA at the national level but in Bihar, it is a junior partner in the ruling coalition headed by its ally Janata Dal (United) under the chief ministership of Nitish Kumar. The development has lent an interesting twist to the evolving political drama over NRC, Citizenship Amendment Act (CAA) and the National Population Register (NPR).

At a rally in Delhi on December 22, soon after the CAA law was passed in parliament, Prime Minister Narendra Modi had made it clear that there was no discussion in his government about a pan-India NRC, let alone any decision. It is also equally true that Nitish Kumar backs CAA. But these facts do not in any way dilute the political significance of the passage of the anti-NRC resolution in Bihar assembly with the BJP’s acquiescence. This is despite the fact that a country-wide NRC was a key plank of the saffron party’s manifesto in the last national elections in 2019.

None of BJP’s 54 legislators in the Bihar assembly opposed the anti-NRC resolution. In fact, Bihar Deputy Chief Minister and senior BJP leader Sushil Modi went on record to defend the assembly’s anti-NRC resolution citing the prime minister’s December 22 speech at Ramliha Maidan. Nitish Kumar too referred to that speech in defence of the resolution, which underlined that there is no need for an NRC exercise in Bihar. The December 22 speech by Modi was seen by

Bihar resolution against NRC: A turning point?

political circles more as a watering down of Home Minister Amit Shah’s declaration of a country-wide NRC in order to lower the temperature that soared following daily street protests, at times marred by violence, against CAA-NRC-NPR in various parts of India.

Electoral compulsions rather than an ideological conviction seemed to be responsible for BJP’s going along with Janata Dal (U) in passing the resolution opposing NRC in the assembly. Fresh assembly elections in Bihar are due later this year, and Janata Dal (U) is mindful of deep anxieties among Muslims, who constitute about 17 percent of the state’s population, over NRC-CAA-NPR. As a junior coalition partner in Bihar, BJP apparently had no option but to accept the fait accompli served up by Janata Dal (U) which wanted to take away a key political weapon from opposition

Apparently, BJP does not want to lose any more ally and election. There is acknowledgement in BJP that its own strength in Bihar is such that it cannot go it alone and needs the company of Janata Dal (U).

It is not just some of BJP’s allies that are wary of NRC. Some key regional parties like Biju Janata Dal in Odisha, Y S R Congress Party in Telangana and All India Anna Dravida Munnetra Kazhagam in Tamil Nadu are also uncomfortable with NRC, fearing losing Muslim votes. AIADMK is also contemplating a resolution in the assembly opposing NRC. BJP is aware that these regional parties have in the past backed the Modi government’s key legislations in parliament like the abrogation of Article 370 that gave special status to Jammu and Kashmir and criminalising the instant triple *talaq*, which are part of BJP’s

last residential address of the individual. These questions have been perceived by critics to be a prelude to a nation-wide NRC. Bihar is among a number of states that want the 2010 NPR to continue for the exercise that is slated to begin in April. There could be two options to deal with this issue: one way out could be to make “optional” answers to questions regarding parents’ date and place of birth and last residential address and the need for producing documents for them, and the other way is to do away with them totally. The BJP leadership at least in Bihar seems to be warming up to the first option.

The BJP central leadership is determined to go ahead with the CAA. Modi and Shah are using almost every opportunity to make a strong pitch for its implementation with the prime minister himself telling his party men that there is no need to be defensive on the issue. Quite a lot would depend on what verdict the Supreme Court gives on petitions challenging CAA.

That being so, the question that is cropping up: will BJP step back from a countrywide NRC whose implementation in Assam last year has left almost everyone unhappy? Can there be a give-and-take between the government and the opposition?

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Indians protesting the new citizenship law and NRC.

AFP FILE PHOTO/DIBYANGSHU SARKAR

Rashtriya Janata Dal led by its jailed leader Lalu Prasad Yadav, Congress and Left parties. Secondly, BJP has lost not only assembly elections in Jharkhand, adjacent to Bihar, and in Delhi in quick succession but also a key saffron ally, Shiv Sena in Maharashtra, where too power slipped out of BJP’s grip following a below-par show by the party in assembly polls last year and a break-up with Sena.

ideological agenda.

Another important development in Bihar was that the assembly passed a resolution opposing the new format of NPR and demanded restoration of the NPR that was used a decade ago. The key difference between the proposed NPR 2020 and NPR 2010 is that the latter had questions about the date and place of birth of an individual’s parents and the