

The Daily Star

FOUNDER EDITOR
LATE S. M. ALI

DHAKA MONDAY APRIL 27, 2020, BAISHAKH 14, 1427 BS

Homegrown Covid-19 test kit

Approve its production and use without delay

AMONG the depressing news about the galloping rate of the coronavirus infection in Bangladesh, it is very heartening to learn that our doctors have produced a test kit that can diagnose the virus in five minutes. On Saturday, samples of the kit were handed over by Gonoshasthaya Kendra (GK)—whose doctors devised the kit—to the Bangabandhu Sheikh Mujib Medical University and the US Centre for Disease Control for validation checks and testing its efficacy. The GK deserves our congratulations for devising the contraption locally that has the potential to save lives and hard foreign exchange.

The administration should seize this opportunity to produce a locally devised testing kit. It is certainly a positive development, given the need to conduct widespread testing to identify and isolate the positive cases (in order to thwart the spread of the virus) and the likelihood of the existing kits running out (considering its high demand worldwide). Producing it in large scale will meet our requirement for testing kits, which are already in short supply, and reduce our dependence on outside sources. Testing kits will also be required to identify those who carry the virus but are asymptomatic. This needs to be done before we can expect normality in our lives.

Now that we have a kit of our own, one produced by our own doctors, all that remains to be done immediately is to pass it through the rigorous tests that such a kit should go through to meet the medical standards, and approve its use. We believe that the emergency situation calls for dispensing with the bureaucratic red-tapism, and all the necessary tests should be done expeditiously without being hampered by protocols to complete the necessary process. We feel that, if found fit for use, the GK kit should be tried out on a limited scale to test its effectiveness and thereafter be produced on a mass scale.

Fighting social stigma associated with coronavirus infection

Patients should be treated with care and compassion

THAT many people infected with coronavirus are hiding information about the disease is a cause for concern because such behaviour is putting others who are coming in contact with the patients, especially doctors, nurses and medical staff, at great risk. It has been reported in the media that Covid-19 patients often do not disclose their symptoms to doctors when they go to a hospital for treatment because of the fear that telling the truth may deprive them of any treatment. We have come to know about a lot of incidents where patients with fever and breathing difficulties were driven away by the hospital authorities, and the family members of the Covid-19 patients faced harassment by people in their neighbourhood as they were either not allowed to enter the area where they live or were told to leave the place. It was even difficult for the family members of the patients to find transports to take their loved ones to a specialised hospital for treatment.

The social stigma associated with coronavirus infection has forced many to hide their disease from others, leading to further spread of the disease. A large number of doctors, nurses and medical staff across the country have been infected with the virus because, among other reasons, the patients did not disclose their real symptoms when they sought treatment.

In fact, the stigmatisation of Covid-19 patients has resulted from people's lack of trust in a health system which is still not prepared to deal with the current health crisis. The inefficiency and mismanagement with which the health ministry and the Directorate General of Health Services had dealt with the outbreak at the beginning made people lose their faith in the system. Therefore, in an attempt to save themselves from the infection, people have been doing absolutely hateful things towards the Covid-19 patients.

We need to stop stigmatising the coronavirus patients and approach them with empathy. If people are not stigmatised, there will be no reason for them to hide the disease from others. But for that, they need to have access to the right information and proper knowledge about the disease. The government needs to conduct awareness campaigns about Covid-19 as well as the need for isolation and quarantine measures so that the thought of isolation or quarantine does not scare the patients. But most importantly, the government needs to restore people's trust in our health system by making it efficient and people-friendly where all Covid-19 patients will be treated with care and compassion.

LETTERS TO THE EDITOR

letters@thedailystar.net

Prevent price hikes

It has almost become customary that prior to any grand festivity, prices of goods and essentials escalate for some odd reason. As it is, we are in the midst of a pandemic, struggling to cope with the unprecedented situation. Sources of income for many households across the nation are ceasing to exist. To make matters worse, the prices of garlic, ginger, onion, dry chili, sugar, chickpeas, lentil, palm and soybean oils have increased over the last few days.

Citing lack of transport to justify the rise in prices of various essentials, multiple unscrupulous traders, wholesalers and retailers are to blame for this. And now with the holy month of Ramadan in progress, the price hike was inevitable and is taking a toll on the general public. At any other time, I would be able to understand the impulse. But during this holy month, and especially with a pandemic underway, such price hikes are absolutely absurd. The government must take necessary steps immediately to stop this. I think setting up mobile courts to monitor the markets and punish the culprits can play an important role in this regard.

Akash Hossen, Meherpur

How hard will the poor be hit?

Researchers from South Asian Network on Economic Modeling (SANEM) discuss the poverty impacts of Covid-19 in Bangladesh

COVID-19 has spread all over the world in a manner that is very unprecedented. Like most of the affected countries, Bangladesh has been compelled to impose a lockdown, resulting in people staying at home and restraining economic activities. This is likely to lead to a huge distressing impact on the economy. Furthermore, as the advanced economies are projected to fall into prolonged recession, and the middle-eastern countries are already suffering from plummeted oil prices, all these will have serious negative implications for our export and remittance earnings.

There are debates over the economic impact of Covid-19 in Bangladesh. While both the World Bank and the IMF have projected a drastic fall in GDP growth rate, Bangladesh government's projection seems to be rather optimistic. However, the exact magnitude of the impact of Covid-19 on Bangladesh economy will depend on the length and spread of the crisis along with the mitigation measures taken by the government. There is no denying that the worst victims of the slowing down of economic activities are the poor people, many of whom are dependent on daily earnings and live hand to mouth. Also, this crisis is feared to have a disastrous impact on the low-income people who are otherwise considered "non-poor" but are very vulnerable to fall into poverty due to any negative income shock. A large segment of these low-income people is engaged in informal activities with high volatility in

earnings. Any assessment of the impact of Covid-19 on the country's poverty scenario, therefore, needs to take into account both the poor and "non-poor" vulnerable population.

According to the recent estimates of Bangladesh Bureau of Statistics (BBS), 20.5 percent of the population, or around 34 million people, are poor. However, according to SANEM's estimate

income can vary if the economic crisis is prolonged). This suggests that the success in poverty reduction in Bangladesh over the past one and a half decades since 2005 may go in vain due to this crisis. In 2005, the poverty rate was 40 percent, which was even lower than our estimate of 40.9 percent poverty resulting from the ongoing crisis.

It can also be mentioned that the



The countrywide shutdown since March 26 has left the poor and vulnerable people battling hunger. The photo was taken on April 20, 2020 at the capital's Kamalapur area.

PHOTO: ANISUR RAHMAN

(uplifting the poverty line income by 1.25 times), there are another 36 million people who are "non-poor" but can be categorised as a vulnerable population. With any income shock, there is a high probability that a significant proportion of this vulnerable population will fall into poverty. Preliminary findings from ongoing research of SANEM on Covid-19's economic impact in Bangladesh—i.e. simulations using the latest Household Income and Expenditure Survey (HIES) data of BBS—reveal that with a negative income shock of 25 percent, the overall poverty rate will be 40.9 percent, which means that another 20.4 percent of the population will fall into poverty.

Here we have assumed that a three-month lockdown (which is most likely) can lead to a fall in at least one-fourth of the incomes of households (note that the magnitude of the reduction in

poverty impact of any income shock may differ depending on the people engaged in various economic activities. Our simulation results suggest that most of the newly poor in Bangladesh will be concentrated in economic activities like crop, animal and fishing production (43 percent), different manufacturing activities including RMG (16 percent), retail trade (11 percent), transport activities (10 percent), and construction activities (7 percent). Given that the majority of these people are employed in informal activities (85 percent of the employed), any employment shock is feared to have severe implications for the overall level of poverty of the country, as mentioned above.

It should also be noted that given the geographical dynamics of poverty in Bangladesh, such a negative income shock on poverty rates will vary across

When contracts have no meaning



contract: "A written or spoken agreement, especially one concerning employment, sales, or tenancy, that is intended to be enforceable by law."

A great many of my fellow compatriots have contracts with many of the world's leading apparel brands. Some are for major apparel orders, some are just for small orders, but all fulfil the basic definition of a contract.

What does a "contract" actually mean? I am sure many garment factory owners have been pondering over this issue these past few weeks. Here's a simple definition of a contract: "A written or spoken agreement, especially one concerning employment, sales, or tenancy, that is intended to be enforceable by law."

A great many of my fellow compatriots have contracts with many of the world's leading apparel brands. Some are for major apparel orders, some are just for small orders, but all fulfil the basic definition of a contract.

in the 21st century. Bangladesh's economy is almost 90 percent dependent on garment exports for its income. And yet, as we are seeing right now, this industry is built on sand and made of straw.

Also consider this: a few brands, including the world's two largest retailers, H&M and Inditex, have announced they will now pay for wholly or partially completed (cancelled) garment orders on agreed terms. We are grateful for that, and we must hope that other brands follow their lead. But the respective decisions taken by Inditex and H&M were something that garment factory owners had very little control over—and that is my worry.

The point is that the garment industry cannot continue on a "wing and a prayer" like this. We surely need to have some say in our own destiny; our survival cannot be in the lap of the gods.

What is the point of our industry having so many millions of dollars' worth of purchase orders with brands if, when push comes to shove, these contracts, these purchase orders, count for absolutely nothing? They are not worth the paper they are written on.



A worker at a garment factory in Ashulia checks whether her name is on the list of employees terminated by the management, on April 25, 2020. The garment sector recently saw many contracts with western buyers rendered meaningless after the latter cancelled or refused to pay for orders amidst the coronavirus.

PHOTO: AKLAKUR RAHMAN AKASH

But here's the thing: many of these contracts have been rendered utterly meaningless these past few weeks. It turns out that such contracts might as well not have existed in some cases, so little intention does one party have of fulfilling their side of the contract.

This is not to say that these contracts would not be upheld in a court of law; in many cases, it is highly likely they would

issue of contracts and purchasing practices generally. We simply cannot go on like this. What is the point of our industry having so many millions of dollars' worth of purchase orders with brands if, when push comes to shove, these contracts, these purchase orders, count for absolutely nothing? They are not worth the paper they are written on.

This is no way for an industry to operate

This means getting a grip in the issue of purchasing practices once and for all. It means working together, collaboratively, as an industry to ensure we are singing from the same hymn sheet as regards pricing and contract negotiations. It means all of us, collectively, standing our ground with regard to our buyers, saying "these are our terms of business, take them or leave them." This might mean 50 percent

the regions. Our simulation results suggest that though at the national level an additional 20.4 percent of people will fall into poverty, 40 districts will experience the rise in the percentage of poverty more than the national average. For example, in Rangamati, there will be an additional 30.9 percent people falling into poverty. In the same fashion, other major affected districts with higher percentages (than the national average of 20.4 percent) of additional people falling into poverty will be Mymensing (30.2 percent), Sunamganj (28.7 percent), Cox's Bazar (27.5 percent), Nilphamari (27.2 percent), Narail (27.1 percent), Chattogram (26.9 percent), Netrokona (25.9 percent), Chuadanga (25.8 percent), Sherpur (25.6 percent), Barguna (25.5 percent), Shariatpur (25.3 percent), etc.

Contrary to the aforementioned regions, the estimated impact is found to be lower for Dhaka, Narayanganj, Gazipur, Munshiganj, Brahmanbaria and Narshindi. However, since the initial hotspots of infection are concentrated in many of these areas with a high density of population, the fall in income of households in these regions can be much higher than our assumption of 25 percent income shock. Also, the higher concentration of small-scale trading activities, which can be heavily hit by the lockdown, may result in much more depressing impacts than the aforementioned estimations.

In combating the Covid-19 crisis, the government of Bangladesh has already announced several stimulus packages and social protection programmes which certainly indicate its positive intention to reduce the negative economic impacts of Covid-19 as well as minimising the burden on the poor and vulnerable population. However, the success of these initiatives will depend on three factors: 1) effectively identifying the vulnerable people and thereby determining the nature and duration of support; 2) ensuring that the genuinely affected industries and poor and vulnerable people receive support; and 3) introducing a Monitoring and Evaluation (M&E) mechanism to ensure efficiency, transparency and accountability in the distribution mechanism.

SANEM researchers Dr. Selim Raihan, Dr. Sayema H. Bidisha and Mahtab Uddin of Dhaka University, Md. Tuhin Ahmed and Md. Jonaed have contributed to this piece.

payment for orders upfront, 50 percent on completion. This is commonplace in other industries, so why should garment production be so different?

There are those who will say that these are unprecedented times and that it was inevitable that some factories would suffer as brands pulled orders. Yes, there is truth in that. But it is the scale of what has taken place in terms of brands simply turning their backs on orders which has shocked our industry to its core. The fact that brands are willing to treat RMG suppliers in this way, and on such a scale, tells me something. It tells me the power imbalance between brand and supplier has gone too far. It tells me that, for some brands, these contracts mean very little; they are just pieces of paper to be followed or ignored as they see fit.

Yes, these are unprecedented times, but this power imbalance has been around long before now. Where contracts are concerned, the cards are always stacked massively in favour of the buyers, and always have been.

With what we have seen these past few weeks, where brands have cancelled and walked away from orders, it is time for all of us to draw a line in the sand and say: enough! We can't keep doing business in this way. What happened to being partners to brands? Brands want business security, they want to plan for the future. But so do we as suppliers. We all want to play our part in building modern, robust supply chain. But we cannot do that if the basic currency which underpins all of our industry—contracts—is proved to be without meaning when push comes to shove.

Mostafiz Uddin is the Managing Director of Denim Expert Limited. He is also the Founder and CEO of Bangladesh Denim Expo and Bangladesh Apparel Exchange (BAE). Email: mostafiz@denimexpert.com