

The Daily Star

FOUNDER EDITOR
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DHAKA THURSDAY NOVEMBER 5, 2020, KARTIK 20, 1427 BS

Govt must prepare for a second wave of Covid-19

Enforce health guidelines, ensure more testing and life-saving facilities

WITH fears of a second wave of Covid-19 coming in winter—as is happening in Europe and other countries—the government’s preparation for it seems to be limited to rhetoric only. Large numbers of people in the country have all but stopped wearing face masks in public, and the government has not been able to strictly enforce other health safety rules either. Even more disappointingly, the health directorate has not been successful in ensuring adequate tests, central oxygen supply and other life-support equipment at public hospitals across the country. This has left experts worried that, should the number of cases start to spike, our healthcare system will once again be ill-prepared to handle the rise in infections.

Experts believe strict implementation of the health safety rules is the key to containment of virus transmission, and have urged the government to take effective preventive measures based on projections and experience gained over the last eight months. However, it seems that the government has not been learning from past mistakes and has failed to address many of them. Whether it be the issue of testing or quarantining passengers travelling into the country, or launching public awareness campaigns, or introducing antigen-based rapid testing, the government seems to be slow to react, if not reluctant. Meanwhile, the health ministry’s initiative to set up central oxygen supply systems in 79 district hospitals seems to have fallen flat—after nearly five months, only 24 Covid dedicated hospitals in the country have central oxygen supply systems.

We are absolutely baffled by this. What makes the authorities so confident that they have not taken even the most basic precautionary measures? Is it apathy that is driving this kind of behaviour? When lives could potentially be at stake, why isn’t the government more urgently trying to prepare for a possible second wave? When about a thousand new cases are still being reported daily—despite the decline in testing—why are the authorities acting as if the outbreak is all but over?

This is totally irresponsible and may lead to further devastating consequences. The authorities need to strictly enforce the health safety rules such as mask wearing and continue spreading awareness among people to follow them. Travellers coming into the country must be quarantined to prevent further spread, and Covid dedicated hospitals in the country must have central oxygen supply systems installed. There can be no excuses this time that the government did not have prior warnings and time to prepare. The last months have provided the government with ample time and experience. This time, there will be no one left to blame but the government itself, should the situation again start to spiral out of control.

Textile mills evaded taxes worth nearly 39 crore

Such corrupt practices cannot be allowed to continue

IN a report published by *The Daily Star* on Wednesday, it was revealed that 36 textile mills located in Narsingdi had evaded tax duties and VAT of nearly Tk 39 crore in the last five years. According to sources at the National Board of Revenue (NBR), these textile mills imported 30,350 power looms to make clothes under a one-percent concessionary duty benefit for capital machinery import. However, the owners of the mills neither set up the factories nor used the looms for production—around 84 percent of the machinery is suspected to have been sold in the local market, depriving the state from getting its due revenues.

At a time when Bangladesh is struggling with the after-effects of an unprecedented economic downturn as a result of the global coronavirus crisis, with the government spending billions of taka in the form of stimulus packages in efforts to keep our economy afloat, it is extremely disheartening to see this level of corruption at our local textile mills. This is not just revenue that is going into private pockets instead of government coffers. These duty benefits are in place to support local production and give Bangladeshi workers much-needed employment. Yet while the pandemic pushes the poor and extreme poor further into property, certain unscrupulous business owners continue to find ways to abuse the system and make a quick profit, even at the expense of others.

The pandemic has shown how crucial it is for the government to provide social safety nets to the most marginalised workers and communities in the country. However, this is only possible if the government has enough revenue to invest in social protections. Data suggests that Bangladesh’s tax/GDP ratio is still extremely low and has actually fallen, from 11 percent in 2010 to 8.9 percent in 2019. If this lamentable ratio is to be improved, the authorities must bring legal proceedings against tax-evading businesses and hold them to account. There must also be a long-term commitment to dismantling the ties between corrupt businessmen and corrupt government officials, and to holding all tax evaders and their enablers to account, if we are to ever have a proper tax regime and fiscal revenue stream in Bangladesh.

LETTERS TO THE EDITOR

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PM’s timely decision


As Covid-19 has started to spread again with new force around the world and many countries in Europe have announced fresh lockdowns, Prime Minister Sheikh Hasina recently said that the time has come to reintroduce coronavirus tests for every inbound passenger at all ports in the country. She mentioned that those coming from abroad must be checked to ensure the safety of the people.

I think we must pay heed to her instructions and prepare accordingly. We have already had quite a disastrous experience, so we must learn from those mistakes and take every precautionary measure necessary. Hopefully, this time we will do better.

Jewel Ahmed, Chattogram

Sarwar’s abduction: A chilling message for journalists

OF MAGIC & MADNESS



BADIUZZAMAN BAY

but “thankfully alive”, a reference fast becoming meaningful in cases of disappearance and such extrajudicial harassment in Bangladesh. Sarwar, who works for a local news portal, went missing four days after publishing an article about the alleged involvement of a minister’s family in land grabbing.

According to a report by *The Daily Star*, during the three days of his disappearance, the abductors called his family members at least five times, instructing them to be ready to pay a ransom. This was perhaps a ruse to conceal their true motive. A video clip capturing the early moments of his rescue shows a barely conscious but deeply traumatised Sarwar—believing he was still being held by his abductors—begging for relief from their torture. Using words that are bound to have a long shelf life in the memory of journalists and ordinary people alike, he is heard saying: “Bhai, please don’t beat me. I won’t write news anymore!” He stretches his hands in a pleading gesture as he repeats these words again and again.

The next morning, while talking to journalists, Sarwar confirmed that he was indeed kidnapped and tortured for reasons not related to money but to his work. As we wait for police investigation to shed light on the identity of those behind the incident, it must be acknowledged that there is something eerily familiar and profoundly unsettling about the circumstances of Sarwar’s abduction, especially the wording of his plea for mercy to his invisible torturers.

Soon after the incident, a reporter of *Prothom Alo*, one of the journalists beaten by the *helmet bahnini* during the road safety movement in August 2018, recalled in a Facebook post what words he had used to dissuade his own attackers: “Bhai, don’t beat me. I didn’t do anything. I’m

a good boy, bhai. Don’t beat me, bhai.” But he wasn’t spared, neither was the Noakhali victim of gang rape whose helpless appeal to her attackers—calling them *baba* (father) and *bhai* (brother) as she begged for mercy—went on to trigger a nationwide movement in October. The visceral fear conveyed through these words and unlikely terms of endearment latches onto your heart like a virus latches onto its host cells.

It’s hard to be not affected by Sarwar’s plea for mercy or the manner in which

I, too, share Sarwar’s fear of harm or retribution even as I wax eloquent about his wording. Many a time my friends and family warned me that I’m playing with fire by writing pieces critical of the powers that be. In truth, all I’m doing is my work. Just like Golam Sarwar, Shafiqul Islam Kajol, Iliyas Hossain, Mohiuddin Sarker, and many other staff and district correspondents of local, national and online newspapers who endured countless incidents of assault, intimidation, harassment,

message, to anyone who dares to speak or unearth the truth, to those who believe in the lofty ideals about journalism. I can go on to rattle off a long list of cases of assault and harassment endured by journalists every year, or the number of times the Digital Security Act and other repressive policies of the state have been used to persecute journalists, activists, teachers, students, etc. The lists are being updated even as we speak. But it’s futile to talk of lists and statistics when the authorities are not even ready to acknowledge them.

Perhaps what’s more important now is to unmask the enemies of the press, like the Committee to Protect Journalists (CPJ) once did, releasing annual lists of state actors from various countries who posed great threats to the journalists. The enemies in Bangladesh are many, and they don’t exactly come blowing trumpets to announce themselves or their intention. Often they rely on stealth to serve their purpose, and sometimes they can be very persuasive. Combatting the arguments, strategies and instruments they use to stifle press freedom and putting up a successful defence against them will require resilience, innovation, financial and organisational strength, and no small degree of courage. More importantly, the journalist community must be united to stand any chance against these press tyrants and offenders. But can our financially and legally weakened, politically compromised, and ideologically divided press institutions unite for their own survival and protect all journalists from harm’s way?

Something tells me it’s not going to happen soon. With so much division and violence and insanity going around, why should we still write and keep fighting? What hope is there for journalists like Sarwar who enjoy little to no support or legal safety? What can we possibly achieve in the end? The only truth I’m interested in right now is the truth that I keep telling myself: that we must keep our protests on record, so that those trying to bury the truth know their misdeeds haven’t gone unprotested. But to start going forward together and build an enabling environment for the serious press, all journalists should have their own answers to these questions.

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Golam Sarwar, who works for a local news portal in Chattogram, was abducted after he published an article about the alleged involvement of a minister’s family in land grabbing.

he kept uttering those words, hysterically, unmindful of his surroundings or the fact that he was no longer under the clutches of his abductors. He was so overwhelmed by this traumatic experience that it consumed his entire being. If this wasn’t a clear enough message, Sarwar’s subsequent and significantly saner statement to the press puts any remaining doubt to rest. While talking to *The Daily Star*, he said he had heard his abductors say: “He [Sarwar] has to be beaten in a way that will teach other journalists a lesson.” He was thus both their target and a conduit to send a message to the wider journalist community. Well, duly noted.

There’s no shame in admitting that

arrest, lawsuit, and yes, disappearance. Many of my more frontline colleagues who tirelessly work to deliver facts to the public are also afraid of the likely consequences of their work. Recognising how fear is manufactured and spread as well as our own vulnerability is vital to understanding the level of threat we’re facing today.

Transparency International Bangladesh (TIB) has rightly described the Sarwar incident as a threat aimed at gagging freedom of speech and freedom of the press. What distinguishes violence faced by journalists from other cases of violence is that no assault on them is a one-off event. It’s always meant to be a

How vulnerable are the small businesses?

ASAD ISLAM and ATIYA RAHMAN

IN Bangladesh, the Covid-19 pandemic hit economic players all at once. The small business sector, the country’s engine of growth and employment, is one of the worst-hit sectors because of its high dependency on low-skilled labour, low compliance with occupational health and safety standards, and limited access to the financial market. In late April 2020, LightCastle Partners & Sheba.xyz and Bangladesh Institute of Development Studies (BIDS) conducted a survey on the Small and Medium Enterprises (SME) and their workers and found that the pandemic-induced lockdown and social distancing caused a sharp contraction in production, supply chain disruption and workers’ layoff, and that the SMEs needed financial support (e.g. loan) to get back on their feet. Now that the economy has opened up, are the SMEs recovering from that shock?

To understand the effects of lockdown and subsequent reopening of the economy on small enterprises and their workers, the BRAC Institute of Governance and Development (BIGD) in collaboration with Monash University, Australia, surveyed around 2,000 firms from 18 districts in Bangladesh in July. Of them, 95 percent are light engineering firms and the rest are other small businesses like beauty parlour, hotel, grocery store, and clothing/tailoring. The study mostly focused on the light engineering sector (a small and informal sector) which accounts for more than two million workers and 2 percent of the GDP.

During the lockdown, the majority of the small enterprises were shut down. After the lockdown was lifted, very few were still closed; about two-thirds were operating at full capacity while one-third were operating at a limited capacity.

After reopening, these enterprises were facing two-fold challenges: reduced demand and the burden of paying for fixed costs such as rent and utilities. Even after more than a month of reopening, almost all the enterprises were still running at the break-even point (very low average profit of Tk 4,000), largely due to the low volume of sales. The enterprises such as beauty parlour, hotel, and tailoring were facing the most severe drop in sales, reflecting the additional challenge of the service sector where social distancing is often not feasible.

Intriguingly, compared to the lockdown period, more owners were unable to pay the rent for their workshop premises after reopening. This is perhaps because the owners were in critical shortages of funds as the pandemic prolonged, and they used up their savings or, even worse, capital by then. Now, with low sales after reopening, they are struggling to meet the pressure of fixed costs. Predictably, those who were

facing a larger drop in sales were more likely to face difficulty paying rent in July. What made the situation worse, almost two-thirds of these enterprises also reported experiencing a shortage of raw materials. Most of them reported that they were either reducing their production or increasing product prices to cope with this shortage, further deepening the crisis.

Consequently, many workers of the small businesses were forced to leave jobs and migrated back to villages from towns and cities. Though most workers returned to work by July, income-recovery has been low for them. Male workers were earning about 30 percent less than the pre-pandemic period; female workers were

through low-interest loans (about half of the market rates) to be delivered through the banking system. Though two-thirds of the surveyed enterprises reported that they knew about this initiative, only three percent applied for the support. Only one out of 1,960 firms received credit from the banking channel under the stimulus package of the government.

Our study found that the enterprises that had a higher profit margin before the pandemic were open during the lockdown, or had higher sales after the lockdown, or in other words, financially stronger enterprises were more likely to apply for government support. High costs in lending to the small enterprises

make any plan for their business recovery. If the small businesses do not get support, many may never recover.

Apart from financial support, what factors can help small businesses be more resilient, particularly during a public health crisis like this? Before the pandemic hit the country, in 2017/18, BRAC provided intensive training on occupational health and safety (OHS) along with business training and financial linkages to a group of managers/owners of small firms. Our study found that in July, these SMEs made almost double the profit compared to the enterprises which did not receive the training; however, the absolute amounts of profit of both the training recipient and



The small business sector is the country’s engine of growth and employment.

earning 52 percent less. Female workers in these enterprises were also less likely to return to the labour market.

What’s most concerning is that “poorer” enterprises, which had lower financial capital during the pre-pandemic period, are less likely to operate their business at full capacity after the end of the lockdown. They also had lower sales after the lockdown was lifted—the poorest enterprises were experiencing about 50 percent reduction in sales, almost double the loss incurred by the richest. These findings demonstrate the vulnerability of the poorer enterprises and the need for providing support for them to start their activities.

It is clear that the small businesses are in dire need of support to get back on their feet. On April 13, the government announced a stimulus package for SMEs

and fear of non-repayment have already been established as major hindrances for small enterprises to access the incentive loans, and there is a growing concern that the stimulus package will not reach the vulnerable firms.

The targeting criteria for reaching the more vulnerable enterprises with the support package are of utmost importance. At the beginning of the pandemic, many experts had suggested that smaller enterprises should get priority for getting support. The small enterprises face several challenges in accessing credit through the formal banking system, and many of them are not even aware that they can obtain this support to recover from the shock created by the pandemic. When asked about their future business plan, almost half of these enterprises reported that they face uncertainties and could not

PHOTO: MOKSUMAL HAQUE/CGAP

non-recipient enterprises were significantly low compared to their pre-pandemic profit. The findings indicate that OHS and business training can help firms survive in difficult times, and firms receiving such training are better able to withstand shocks like the ongoing pandemic.

It is evident that poorer enterprises and vulnerable workers (e.g. female workers) in the informal sector are experiencing severe challenges in coping with this “new normal”. To ensure an equitable post-pandemic economic recovery, it is essential to increase the scope of the incentive and, more importantly, better target those who need it the most.

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