

Politics has to change to cure Bangladesh of economic ills



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What is good politics for a party, or any party, may not result in good economics. The ruling class in Bangladesh will ridicule this concern, referring to the remarkable economic growth the country has boasted for more than a decade. If the growth in GDP is all that matters, then the discontent shown on the streets and social media platforms is hard to explain. The privileged, who have been exploiting the status quo and would like to ensure it never ends, have an explanation though. They say those who are aggrieved are a small group of opponents of national development.

Is that so? No. Since the demonstrations of disagreement on politics, as it is now in Bangladesh, and policies adopted to regulate everything from politics, law and order, and economy, have been directly or indirectly punished, whenever tracked down, people seek out alternative routes to let out their anger. That is why students, who still have years before joining the workforce, and adults who have long passed the age to apply for government jobs, joined the protesters demanding reforms to the quota system in public recruitment. That's how they became part of the mass rather than people who could be singled out.

However, anyone living in the cocoon of power should have felt the heat of public discontent, if they wanted to, long ago. It is just around the corner at roadside tea stalls in conversations between people worried about income prospects, soaring living expenses, and threats of losing everything to the unfair and biased system.

Prof Anu Muhammad once said the money spent on roads, bridges, and flyovers also drives up GDP, but that may not be translated into better economic well-being of the people. An economy is only successful when the growth in economic output touches all equally, irrespective of their social statuses and connections to political, legal, and economic institutions of the country.

Is this the case in Bangladesh? The answer lies in the corruption status of the country revealed by Transparency International Bangladesh (TIB) in January this year. It earned a score of 24 on a scale of 100, according to the Corruption Perception Index

2023. The score is the country's lowest in 12 years and the second worst after Afghanistan in 2023. TIB says that the state institutions responsible for curbing corruption are "under political and bureaucratic influence."

The misuse or abuse of power has a manifestation almost in every small and big industry, the equity market, and even in kitchen markets. The market overall seems to have gone under the control of a few who can influence the state machinery and political and economic institutions to their benefit.

Hence, the government's zero-tolerance-against corruption stance reiterated in almost every public speech seems nothing but phony.

Now what happens when those who are being ruled do not trust the ruler? They do not invest their capital to launch or expand a business, fearing everything will be taken away by those who can exercise power. Those who do not have capital feel hopeless about any prospects of elevating their living standards without access to political power. So, they do not consider exploring opportunities, if there are any, to improve their skills, because better skills mostly go in vain when bribery and lobbying play a bigger role in employment and entrepreneurship.

This is the context against which hundreds of thousands of people are leaving this country through illegal sea channels to reach the shores of the European nations, the Middle East, Malaysia, China, and the US, though the risks are well-known, as they are extensively reported by the media, NGOs, and INGOs. In fact, in 2023, the number of such migrants to European countries surged 10 percent to 337,008 from the year before, and in 2022 it escalated 58 percent year on year, according to The European Border and Coast Guard Agency.

Illegal migration spiked at a time of praiseworthy GDP growth.

There are reasons, such as climate change and lack of jobs, but those who are giving Tk 5 lakh to Tk 10 lakh, sometimes even more, to migration rackets, by selling ancestral properties or borrowing from unconventional sources at sky-high interest rates, could also think of opening a small business in their upazilas, districts or

cities. They don't. The risk of crossing the Mediterranean Sea does not seem as great as overcoming the barriers put in place by law enforcement agencies and relevant authorities to get clearance for a small business. And then the regulatory bodies would keep on twisting the arm of the small investors to get whatever they want.

There are blatant examples within our range of visibility. We, residents of Dhaka,

who have money and power. As TIB said, the allegedly corrupt keep enjoying unabated protection and even get rewarded.

The migrants become the lifeline of Bangladesh's economy while most of them leave their families behind, not to find a better life but to survive with deep resentment for the unjust political and economic institutions back home. However, the institutions want them to play their

used them to their advantage. The rest have acted as spectators in the game.

This has to change. Unfair economic growth is not sustainable without the participation of the larger population. Signs of that have already emerged. The flow of remittance through legal channels has shrunk, foreign direct investments have plummeted, and money laundering has escalated—by those who would like to park



ILLUSTRATION: BIPLOB CHAKRABORTY

are so familiar with small roadside shops being vandalised every few months, but that is not done to free roads but to extort money before vendors return to the same place with new unofficial permits. One fruit vendor once told me he was tired of setting up his business again and again. So, he decided to try his luck in the Middle East.

People like him fall victim to exploitation again when looking for jobs overseas, by the people who have power, connections, and who can get away with any wrongdoing. The victims do not get justice because the legal system is also under the influence of those

due role so they can thrive without any constraints.

Given a chance, though, migrants would just look away and would be busy building their lives elsewhere in another part of the world. Those who can afford that do that, but those who have loved ones, languishing in the corrupt system, send money home.

The government's rhetoric about its development works does not change the reality. The growth has catered to the greed of a small segment of the people, living at the top of society. Those in the middle have got a slice of the pie when those at the top

up their illegally-earned money somewhere safe and also by those who fear expropriation of their hard-earned money.

All of these are inimical to national growth in a real sense. For that, politics and economics, dominated by politics, have to change. Fair political and legal systems are prerequisites for fair economic institutions that would support everyone to grow within their potential and abilities. Unless and until that happens, the voices of the repressed would only amplify, may get subdued at times by pressure of state machinery, but would flare up again on the path to culmination.

Surrealism and dark arts: Leaving citizens behind



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The British Labour Party has just won an important parliamentary election in early July more by careful targeting of seats than popular acclamation, reinforced by despair with the Tories' record, enabling the Tory-lite Liberal Democrats to pick off Tory safe seats, while the Tory anti-immigrant, ultra-right (the newly formed Reform Party) appealed to lingering xenophobia from the Johnson-Sunak era. Full disclosure: I am a member of the British Labour Party, concerned about its pre-election trimming of principles, opting for pragmatism in order to give hope a chance. It has been a conflicted place to be in—for example, over Gaza and capping the number of children of poor families who can receive benefits.

Those of us to the left of British politics have had a torrid 14 years since Autumn 2010. The fragility of social democracy has been exposed by the variegated forces of the established ultra-right, which have tempted the British public into their conspiratorial dreams of individuated freedoms. Trump's Project 2025 in the US is similar.

The cultural prerequisites of populism en route to fascism have been evident across our walks of life. Restless egotists, having personally accumulated wealth underregulated banking, corrupted capitalism, rent-seeking on a grand scale through preferential state contracts and tax evasion (significantly offshore), seek to consolidate their newfound privileges via the temporary necessity of winning popular support until they do not have to bother any more. The winning of that support entailed finding an enemy of the people, othering them and heaping upon them the causes of all ills. In Britain, these restless egotists, acting straight from the fascist playbook, have not yet fully settled upon their bête noire. For a hidden some, it is still the Jews—a disguised target of the inherent racism of the right though falsely attributed by the right to the inclusive left. Additionally for the right, all Muslims are



PHOTO: REUTERS

Keir Starmer pledges to stabilise UK as Labour win huge majority on July 5, 2024.

tagged as militant Islamists. Asylum seekers and immigrants are cast in the same light. The definition of "extremism" was continuously widened by the Tory government and used as the basis of exclusion from policy forums and crackdowns on protesters, forgetting that the Tory party has its own share of extremists, racists, and misogynists. Another potential target was anyone who, being relaxed about others' identities, was labelled as members of the woke culture. These targets for othering continue to be "tested" in the marketplace, with the owners and controllers of populist media hard at work experimenting with what trope will work best with a poor and insecure populace.

We resembled the Weimar Republic: our polity daily fragmented into millenarian factions seeking the support of the desperately alienated with nowhere to go. The mobilisation of hatred and blame. Brexit became an amalgam of othering. A lumping together of ghosts and shadows, like Don Quixote tilting at windmills with the support of Sancho Panza, more concerned about his

next meal, just like a significant proportion of the UK population. Devotees of a freedom, but only for those who ironically desire to oppress others via negative labelling and violence—culture wars. The comfortable patrician and officer classes making way for the boorish corporals, as the new line of defence for Ponzi capitalism—beer in public, champagne in private. In the Weimar Republic, people stood quietly by, hoping their time as a target of

voters flounder as public services are further cut despite warnings even from the neo-liberal IMF. With Labour long signalling the removal of non-dom tax avoidance to divert 3.6 billion pounds to the NHS and school meals, the Tories then parked their tanks on Labour's lawn with their own non-dom proposal riddled with loopholes in order to fund populist tax cuts, even though the polls indicated the maintenance of public services is preferred. With such cynicism, no wonder support for the Tories came down to 24 percent of a low turnout, itself the dangerous sign of an alienated society.

Free and fair elections are no longer sacred in the UK either. The Tories worked hard on voter suppression within the UK by insisting there is widespread fraud, especially among Labour-voting Muslim areas apparently, thus requiring formal ID in the polling booth, which inhibits the poor—an estimated 400,000 denied the vote. Meanwhile, they extended the franchise to three million overseas expats who seek to escape UK taxes, banking on their bizarre pro-Brexit preferences!

During Covid, the Tory leadership behaved like Italy's Christian Democrats and the mafia in the past by fast-tracking PPE contracts through personal "VIP lanes" for their mates to make millions and then contribute as donors to Tory election coffers. Before this, they attempted to bypass the parliament by illegally proroguing it in order to use a statutory instrument for the hardest version of Brexit.

Strangely, these advocates of sovereignty had no compunctions of undermining it when it suited. And when the UK Supreme Court ruled on the illegality of their manoeuvre, supporters in the tabloid press owned by Tory donors headlined the judges as "enemies of the people." Also, they sought to extract the UK from international human rights treaties (some originally drafted by the UK) in order to remove asylum seekers to Rwanda as a deterrent to UK entry, and to separate families of visa seekers and to remove citizenship from long-term residents, e.g., from the Caribbean, without appeal. Meanwhile, such asylum seekers were corralled into camps, denied an opportunity to work and, ironically, to pay taxes. When challenged, the Tories used their "elected dictatorship" to legislate that Rwanda is a safe haven with a good human rights record (so not a deterrent then?) in defiance of another Supreme Court judgment! The laws to quash protests, e.g., environment, have become draconian. This list of activity from

such hate would not come, but it did. And as it will again in the US if a "wounded" Trump pulls off the election in November. That discourse remains in the UK, too, as we cover and listen to the latest oral atrocities of the Reform Party—our latest incarnation of the uber-right.

neo-fascist playbook can be extended. How should we think about it?

Some observers have referred to 14 years of Tory policy as planned penury, shifting more of the population to insecurity and reliance on voluntarism. Some concluding facts for the day of the election (July 4): the UK government debt was highest as percent of GDP since the 1960s; eight million waiting for health treatment for 18-52 weeks; four million children in poverty households; lowest rate of aggregate economic growth since 1948 and worse per capita; business investment almost 10 percent lower than the rest of G7 countries; fall of UK goods trade below G7 since Brexit by 15 percent; UK tax revenues as share of GDP highest since World War II; real average weekly earnings in 2023 below their 2003 peak (under Labour); almost three million food bank parcels given out in a year up to March 2023 (higher now); high economic inactivity including a surge in long-term sickness now to a record high of 2.8 million; inflation up to 11 percent last year, reduced to two percent for the election and likely to rise again; mortgages on family homes up by hundreds and even thousands of pounds a month; energy prices at record highs; local government authorities filing for bankruptcy, at least seven so far, due to cuts in central funding for statutory adult and child care; local council tax to rise by 4.5 percent, funded at the household level by alleged tax cuts on income; reduction in capital gains tax (i.e., for the rich) down from 28 to 24 percent (Labour now revising this); increase in licences for North Sea oil and gas extraction (now revoked, though a disastrous "pipeline" of agreed projects remains); new gas-fired power stations approved, and Tories fighting off a protest against a new coal mine; completion of new rail infrastructure in London, while cancelling links to England's northern cities; and a drastic reduction in UK overseas aid.

Only space prevents me from continuing this litany of failure, which sustains the Tory need for othering racial and ethnic minorities and immigrants alongside its "culture" wars.

Simply ask: in what sense was the UK, under the Tories for the last 14 years, a role model for anywhere? Believe it or not, it remains a rich society, the sixth richest economy globally. But only for its top two quintiles. Under the Tories, the emperor lost its clothes—if it ever had any. Its international rhetoric of "leave no one behind" is a hollow slogan at home. And now a Tory leadership race is seeking to leave more of the UK population behind.