



July-September 2006
Vol V Issue 3

CPD Centre for
Policy
Dialogue
Bangladesh

Quarterly

FROM the editor's desk

Readers of the CPD Quarterly Series will recall that following the Citizen's Forum titled 'National Election 2007: Civil Society Initiative for Accountable Development' held on 20 March 2006, CPD had initiated a series of dialogues in various parts of Bangladesh with a view to mobilizing public opinion in support of accountable and transparent development process. CPD also undertook an initiative to prepare *Bangladesh: Vision for 2021* articulating long-term strategic goals for Bangladesh. As would be expected, during July-September 2006 a large part of CPD activities was concentrated in these two areas. During this period regional dialogues were held in ten district headquarters which included Rangamati, Chittagong, Rangpur, Khulna, Rajshahi, Faridpur, Pabna, Bogra, and Tangail, with the concluding dialogue being held in Naryanganj on 9 September 2006. CPD also organized several Expert Group Consultations in this period where the eight overarching Goals identified for *Bangladesh: Vision 2021* were discussed in detail.

We are happy to note that in this long journey of civic activism CPD has received enthusiastic support from various sections of Bangladesh civil society. Concern of common citizens as regards the future of Bangladesh, their demand for a free and fair election to be participated by clean and competent candidates, their aspiration for a prosperous, peaceful and progressive Bangladesh and their sincere desire to contribute to such a future was most tellingly visible in the course of this entire exercise.

The input from the aforesaid dialogues and consultations is helping CPD to gradually give shape to the three documents which we hope would emerge from this process: Citizen's Aspirations, Amendments to the Representation of People's Order 1972 and *Bangladesh: Vision for 2021*.

Another important event that merits mention here was the launching of the 'Global Competitiveness Report 2006-2007' on 30 September 2006. It may be pertinent to recall here that successive GCRs have been drawing inputs from Business Environment Surveys conducted by CPD in collaboration with World Economic Forum (WEF) over the last six years. The occasion was also an opportunity to present the findings of the 'CPD Business Survey for 2006'. The CPD survey identified major bottlenecks hindering the conduct of business and commerce in Bangladesh and helped situate the Bangladesh correlates in this regard in the context of other countries participating in the global survey.



National election dialogue

Since the formal launching of pre-election activities on 20 March 2006, the Centre for Policy Dialogue (CPD) successfully completed a series of regional dialogues as part of its initiative entitled NATIONAL ELECTION 2007: CIVIL SOCIETY INITIATIVE FOR ACCOUNTABLE DEVELOPMENT during the quarter ending in September 2006. The dialogues were organized jointly with *Prothom Alo*, *The Daily Star* and Channel-i. A total of fifteen regional dialogues took place during a time span of about six months, ten of which were held between July to September.

The sixth regional dialogue was held in Rangamati on July 7th. The speakers at the dialogue demanded the end of unofficial 'military intervention' in the hill tracts and full implementation of the peace accord signed in 1997. The discussants stressed that people living in the hill tracts are still deprived of their civil rights. They demanded updating of the electoral roll through door-to-door visit on the basis of local inhabitants and sought a guarantee that the minority communities will not be victimized following the general elections. Chairman of Chittagong Hill Tracts (CHT) Regional Council and President of Parbatya Chattagram Jana Shanghati Samity Jyotirindra Bodhipriya Lama was the chief guest, while former Chairman of Rangamati Local Government Council

and President of CHT Land Rights and Protection Committee Gautam Dewan chaired the dialogue. Deputy Minister for CHT Affairs Moni Swapan Dewan and Chingkew Roaza were present as special guests. Members of the *Nagorik Committee 2006* Jamal Nazrul Islam, Professor Emeritus, Chittagong University and Raja Debashish Roy also attended the dialogue.

The next regional dialogue took place in Chittagong on July 8th. Speakers at the dialogue strongly felt that an independent, impartial and efficient Election Commission has to be established with a view to hold a free and fair election. The speakers pointed out that people can largely influence the political parties to nominate honest and competent candidates by making conscious choices whilst casting their votes. They also suggested that a dialogue between the ruling and opposition parties would be useful in reforming the Election Commission. The discussants debated on the issue of the contribution of Rapid Action Battalion (RAB) in reducing crime in the country. They condemned the atrocities against the minority communities during pre and post-election period and demanded safeguard against any repetition. Presided over by Professor Sekandar Khan, Department of Economics, Chittagong University, the

(Continued on page 2)



dialogue called for strengthening the civil society initiative and putting forward the views and demands of the people. Minister Abdullah Al Noman noted that policy-making process should include people from all segments of the society. Awami League leader and former Minister M A Mannan observed that constructive criticism by the political parties is necessary to bring back faith in each other. The dialogue addressed issues regarding transparency of the parliamentary standing committee, practice of democracy within the parties, registration of the political parties and introduction of voter ID cards for ensuring free and fair elections. Members of the *Nagorik Committee 2006* Professor Abdullah Abu Sayeed and Professor Jamal Nazrul Islam also spoke at the dialogue.

Regional dialogue at Rangpur, the eighth in the series, was organized on July 15th. The discussants suggested that the civil society initiative should continue beyond national elections and considerable pressure should be build by the local level politicians on the party high ups to nominate honest and competent candidates. They recommended that the concept of having a caretaker government should be abandoned to allow democratic spirit to grow in the country. They felt that MPs should be penalized in the form of pay cut if they are absent when the parliament is in session. The participants stressed that in order to be nominated for polls a candidate must have a record of being a member of the party for at least five years. They added that the Election Commission should have the authority to cancel registration of a political party for proven electoral irregularities.

Special guest Sarwar-ul-Alam expressed that election under the elected government would make the government act more responsibly. Presided over by Professor Reza Shah Towfiqur Rahman, the dialogue was also addressed by former Advisor to the Caretaker Government M Hafizuddin Khan, former President of Metropolitan Chamber of Commerce and Industry (MCCI) Laila Rahman Kabir, both members of the *Nagorik Committee 2006*, and editor of *The Daily Star* Mahfuz Anam.

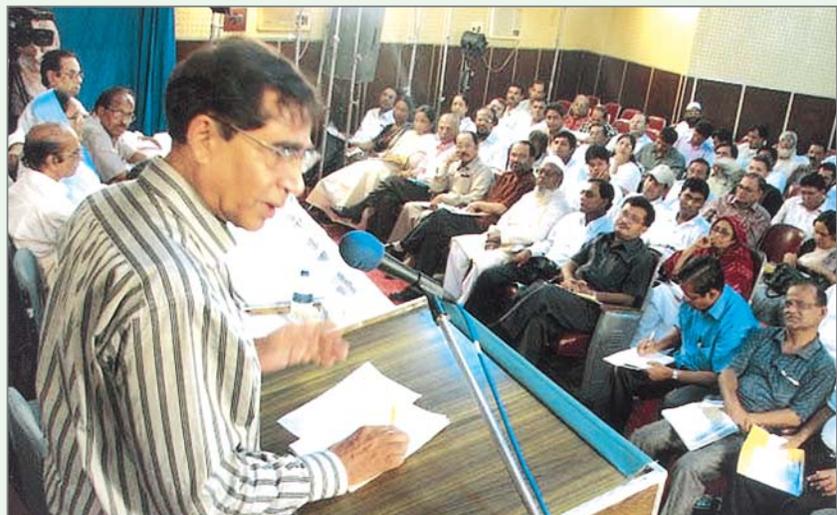
The dialogue held in Khulna on July 22nd emphasized that most of the problems can be solved by ensuring people's constitutional rights. The discussants called on the government and the opposition to work together for regional and grassroots level development. They pointed out that Khulna, once a regional hub for economic activities, has now turned into a dead city merely because of negligence. Chaired by Principal Zafar Imam, the dialogue suggested for political reforms along with other reforms. The participants recommended that lawmakers should be elected based on the ratio of the total number of votes in the country. The participants further elaborated that the Election Commission should take the responsibility of printing banners and posters for all the contesting candidates. This would reduce the election expenses in general and would check the use of black money. Former Chairman of Khulna Municipality Gazi Shahidullah, Principal Majeda Ali and Advocate Enayet Ali were present as special guests. Editor of *Prothom*

Alo Matiur Rahman and former Advisor to the Caretaker Government and member of the *Nagorik Committee 2006* A S M Shahjahan also spoke at the dialogue.

Regional dialogue in Rajshahi on August 5th suggested that the campaign for honest and competent candidate should reach out to the grassroots level. They also stressed on effective implementation of the recommendations evolving from the dialogues such as disclosure of information about assets owned by a candidate, mandatory registration of political parties, identification of group of people involved in corruption, immediate reconstitution of the present Election

vote' should be there in the ballot paper. The participants suggested that electoral disputes and petitions must be disposed off within the shortest possible time. There was a strong demand that the government should be accountable both at the local and national level. The participants urged that all the closed factories and mills be opened and more job opportunities be created in the region. They also raised issues such as direct road and rail links with India for rapid growth of economy of the country.

Former Principal of Government Mohila College A R Shamsul Islam presided over the dialogue, while Executive Director of Samata



A S M Shahjahan addressing the dialogue in Khulna

Commission and so forth. Former Minister Sardar Amjad Hossain urged that the northern region of the country should also be industrialized like the other parts of the country. The dialogue was presided over by distinguished educationist and litterateur Hasan Azizul Haque. Former Advisor to the Caretaker Government M Hafizuddin Khan and editor of *The Daily Star* Mahfuz Anam also spoke at the dialogue.

The eleventh dialogue as part of the civil society initiative was held in Faridpur on August 12th. The speakers at the dialogue demanded incorporation of local issues along with national agenda in the election manifestos of the political parties, resignation of the present Chief Election Commissioner and increased number of reserved seats for women. They emphasized on protection of Faridpur town from river erosion. Prominent educationists Professor A N M Abdus Sobhan, Azizul Haque Khan and Advocate Fazlul Haque were present as special guests. They urged bona fide and progressive members of the political parties to come forward and bring constructive changes within the parties.

Regional dialogue at Pabna on August 19th sought direct election for the reserved seats for women. The participants recommended political reforms as one of the requisites and noted that candidates should be selected through secret ballots at the local level. There was a common view that a provision of 'no

Abdul Kader and Advocate Ronesh Moitra were present as special guests.

The thirteenth regional dialogue was held in Bogra on August 26th. The dialogue was chaired by Dr Moshir Rahman with educationist Shyamol Bhattacharya and retired teaching member of Bogra Polytechnic Institution Bazlul Karim Bahar present as special guests. The speakers emphasized on the need for separation of judiciary and Election Commission from the executive body. They urged to stop politics based on religion and curb widespread corruption at any cause. They expressed their hope that the political parties would take serious note of the regional dialogues and would make an effort to follow the set of recommendations. There was a suggestion that politicians must work at the local level for at least two years before moving on to the national level.

Introduction of a modern education system and a mandate for MPs to spend at least 10 days a month in his/her own constituency was demanded by the participants at the fourteenth regional dialogue held in Tangail on September 2nd. The dialogue was chaired by distinguished educationist and former Principal of Government M Ali College Sekander Hyat. Former Advisor to the Caretaker Government M Hafizuddin Khan and Professor Muhammad Zafar Iqbal were present as members of the *Nagorik Committee 2006*. The discussants identified enhanced standard of living, better



health services and access to education as true indicators of development. Speakers pointed out that the country is heading towards an acute crisis due to disagreement between the political parties. They also urged that development should not be Dhaka-



Abdullah Abu Syeed addressing the audience in Bogra, while Moshir Rahman, Shyamol Bhattacharya, Bazlul Karim Bahar and Mahmuda Islam are looking on

centric. Every part of the country should be included in the development plan. They termed corruption, terrorism and nepotism as social maladies and added that only a small segment of the population is responsible for the country's discreditable corrupt image.

The fifteenth and the final regional dialogue in the series was held in Narayanganj on September 9th. The dialogue was chaired by former Member of the Parliament Afzal Hossain. Professor Anisuzzaman and former Advisor to the Caretaker Government Major General (retd) Moinul Hussain Chowdhury, BB were present in the dialogue on behalf of the *Nagorik Committee 2006*. While urging for 'no vote' option in the ballot paper, speakers went on to suggest that there should be a provision for dual votes in order of preferences so as to avoid by-elections. The discussants were in favour of decentralization of administrative power. They pointed out that the politicians have become hostages to bureaucrats and asked the media to help people know all relevant information about a candidate. They expressed their concern as to whether the prevailing political situation was leading more towards an uncertainty in terms of holding a free and fair general elections and urged the political parties to adhere to their commitments spelled out in the manifestos so that people don't lose confidence in them.

Bangladesh: Vision for 2021 Expert Group Consultations

Looking forward to a democratic, healthy, poverty-free and equitable society

CPD began to implement the civil society initiative in early 2006 to a) promote informed policy debate in the upcoming national elections, b) propagate participatory and accountable development process and c) develop a Vision 2021 for Bangladesh. *Nagorik Committee 2006*, a citizens' group of acclaimed personalities, was entrusted to prepare the Vision 2021 focusing on key medium term strategic goals. The Vision 2021 was prepared through a broadly participated consultative

be a top priority. Chaired jointly by the *Nagorik Committee 2006* convener Rehman Sobhan and co-convener Laila Rahman Kabir, the consultation session was attended by lawmakers from the ruling and opposition parties, former judges and members of the *Nagorik Committee 2006*. Among others Awami League lawmaker Abdur Razzak, ruling party lawmaker Zahiruddin Swapan, former chief election commissioner Justice Abdur Rouf also participated.



Debapriya Bhattacharya speaking at the dialogue on Goal 3 of Vision Document 2021. (From right) Rehman Sobhan, Wahiduddin Mahmud and Latifur Rahman

On August 7th, the consultation was held on second goal of the vision document entitled as: To have an efficient, accountable, transparent and decentralized system of governance. The experts discussed the need for a transparent and accountable policy-making process, credible procurement system, wide use of e-governance, effective Anti-corruption Commission, an expanded tax base and improved tax administration for economic development. They also emphasized on changing the overall attitude and mental mould of the politicians and lawmakers with a view to establish a transparent, able and accountable government. Chaired by the Committee co-convener and former Finance Minister M Syeduzzaman, the dialogue among others, was attended by opposition presidium member and MP Suranjit Sengupta, Chairman of University Grants Commission Dr Asaduzzaman, Executive Director of Transparency International, Bangladesh Dr Iftekharuzzaman and former Chairman of Public Service Commission S M Al-Husainy.

process. Apart from generating valuable insights and inputs from the citizens participating in the regional dialogues, a series of expert group consultation sessions were organized beginning from August 4th with a view to further enrich the Vision 2021 document. The sessions addressed eight inter-related goals with a number of sub-goals which were discussed by relevant experts from various segments of the society. The consultation sessions were held in CIRDAP auditorium throughout the month of August in 2006.

The first Expert Group Consultation was held on August 3rd and focused on Goal One: To become a participatory democracy. During the consultation session points were raised with regard to strengthening intra-party democracy, ensuring a credible election process, improving campaign for a transparent financing system and creating enlightened dialogue and debate-oriented political culture. Human rights situation, implementation of right to information act, independence of judiciary and increased discretionary power for an elected president—these issues were discussed at length. The speakers stressed on ensuring a free and fair election through necessary reforms in the election commission and added that it should

'To become a poverty-free middle-income country' was the title for the third Expert Group Consultation on Vision 2021 held on August 9th. The consultation was jointly chaired by Professor Wahiduddin Mahmud and Metropolitan Chamber of Commerce and Industry President Latifur Rahman. The participants asserted that Bangladesh has the potential to become a middle-income country by attaining a per capita income level of US\$ 1000. The discussion evolved around issues such as increase in productivity, product diversification and commercialization of agriculture, acceleration of industrial and service sector goals, improving climate for investment, growing access of Bangladeshi firms to foreign market, developing small-town-growth-hubs through non-farm rural industries and services, effective urban planning, sound financial institutions, creating skilled workforce and greater foreign exchange earnings from the export of semi-skilled labour. Chairman CPD and convener of *Nagorik Committee 2006* Rehman Sobhan, members of CPD Board of Trustee and *Nagorik Committee 2006* M Syeduzzaman, Syed Manzur Elahi and Laila Rhman Kabir, former Secretary Mashihur Rahman, General Secretary of Bangladesh Economic Association Abul Barkat, DCC Director Shahidul Haq, Executive Director, ERG Dr Sajjad Zohir were present among others.

The title of the fourth Expert Group Consultation on August 11th was: To have a health-endowed nation. Chaired by Professor Mahmuda Islam, the experts elaborated on achieving a steady state of population



Panel of Nagorik Committee 2006 members at the consultation on Goal 7 of Vision Document 2021

level, reducing neo-natal mortality and maternal mortality, enhancing awareness of women's reproductive health, providing universal access to world-class primary health care, reducing malnutrition and ensuring access to safe water and sanitation. Brigadier General Abdul Malik, who was an advisor to the Caretaker Government, stressed upon availability of essential drugs for people in the lower income groups. He also stated that cognition of prevention of diseases is as important as making good healthcare facilities accessible. Former Cabinet Secretary and member of *Nagorik Committee 2006* Mujibul Huq, former President of Bangladesh Medical Association Dr Rashed Mahbub, Managing Director of Research Evaluation Associates for Development Syed Jahangir Haider were also present at the consultation.

Consultation on 'To develop a skilled and creative human resource', goal five of the Vision Document, was jointly chaired by Professor Anisuzzaman and Professor Muhammad Zafar Iqbal on August 15th. The experts addressed issues regarding universal access to education up to the secondary level, a unified education system, necessary infrastructure for quality education, emphasis on analytical thinking, computer literacy, gender balance in education and establishment of a culture of corporate social responsibility. They identified politicization of governing bodies of educational institutions, involvement of students in party politics, lack of political will and accountability to be some of the major factors contributing to a continuing degradation of standard of education in the country. Chairman of University Grants Commission Professor M Asaduzzaman, former Chairperson of Board of Intermediate and Secondary Education Professor Shaheda Obaid, Vice-Chancellor of North South University Professor Hafiz G A Siddiqi, Executive Director of Dhaka Ahsania Mission Kazi Rafiqul Alam were

present among others.

'To become a globally integrated regional economic and commercial hub' was the title of the sixth Expert Group Consultation held on August 17th. During the session issues regarding the development of marketing strategies to attract investment from regional and extra-regional companies, building a mega port along Chittagong coastline, establishment of an international airport in close proximity to the mega port, development and expansion of port facilities at Mongla, development of an ICT driven service sector and integration of Bangladesh into a regional energy market were all discussed at length. The experts illustrated that Bangladesh should take advantage of its geographical location. The consultation was jointly chaired by former Advisor to the Caretaker Governments Syed Manzur Elahi and President of Metropolitan Chamber of Commerce and Industry Latifur Rahman. Former Commerce Secretary Suhel Ahmed Choudhury, former Cabinet Secretary M Mujibul Huq, a specialist on transport, communications and infrastructure development Dr M Rahmatullah, former President of Bangladesh Garment Manufacturers and Exporters Association Annisul Huq were present among others.

The seventh Expert Group Consultation entitled 'To be environmentally sustainable' held on August 22nd raised issues of institutionalization and implementation of environmental impact assessment, water management, retention of soil fertility, conservation of wetland, effective urban planning and natural disaster management. President of Bishwashahitya Kendra Professor Abdullah Abu Syeed and former Advisor to the Caretaker Government M Hafizuddin Khan jointly chaired the session. Among the experts Chairman of Centre for Urban Studies (CUS) Professor Nazrul Islam, Country Representative of International Union for Conservation of Nature (IUCN) Professor Ainun Nishat, Executive Director of Bangladesh Centre for Advanced Studies (BCAS) A Atiq Rahman and Director of the Department of Environment (DoE) Mohammad Reazuddin were present.

The final session of Expert Group Consultation was held on August 29th. The eighth goal of Vision Document 2021 entitled 'To be a more inclusive and equitable society' called for bringing about a change in the structure of the society through promotion of cultural and religious diversity, economic and social inclusion of minorities, reducing gender inequality and ensuring corporate ownership rights for workers and the deprived. The experts underscored that failure to ascertain these will threaten the sustainability of democracy. The consultation session was chaired by Executive Director of Ain o Shalish Kendra and member of *Nagorik Committee 2006* Sultana Kamal. Executive Director of Manusher Jonno Foundation Shaheen Anam, Executive Director of Bangladesh National Women Lawyer Association Salma Ali, Barrister Tania Amir, Secretary General of Initiative for People's Development Dr Mahmudur Rahman, Research Director of Bangladesh Institute for Development Studies Dr Rushidan Islam Rahman among others were

Eight goals of Bangladesh: Vision for 2021

- Goal One : To be a more inclusive and equitable society
- Goal Two : To become a participatory democracy
- Goal Three : To have an efficient, accountable, transparent and decentralized system of governance
- Goal Four : To become a poverty-free middle-income country
- Goal Five : To have a nation of healthy citizens
- Goal Six : To develop a skilled and creative human resource
- Goal Seven : To become a globally integrated regional economic and commercial hub
- Goal Eight : To be environmentally sustainable

Nagorik Committe 2006 holds its 6th meeting

The sixth meeting of *Nagorik Committee 2006* was held on July 11th at CPD dialogue room. The meeting discussed the outcomes of the regional dialogues held in Sylhet, Rangamati and Chittagong and also reviewed the progress of the Vision 2021 document. The Committee discussed about issues for the expert group consultation to be held in August.

The Committee observed that the situation in Chittagong Hill Tracts is often worse than the situation in other parts of the country. They

recommended an empowered regional council for the area and suggested improvement in telephone services.

The meeting was chaired by the convener of *Nagorik Committee 2006* Rehman Sobhan and members Abul Ahsan, Anisuzzaman, Syed Manzur Elahi, Laila Rahman Kabir, M Hafizuddin Khan, Abdullah Abu Syeed, A S M Shahjahan and M Syeduzzaman. Debapriya Bhattacharya was present as the member secretary of the Committee.



Nagorik Committee 2006 places 37-point proposal on electoral and political reforms

Nagorik Committee 2006 organized a media briefing on July 17th at the National Press Club and released a 37-point proposal on electoral and political reforms. Chaired by the convenor M Syeduzzaman, the Committee strongly recommended that the Election Commission should restore public confidence. The proposal mainly focused on four fronts: Election Commission, Electoral Code of Conduct, role of Members of Parliament and political reforms. The Committee suggested that the Election Commission (EC) should be fully independent, neutral and transparent and enjoy unquestioned credibility. EC should have its own secretariat separate from the PM's office along with a budget at its discretion. The existing Code of Conduct for elections should be enacted as a law, and public disclosure of information about a candidate should be ensured. The electoral roll should be updated periodically by conducting door-to-door visits along with introduction of the voter's photo ID. Public servants should not be allowed to contest in the elections for at least a period of 3 years after retiring or leaving the job. MPs will only formulate laws and supervise the implementation of laws. They should not be directly involved with development work. The Clause 70 of the constitution should be amended to ensure that the MPs are able to express their opinions independent of the party influence. The position of the deputy speaker in the parliament should be filled up by the opposition political party and the Standing Committee members and chairpersons should be in proportion of the strength of the parties. There should be an adherence to democratic practices within the political parties beginning from choosing their leaders at various tiers to the selection of candidates for national or local level polls. The Committee made specific recommendations to update the electoral roll of the Chittagong Hill Tracts region on the basis of permanent residency. The local administrative and/or Regional



M Syeduzzaman addressing the media. Laila Rahman Kabir, Rehman Sobhan and Abdullah Abu Syeed are also seen in the picture

Council should be involved in the process. *Nagorik Committee 2006* urged to ensure voting rights of the religious minority groups so that they are not subjected to any kind of a pre or post-election violence. The Committee also recommended for increase in the number of reserved seats for women and that they should be allowed to contest through direct polling. The recommendations were prepared by the Committee analysing the opinions of about 3000 participants in the 8 regional dialogues held till date in Mymensingh, Jessore, Comilla, Barisal, Sylhet, Rangamati, Chittagong and Rangpur.

Corruption: most critically important factor affecting business environment in Bangladesh

CPD launches Global Competitiveness Report 2006-2007 and Bangladesh Competitiveness Environment study 2006

Executive director Debapriya Bhattacharya briefed the media about the sixth report on the Global Competitiveness study 2006-2007 in a press briefing organized by CPD on 30 September 2006. CPD, in collaboration with the World Economic Forum (WEF), has been assessing the Business Competitiveness Environment in Bangladesh since 2001. This report was prepared on the basis of a perception survey conducted by CPD in Bangladesh as a part of global survey conducted in other countries.

According to the findings of the report, Bangladesh ranked 99th out of 125 countries in the index in 2006-07 while it ranked 98th among 117 countries in 2005. The position remains unchanged if the set of countries in 2005 is taken into consideration. Poor public institutions, weak governance, lack of skilled personnel, weak physical infrastructure have been identified as the factors responsible for such a situation. The nine parameters on which the index is established are institutions, infrastructure, higher education and training, macro-economy, health and primary education, market efficiency, technological readiness, business sophistication and innovation. The executive director also launched the survey findings of business competitiveness environment in Bangladesh. Under the survey business executives have identified most important five factors responsible for poor business environment in Bangladesh. Accordingly, corruption has been identified as the most important factor followed by poor infrastructure, inefficient bureaucracy and policy instability. More than 75% respondents have questioned the effectiveness of the parliament, while 95% businessmen strongly opposed centralized policy-making.

Entrepreneurs perceived that some improvement has taken place in areas like development of telecommunication, absorbing new



Debapriya Bhattacharya addressing the media. Mustafizur Rahman, Khondaker Golam Moazzem, Syeed Ahamed and Imrana Sharmin are also present.

technologies, increasing competition in local markets, and taking market-based agricultural policy. They suggested that use of ICT in government activities and investment in human resource has to be increased. Entrepreneurs were less optimistic as regards country's prospect in coming months, as threat of terrorism and increasing disquiet as regards political unrest appeared to be major factors of uncertainty.

Mustafizur Rahman, Khondaker Golam Moazzem and Fatema Yousuf of CPD were also present at the briefing session.



Distinguished personalities/delegations visiting CPD



The EU delegation team led by Ms Jennie Christensen visited CPD on 14 September 2006 and were briefed about the organization's activities

Revised minimum wage demanded for garment factory workers

Garment factory owners and labour leaders exchange views at CPD dialogue

Speakers at a dialogue entitled 'Fixing minimum wage in the garment sector and working environment' suggested that the government should initiate rationing system for the poorest section of the society. The dialogue organized at the initiative of CPD on August 23rd assembled together economists, garment factory owners, trade union leaders and parliamentarians from both ruling and opposition parties. Besides discussing about the ongoing unrest in the RMG sector, the dialogue focused on the challenges the RMG industry is likely to face after 2008 when the existing ban on China will be removed.

The keynote presentation jointly prepared by CPD's Senior Research Fellows Dr Fahmida Khatun and Dr Khondaker Golam Moazzem recommended that Tk 722 should be added to the revised minimum wage in response to the increase in per capita income by 59 per cent in the last 12 years. It was observed that minimum wage of an unskilled worker had been devalued by 38 per cent during the period as Tk 930 is equivalent to \$13.34 today whereas when it was fixed in 1994 it was equivalent to \$23.25. Taking part in the dialogue, M A Razzak, an economist, elaborated that if inflation of the last 12 years is considered the minimum wage should be fixed between Tk 1,700 to 1,900 as against the existing Tk 930. The garment workers who were present at the dialogue explained the hardship they have to face in meeting the minimum basic needs for survival. They indicated that the labour unrest has subsided temporarily in view of the pledges made by the owners and the government. They called for settling a reasonable minimum wage for garment workers as early as possible to avoid further agitation. They also accused the owners of harassing the trade union activists. Awami League lawmaker Shajahan Khan stressed that the garment

owners and the government should take the present critical situation in the apparel industry seriously and increase the minimum wage. President of Bangladesh Labour Federation Shah Mohammed Abu Jafar advised the owners to agree on increased wages for workers and then seek workers' cooperation in realizing adequate facilities from the government. Expressing deep concern over the unrest in RMG factories, the speakers agreed that workers are deprived of their legitimate rights.



Fahmida Khatun speaking at the dialogue while Khondaker Golam Moazzem, Debapriya Bhattacharya, Shah Mohammad Abu Zafar and Shahjahan Khan—both MPs—look on

Former President of Bangladesh Garment Manufacturers and Exporters Association Annisul Huq, on the other hand, warned that 75 per cent of the garment factories will have to be closed down if minimum wage is fixed at Tk 3,000 as was demanded by the workers. He added that the capacity of the garment owners has significantly reduced as buyers are now paying less for ready made garments. The owners requested that minimum wage should be fixed taking all these aspects into consideration. President of Bangladesh Knitwear Manufacturers and Export Association (BKMEA) Fazlul

Haque remarked that the sector would not be able to stand if any new resolution on minimum wage is imposed without considering manifold aspects of the sector.

Workers claimed that the garment owners tended to change their minds immediately after signing any agreement with them. President of Jatiya Sramik Federation Sahfiqur Rahman Mojumder pointed out that the workers' anger could lead to total anarchy and urged the owners not to violate the agreement. The leaders also warned that the country might fail to achieve the expected economic benefits due to the continuous unrest in the garment industry.



Research division reports

Business Competitiveness Environment in Bangladesh

CPD has recently prepared a research report entitled 'Business Environment of Bangladesh: Challenges, Problems and Prospects'. The report captures the findings of surveys on leading entrepreneurs of Bangladesh carried out by CPD over the last five years since 2001. The study is the result of collaboration between CPD and World Economic Forum (WEF). The report has identified major obstacles and weaknesses that constrain functioning of business activities in the context of Bangladesh and explored potential areas for expanding business activities in future. The report placed main focus on such areas as development of public sector and public institutions, technological readiness, infrastructural development, human resource development, financial and corporate sector reforms etc. Led by the Executive Director of CPD Debapriya Bhattacharya the team included Research Fellows Khondaker Golam Moazzem, Wasel Bin Shadat, Kazi Mahmudur Rahman and Syed Saifuddin Hossain.

CPD Study on Restructuring the Apparel Sector in view of MFA Phase Out: Addressing Macro, Sectoral and Enterprise Level Issues

CPD has launched a study to track the changes in Bangladesh's export-oriented apparel and textile sector following the abolition of the quota system. As is known, the global trade in apparels is expected to undergo significant changes following the phase-out of the multifibre arrangement (MFA). The phase-out will also have important implication for Bangladesh's export-oriented RMG sector. These changes are expected to involve such areas as technology acquisition, scaling up, process and product diversification and modification and compliance assurance. The study is aimed at analysing the ongoing restructuring of the RMG sector in the current context. In particular, the study will provide information on the investment trend and technological capability, production process and cost structure, employment composition and productivity, market linkages and compliance by conducting enterprise level surveys, holding focus group discussions and reviewing existing literature. Currently, analysis of the compiled data is being carried out. The study is expected to present a set of policy recommendations to enhance the competitiveness of the sector, which is expected to benefit the RMG industry and interest of major stakeholders by helping them to identify comparative advantage in the global apparel market. The study is expected to be completed by the end of May 2007.

Gender and Trade Liberalization in Bangladesh: The Case of the Ready-made Garments

The study will explore the gender differentiated effects of trade liberalization in the wake of MFA phase-out in Bangladesh. It is based on a primary survey of entrepreneurs and workers of the RMG sector which was carried out on the basis of structured set of questionnaires. Adjustments in the face of new competitive regime at the global level will be investigated by analysing change in cost of production, profitability, wages and employment during the post MFA period. The study will also look into major features of enterprises and workers in terms of size, type and location of enterprises, age, sex, education and marital status of workers. The study is expected to be completed by January 2007.

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CPD professionals overseas

Professor Rehman Sobhan

Chairman, CPD

- Participated in a seminar entitled 'Building Trust in Government: Innovations to Improve Governance' organized by United Nations Department of Economic and Social Affairs (DESA) in Seoul, the Republic of Korea on 6-8 September 2006.
- Visited China on a personal invitation by the Ambassador of Sweden to China, Dr. B. J. Ljunggren on 10 September.
- Attended SACEPS Board Meeting held from 20-24 September 2006 in Kathmandu, Nepal.

Debapriya Bhattacharya

Executive Director, CPD

- Attended the regional meeting on South Asia and WTO Doha Round Negotiations organized by South Asia Watch on Trade, Economics & Environment (SAWTEE) from 2-3 July 2006 in Kathmandu, Nepal.
- Participated in a workshop on 'Development Finance Architecture: What Flows, Channels and Pools?' by the Organization for Economic Co-operation and Development (OECD) held in Paris, France from 3-4 July 2006.
- Participated in the Regional Technical Consultation on Public Finance Implication of Trade Policy reforms: Evidence from Four Asian LDCs in Colombo, Sri Lanka from 28-29 July 2006 organized by UNDP Regional Centre in Colombo (RCC) and the UNDP Bureau for Development Policy (BDP), New York.
- Attended Program of Seminars (PoS) in Singapore from 16-18 September 2006 organized by Institute of Policy Studies (IPS), Singapore.
- Attended the IDS fortieth anniversary conference on 'Reinventing Development Research' in Sussex, UK from 20-22 September 2006.
- Presented a paper on 'Macroeconomic Challenges for the Growth of Energy Sector in Bangladesh in the context of Regional Integration' in a seminar on "Energy in Bay of Bengal Region: A Perspective" held in Singapore from 28-29 September 2006.

Fahmida Khatun

Senior Research Fellow

- Participated as a discussant on Development Dimension at the 'Regional Meeting on South Asia and WTO Doha Round Negotiations' organized by the South Asia Watch on Trade, Economics and Environment held on 2-3 July 2006 at Kathmandu, Nepal.

Uttam Kumar Deb

Senior Research Fellow

- Participated as a discussant in the session on agriculture at the South Asian Regional Roundtable on 'WTO and Doha Agenda: The Way Forward' on 29 August 2006, New Delhi.

Khondaker Golam Moazzem

Research Fellow

- Attended the final meeting on 'Regional Economic Cooperation in South Asia' held from 14-16 August 2006 at Kathmandu, Nepal organized by the CUTS International.
- Participated in a workshop on 'Tools and Methods for Trade Policy Analysis' held in Geneva 11-15 September 2006 organized by UNCTAD, ITC and WTO.

Syed Ahamed

Senior Research Associate

- Participated in the workshop on 'Production Networks and Changing Trade and Investment Patterns: The Economic Emergence of China and India and Implications for Asia and Singapore' held from 14-15 September 2006 organized by the Singapore Centre for Applied and Policy Economics (SCAPE), Singapore.
- Participated at the Program of Seminars (PoS) held from 15-17



In-house workshop

IRBD 2005: new issues in Bangladesh economy

An in-house workshop was held at CPD dialogue room entitled 'IRBD 2005: New Issues in Bangladesh Economy' on 5 July 2006. The objective of the workshop was to receive feedback on the prepared outlines, which would help finalize the papers. Authors of IRBD 2005 thematic sections were participants of the various sessions. They provided valuable inputs to enrich each other's paper. The participants were: Professor Amirul Islam Chowdhury, former vice chancellor, Jahangirnagar University, Professor Mohammad Masum, Department of Economics, Jahangirnagar University, Dr Nuimuddin Chowdhury, an economist, Dr Zaid Bakht, research director,

Bangladesh Institute of Development Studies, Dr Uttam Kumar Deb, Senior Research Fellow, CPD, Dr Sajeda Amin, Senior Associate, Population Council, Dr Toufic Ahmed Choudhury, director, CPGS, Simeen Mahmud, senior research fellow, BIDS, Dr Mohammad Farash Uddin, former governor, Bangladesh Bank and Dr Kaniz Siddique, Department of Economics, North South University. It was a whole day workshop. The morning session was presided over by Dr Fakruddin Ahmed, managing director, PKSF, while the afternoon session was presided over by Professor Wahiduddin Mahmud, former advisor to the Caretaker Government.

CPD-MRDI training course on WTO and Bangladesh trade policy

Management and Resources Development Initiative (MRDI) in collaboration with CPD organized a residential training course on "WTO and Bangladesh Trade Policy" for journalists at the CCDB Hope Centre, Savar, Dhaka. The training course was organized under a project titled 'Open Flow of Info on Trade & Economy' (OFITE), supported by the Delegation of the European Commission (EC) in Dhaka. Twenty-four business and economic reporters from national dailies, TV channels and news agencies attended the training. The training course was offered in two phases: (a) Foundation Course during 16-27 July 2006 and (b) Advanced Course during 16-

27 September 2006 where same set of journalists participated. The Foundation Course dealt with basics of the WTO, trade negotiation, Bangladesh trade policy, and EU-Bangladesh trade relationship. The Advanced Course focused on the post-MFA market-access scenario, EU-Bangladesh trade relations, investment related legislation and preferential trade facilities like the GSP, trade barriers, FDI, Agreement on Agriculture, TRIPS, NAMA, GATS, special & differential treatment, dispute settlement, regional trading arrangements (RTAs), environmental & social issues, SPS and other compliances.

Advanced lectures on Bangladesh economy



Centre for Policy Dialogue for the second time organized a four-day-course on Advanced Lectures on Bangladesh Economy with an objective to introduce the economics graduates to a policy discourse covering national, regional and global issues and their implications for the Bangladesh economy. A total of 28 students, selected on a competitive basis from various public and private universities, took part in the lectures. The lectures focused on current state of macroeconomic performance of the Bangladesh economy, nature and extent of regional integration and its implication for Bangladesh, and

challenges and opportunities of globalization and its impact on Bangladesh. CPD Executive Director Dr Debapriya Bhattacharya, Research Director Professor Mustafizur Rahman, Senior Research Fellows Dr Fahmida Khatun, Dr Uttam Kuman Deb, Dr Khondaker Golam Moazzem and Additional Director Anisatul Fatema Yousuf were resource persons for the course. Member of CPD Board of Trustees M Syeduzzaman distributed certificates of achievement among the participants.