

**Volume** 24  
**Number** 2  
**Year** 2022  
**ISSN** 1529-0905 (Print)  
2771-5086 (Digital)



# **Journal of BANGLADESH STUDIES**





**JOURNAL OF BANGLADESH STUDIES [ISSN 1529-0905 (Print),  
2771-5086 (Digital)]**

Volume 24, Number 2, 2022

**PRINTED IN THE USA BY BANGLADESH DEVELOPMENT INITIATIVE (BDI)**

**EDITOR-IN-CHIEF**

Farida Chowdhury Khan, University of Colorado Colorado Springs

**ASSOCIATE EDITOR**

Rahim M. Quazi, Prairie View A&M University

Elora Shehabuddin, University of California, Berkeley

**BOOK REVIEW EDITOR**

Ahrar Ahmad, Gyantapas Abdur Razzaq Bidyapeeth

**EDITORIAL BOARD MEMBERS**

Elora Halim Chowdhury, University of Massachusetts – Boston

Nusrat Chowdhury, Amherst College

Anupam Das, Mount Royal University

Akhlaque Haque, University of Alabama – Birmingham

Kazi Iqbal, Bangladesh Institute of Development Studies

Shiba Kar, University of Illinois – Urbana-Champaign

Dina M. Siddiqi, New York University

**FOUNDING EDITOR**

Syed Saad Andaleeb, Emeritus (Distinguished) Penn State University & Formerly at BRAC University

**EXECUTIVE BUSINESS EDITOR**

Munir Quddus, Prairie View A&M University

**TYPOGRAPHY AND GRAPHICS**

Tim McDonnell, Colorado Springs, Colorado, USA

**COVER DESIGN**

Nazia Andaleeb Preema, Visual Artist, Preema's Atelier, Dhaka, Bangladesh

# **JOURNAL OF BANGLADESH STUDIES**

## **EDITORIAL ADVISORY BOARD**

Manzoor Ahmed, BRAC University

Sajeda Amin, United Nations Population Council

Debapriya Bhattacharya, Center for Policy Dialogue

Saleemul Huq, International Institute for Environment & Development

Rounaq Jahan, Center for Policy Dialogue

Haider A. Khan, University of Denver

Habibul H. Khondker, Zayed University

Sufian A. Khondker, Dewberry Engineers, Inc.

David Lewis, London School of Economics

S. Akhtar Mahmood, Formerly at The World Bank

Wahiduddin Mahmud, University of Dhaka

Tazeen Murshid, University of Brussels

Hossain Zillur Rahman, Power and Participation Research Center Bangladesh

Saifur Rahman, Virginia Tech Advanced Research Institute

Salim Rashid, University of Illinois at Urbana-Champaign

Ali Riaz, Illinois State University

Yana Rogers, Rutgers University

Zaidi Sattar, Policy Research Institute

Sanchita Saxena, University of California, Berkeley

Forhad Shilpi, The World Bank

Rehman Sobhan, Center for Policy Dialogue

# **JOURNAL OF BANGLADESH STUDIES**

## **Partner Organizations**

University of Colorado Colorado Springs

[www.uccs.edu](http://www.uccs.edu)

Prairie View A&M University

[www.pvamu.edu](http://www.pvamu.edu)

University of Liberal Arts

[www.ulab.edu.bd](http://www.ulab.edu.bd)

American Institute of Bangladesh Studies

[www.aibs.net](http://www.aibs.net)

The Subir and Malini Center for Bangladesh Studies

University of California, Berkeley

[chowdhurycenter.berkeley.edu](http://chowdhurycenter.berkeley.edu)

---

# CONTENTS

---

CONTENTS .....	iv
From The Editor	
Farida Chowdhury Khan .....	v
Addressing Labor Productivity for the Sustainability of the Garment Industry in Bangladesh	
Shahidur Rahman, Sabrina Fatema Chowdhury .....	1
Fintech as a Positive Enabler During COVID-19 in Bangladesh	
Nova Ahmed, Anik Saha, Md. Sabbir Ahmed, Ifti Azad, Anik Sinha, Rahat Jahangir Rony, Syeda Shabnam Khan, Shajnunsh Amir, Tanvir Hasan, Gazi Fakhrul Islam .....	16
Bangladesh-Bhutan Preferential Trade Agreement: WTO Compliance and Implications for LDC Graduation	
Shahriar Bin Wares .....	25
Ethical Encounters: Women, War, and Cinema in Bangladesh	
Elora Halim Chowdhury.....	37
Book Reviews	
<i>Sisters in the Mirror: A History of Muslim Women and the Global Politics of Feminism</i> Nusrat Chowdhury.....	42
<i>Ethical Encounters: Transnational Feminism, Human Rights, and War Cinema in Bangladesh</i> Firdous Azim.....	44
<i>The Odds Revisited: Political Economy of Development in Bangladesh</i> Haider A. Khan .....	47
<i>My Brac Life: The Becoming of a Development Activist</i> Mustafizur Rahman .....	50

---

## FROM THE EDITOR

---

As we transition from the pandemic to returning to a normalcy in our lives everywhere, longer terms concerns regarding where our economy and society are, and how Bangladesh is developing, what the state of politics and democracy are once again in the forefront of the attention of the nation.

This issue of JBS focuses on some critical aspects of the economy, many of which have come about because Bangladesh is graduating to being a lower-middle income country and must match that status having built institutions that are strong enough to support development, and also have the means to be able to compensate for various losses of privilege hitherto received by a low income country. The lead article by Shahidur Rahman notes that Bangladesh depends on its export earnings from the ready-made garment industry. If the earlier access received from markets such as the EU is replaced with a higher duty in the coming years, and requires higher labor productivity to overcome, is the industry able to respond to this challenge? The productivity of labor is the lowest in Bangladesh when compared to other major RMG exporters. This article examines the factors that determine productivity – both within the workplace and organization of RMG factories, as well as external social factors. The article is based on information from garment entrepreneurs and provides insight into the need and sustainability of a more productive workforce in this sector.

The second empirical article looks at the use of financial technology in Bangladesh, an important aspect of institutional strength in the financial sector and “financial deepening” within the context of development. The authors find that during the pandemic, such technology was extended, improving the lives of small businesses and marginalized communities. This is followed by a legal and policy analysis of the Bangladesh-Bhutan Preferential Trade Agreement (PTA) by Shahriar Wares. The PTA is expected to increase trade between these two bordering nations within the region of South Asia, where border trade is low because of political reasons and does not follow the predictions of geography or other types of comparative advantage. However, the potential of this PTA is complicated by Bangladesh’s substantial openness and export strength, as well as both countries’ graduation from less developed country status within the World Trade Organization (WTO).

Two of the book reviews in this issue also focus on the economy. The Book review by Haider Khan presents to us KAS Murshid’s recent book *The Odds Revisited: Political Economy of Development in Bangladesh* which comprehensively covers many different aspects of the Bangladesh economy, and particularly the rural economy. The book clearly shows the complex connections between institutions, policy, and players on the ground, including NGOs, donors, and others. This is followed by a review of Ahmed Mushtaque Raza Chowdhury’s book *My Brac Life: The Becoming of a Development Activist* by Mustafizur Rahman. The review highlights how Brac, the world’s largest NGO, came about and developed into one of the most influential organizations in Bangladesh’s development and traces Dr. Chowdhury’s role in this evolution.

This issue also highlights two new books that are notable additions to the feminist literature from Bangladeshi perspectives. The last article in this issue is written by Elora Halim Chowdhury, who provides us a succinct view of her book *Ethical Encounters: Transnational Feminism, Human Rights, and War Cinema in Bangladesh*. She frames women centered movies on the 1971 war of liberation in Bangladesh as being more nuanced in their understanding of social struggles for national independence. Instead of linear narratives that extol triumphs for victors and outline loss for losers, she shows us how these films can put women in the center of the war and offer complexity, providing a basis for an ethics that can decolonize the notions of agency, freedom, and justice.

Elora Halim Chowdhury’s book is reviewed by Firdous Azim, who discusses the importance of the birangona in current social discourse. Azim notes that the birangona as a figure is being re-embodied in film and writing 30 years after independence and illustrates that the retelling of the sufferings of war victims, particularly of rape, reminds us that there are many “wrongs that cannot be righted”. Nusrat Chowdhury’s review of Elora Shehabuddin’s *Sisters in the Mirror: A History of Muslim Women and the Global Politics of Feminism* jogs our memory, noting that indigenous Bengali Muslim feminism was well and alive in the 19th Century, but not accessible to the British. Hence, their call for a lifting of the purdah or veil, which remains today as global discourse and still within the trappings of colonization. The book goes over the politics of colonialism and postcolonial nationalism, and Chowdhury elegantly shows how the stories of struggle in the book gives us foundation for South-South feminist solidarity.

Farida Chowdhury Khan  
Editor-in-Chief  
Journal of Bangladesh Studies





# Addressing Labor Productivity for the Sustainability of the Garment Industry in Bangladesh

Shahidur Rahman  
Department of Economics and Social Sciences  
BRAC University  
[shahidur@bracu.ac.bd](mailto:shahidur@bracu.ac.bd)

Sabrina Fatema Chowdhury  
James P Grant School of Public Health  
BRAC University  
[sabrinafatemachowdhury@gmail.com](mailto:sabrinafatemachowdhury@gmail.com)

## Abstract

Bangladesh has emerged as a lower-middle income country and depends on its export earnings mainly from the ready-made garment (RMG) industry. However, one of the key challenges to the sustainability of this industry is its low labor productivity. This article addresses this problem and questions what factors contribute to lower labor productivity in Bangladesh's RMG industry. This research question has been investigated by conducting a management survey in which qualitative responses were analyzed. Based on the perceptions of senior management, the study finds that a combination of economic and social factors determines labor productivity in this industry. Although entrepreneurial strategy can control some of these factors, instruments such as offering incentives to workers, external factors such as education levels in the country, or the culture in the workplace cannot be influenced. This article contributes to the literature on sustainability challenges to entrepreneurship in the global supply chain, the upgradation by entrepreneurs in the global value chain, and the role of entrepreneurs in the development of the RMG sector in Bangladesh. Understanding the difficulties in producing a skilled workforce from the point of view of entrepreneurs may show the pathway for policymakers to deal with this challenge of sustainability.

**Keywords:** Labor productivity, upgradation, entrepreneurs, Bangladesh ready-made garment industry, sustainability

## Introduction

Bangladesh emerged as an independent state in South Asia with pessimistic predictions by development economists that its economy would collapse. This pessimism was based on several predicaments such as high population growth, scarce natural resources, predominantly rural regions, a large poverty rate and traditional agricultural sector, and almost no industrial base (Rahman, 2021). Defying overwhelming odds, Bangladesh has graduated from a least developing country to a lower-middle-income country in 2021 (World Bank, 2021), 50 years after its independence. One of the pillars of this remarkable transformation is the contribution of the ready-made garments (RMG) industry. From less than a million-dollar industry in the early 1980s, the Bangladesh RMG industry is now a \$30 billion industry under the commandment of an entrepreneurial class for the first time in the industrial history of Bangladesh (Bangladesh Garment Manufacturers and Exporters Association [BGMEA], 2020a). Although the sector's growth is stable, the lack of skilled labor in comparison to competing countries has been a major issue in the sustainability of the success of this sector that has been achieved so far. It is the third -largest exporter of garments (World Trade Organization, 2019) but also the country with the lowest labor productivity. In 2018, Bangladesh's labor productivity per hour was priced at \$3.4 while Vietnam, India, Pakistan, Myanmar, Sri Lanka, and China were priced at \$4.7, \$7.5, \$7.7, \$4.1, \$15.9, and \$11.1 respectively (Asian Productivity Organization, 2018). In this context, this article aims to explore the reasons for lower labor productivity in the Bangladesh RMG industry. The central research question is what factors determine the industry's labor productivity. This topic is investigated by conducting a qualitative study of the perspectives of entrepreneurs regarding labor productivity.

This article contributes to knowledge in three ways. First, it adds to the literature on the sustainability challenges of entrepreneurs in the global supply chain. In the current era of globalization, the production process is taking place beyond the boundary of a single country. This transboundary production not only opens up opportunities, but also brings challenges; corporations in the global supply chain are deeply concerned about ways to ensure sustainability (Bush, Oosterveer, Bailey, and Mol, 2014; Rahman, 2021). For sustainability, corporations have integrated economic, social, and environmental initiatives to upgrade the production process. Research on upgrading global value chains (GVCs) initially began with a focus on economic dimensions (Giuliani, Pietrobelli, and Rabellotti, 2005) and has expanded to consider social and environmental upgrading (Barrientos, Gereffi, and Rossi, 2018). A key aspect of upgrading has been to examine how firms can learn through their participation in value chains (Pietrobelli and Rabellotti, 2011) and consider upgrading as a process or an outcome (Khan, Ponte, and Lund-Thomsen, 2020). Since corporations are paying attention to upgrading for sustainability in the current regime of globalization, what challenges the entrepreneurs or senior management encounter in the process of upgradation is also a matter of concern. From this point of view, this article seeks to understand the challenges of sustainability for entrepreneurs, focusing on the constraints of up-gradation in Bangladesh's RMG industry.

Second, the existing literature shows that entrepreneurial strategy for upgrading plays a key role in labor productivity (Ahmed and Peerlings, 2009; Alam, Alias, and Azim, 2018; Centre for Policy Dialogue [CPD], 2018; Fukunishi, 2014; Macchiavello, Menzel, Rabbani, and Woodruff, 2015; Samaddar, 2016). This article also supports this finding. However, what is missing in the current literature is the consideration of the role of external factors beyond the control of entrepreneurs.

Third, the majority of literature on Bangladesh's RMG industry studies its economic and social impact on the country, women empowerment, working conditions of this industry, and labor governance (Anner, 2015; Kabear, Huq, and Sulaiman, 2020; Moazzem and Azim, 2018; Majumder, 2001; Oxfam Australia, 2019; Quddus and Rashid, 2000; Rock, 2001). There has been limited research on the strategy of entrepreneurs in this sector with a particular focus on labor productivity. Listening to entrepreneurs' views regarding the opportunities and constraints for sustainable value chains is imperative since the top management executes different initiatives in the factories offered by different stakeholders (Lund-Thompson and Nadvi, 2010; Gereffi and Lee, 2016).

Business analysts have continuously stressed the importance of higher labor productivity - a key sustainability challenge - in the RMG industry to achieve shorter lead times and competitive pricing (Islam, 2019). With declining garment prices around the world, it is crucial to upgrade companies to be competitive in the global market. What obstacles entrepreneurs face in Bangladesh's highly labor-intensive garment sector remains a critical goal for the sector's survival in today's fast-fashion business model.

The article is organized into five parts, beginning with the entrepreneurial strategy of upgrading to enhance labor productivity in the global supply chain, followed by an overview of Bangladeshi entrepreneurs and their role in the development of the industry. The study's method is presented in the third section. The next section presents findings organized into two parts: internal factors under the control of entrepreneurs and external ones beyond their control. The fifth section illustrates a discussion of the findings in two ways - contribution to the literature, limitations, and further research - and is followed by a conclusion in the last section.

## **Entrepreneurial Strategy for Up-Gradation and Labor Productivity**

To integrate sustainability into the business of corporations, Elkington (2004) introduced the concept of "Triple Bottom Line (TBL)" which refers to the interactions among the environmental, social, and economic values that produce a variety of opportunities and challenges for organizations. Economic upgrading can be defined as the process through which firms move from low value-added to high value-added activities along the global value chain (Gereffi, 1999), or, in other words, innovations that increase value-added (United States Agency for International Development [USAID], 2006). It is considered a "key means of success for actors in global value chains" (Moazzem and Sehrin, 2016). According to International Labor Organization (ILO) (1999), social upgrading focuses on decent work with its four pillars, which include employment standards and rights at work, social protection, and social dialogue. Environment upgrading aims to conserve and increase resources rather than depleting them and doing so, painting an image of green industry (Hawken, 1995).

Traditionally, it was thought that social upgrading introduced by entrepreneurs within global value chains would affect economic advancement. Bernhardt and Milberg (2011) used an international dataset to investigate the relationship between economic and social upgrading in global value chains across sectors and countries. Economic upgrading was described as an increase in global export market share and export unit value, both of which are linked to labor productivity. Increased jobs and real incomes were two important determinants of social advancement. However, studies have revealed that the relationship between economic and social advancement is not always linear. For example, a clear economic improvement in the mobile phone market did not result in much social improvement. Furthermore, while there seemed to be a positive correlation between economic improvement in the apparel market and social indicators, several countries experienced social deterioration along with economic upgrading in this sector. From the context of entrepreneurial or management practice, Bloom et al. (2017) examined whether the use of more formal management methods, such as tracking, targeting, and incentives, were associated with firm success, and they found mixed but generally positive results. Similarly, another study on occupational safety and health (OSH) management by Samaddar (2016) found that there is a similar and positive relationship between worker productivity and the working environment, a finding backed up by the Better Job Vietnam program (ILO, 2016). According to this report, staff in factories with a better working climate meet their daily output targets forty minutes sooner. Labor productivity is also affected by the worker turnover rate. According to a report by the World Bank (2012), high workforce turnover is one of the key reasons for the garments sector's lack of investment in enhancing labor productivity. Longer working hours, excessive overtime demands, and a lack of awareness about living and working conditions are reported as a few of the key causes of higher worker turnover among rural migrants. According to this report, workers often had to deal with disputes with supervisors, which grew worse over time because of cultural clashes with foreign male supervisors. All the above factors led to a decrease in worker capacity growth, resulting in lower labor productivity (World Bank, 2012).

To sum up, while some studies argue that workers' social benefits do not guarantee high labor productivity (Bernhardt and Milberg, 2011), most research reveals a positive effect of working conditions on labor productivity (Bloom et al., 2017; ILO, 2016; Samaddar, 2016; World Bank, 2012). We do not have concrete evidence that ensures a higher outcome from labor at workplaces if entrepreneurs provide a well-conditioned working environment. This means that there are other factors related to workers' productivity and we need to explore them to better understand the process. This knowledge is crucial mainly for countries like Bangladesh where the economy depends greatly on the development of the RMG industry.

## **The Bangladesh RMG Industry and the Emerging Entrepreneurial Class**

By using the Multi-Fiber Arrangement (MFA), establishing a Desh-Daewoo collaboration, and supportive government policy, the garment industry had replaced jute as Bangladesh's dominant export sector since the 1980s (Rahman, 2014). The industry has had a significant economic effect on the country in terms of export earnings and jobs. RMG's contribution to GDP has increased from 3.5 percent in 1990 to 11.17 percent in 2018, and export earnings have increased from less than USD \$40 million in 1985 to \$32.92 billion in 2018 (BGMEA, 2020b). The RMG industry employs four million people, 60 percent of whom are women (ILO, 2020a). According to previous surveys, 80 percent of workers were women, but new data shows that the proportion of women working in the country's RMG sector is decreasing, and has been declining since 1990 (ILO, 2020b). Perhaps most significantly, the garment industry's growth has caused a social shift in Bangladesh by providing significant female jobs outside the home and creating an entrepreneurial class for the first time in the history of Bangladesh.

When the garment industry started its journey, conditions were not favorable for entrepreneurs. They encountered government policy that discouraged exports, high prices for imported raw materials, uncountable bureaucratic problems, unavailability of modern technology, and most importantly, they had a lack of experience in the garment industry. This was challenging for early entrepreneurs who took a risk and invested in this export business. Over four decades later, there are now first-generation and second-generation entrepreneurs (Rahman, 2021). The first-generation entrepreneurs came from diverse backgrounds, with no prior experience in this sector, and have worked hard to set up their factories. Their children, on the contrary, have become second-generation entrepreneurs who joined the family business enthusiastically and, in some cases unhappily, after completing higher education overseas (Rahman, 2021).

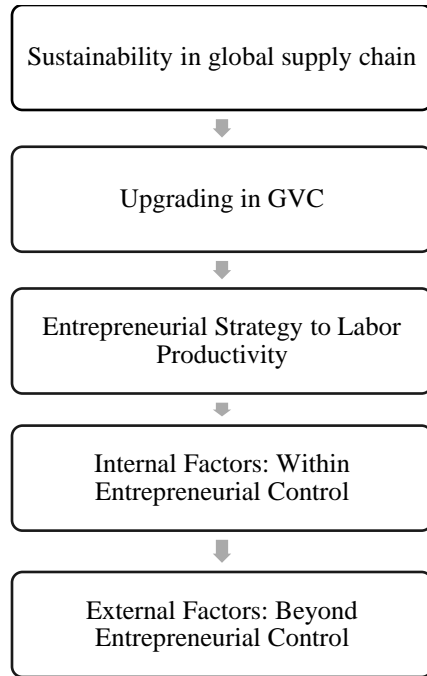
These entrepreneurs have made enormous changes in the nature of work over the years. The reasons for doing so vary – from three to four seasonal demands every year coming from consumers to changing fashion trends in six weeks as a result of the fast fashion business model, which involves shorter lead times at lower prices owing to several factors such as, pressure from buyers, certification of all types of compliance regulations, wage hikes for workers, and increasing demand for telecommunications services (Anner, 2018; Rahman and Rahman, 2020; Rahman, 2014; Taplin, 2014). To stay competitive, factory management has introduced cutting-edge machinery, increased the role of industrial engineers, trained human resources, and produced intricate garments to move up the value chain (BGMEA, 2020b). Now that automation is poised to take over most manual work and intensified competition is in place, there is no denying the need for an effective entrepreneurial upgrading strategy to increase labor productivity and ensure sustainability. The above-mentioned literature in the previous section shows that labor productivity can be improved by the entrepreneurial strategy undertaken to improve working conditions (CPD, 2018; Macchiavello et al., 2015; Bloom et al., 2017; Samaddar, 2016). However, there is no denying that there are also internal and external factors that determine productivity and are beyond the control of these entrepreneurs.

## Methods

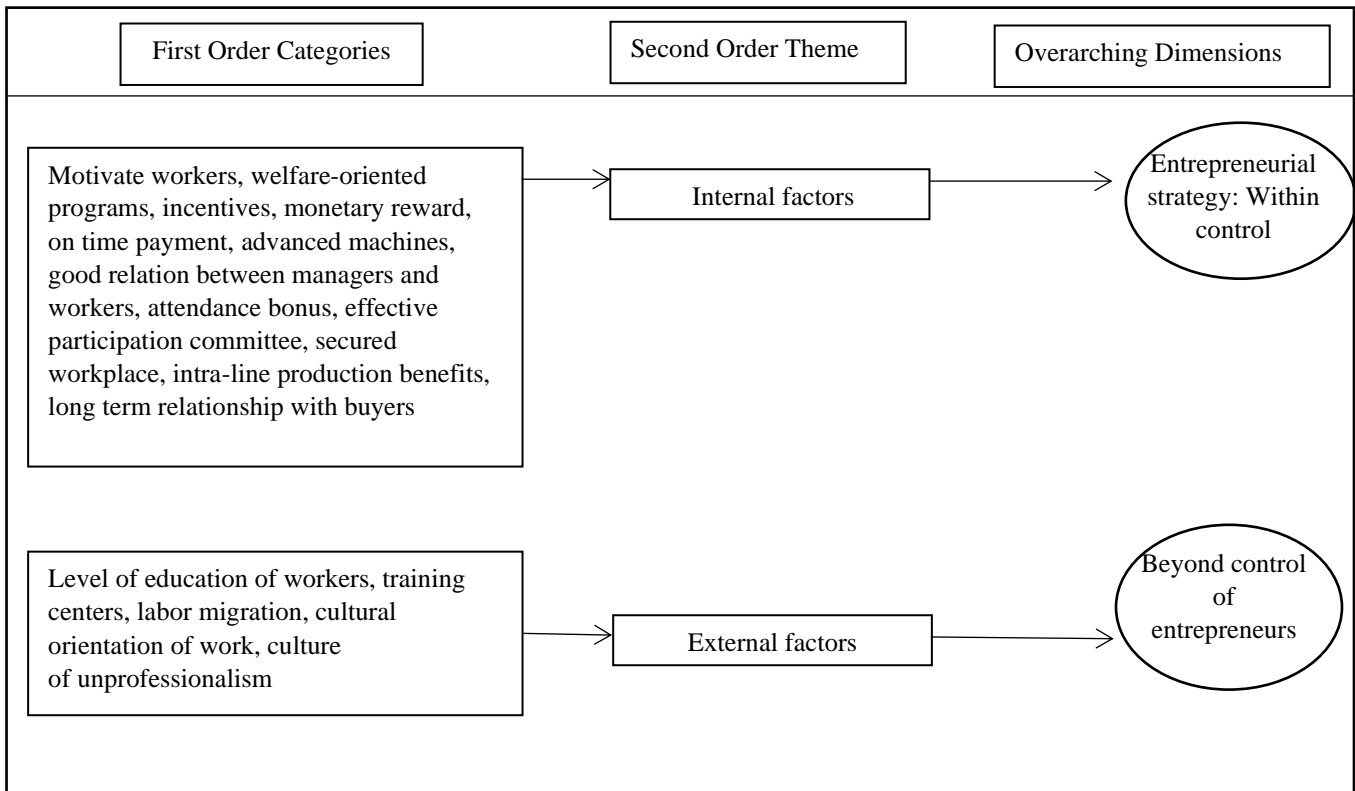
To understand the entrepreneurial strategy, a senior management survey was conducted in 2017. During the survey period, RMG factories were going through inspections by transnational initiatives and were under tremendous pressure to improve labor standards. In such a situation, the factories were unwilling to participate in surveys and reveal information concerning labor standards to outside researchers. Therefore, we invited a large number of factories relative to our target sample size, assuming a low response rate. Initially, invitation letters were sent to 1,200 factories to participate in our survey. However, only 38 responded and gave their consent to participate. Together with the approach of inviting the factories via letters, a snowball approach was later used to get access to garment factories, relying on social networks and individual connections. Finally, senior management of 152 factories agreed to participate in the survey. The factories are located in four districts of Bangladesh – Dhaka, Narayanganj, Gazipur, and Chattogram. A senior manager from each factory was interviewed by two researchers for approximately 1.5 hours. The term “senior manager” here mainly refers to owners, directors, and managing directors of the garment company – all together they are referred to as entrepreneurs, and strategies formed by them are treated as entrepreneurial strategies.

Two questions directly related to labor productivity from the management survey were used to inform this article. The first was a coded structured question to factory management: how efficient can you say your manufacturing workers are in terms of production quantity and quality compared to other similar factories in Bangladesh? This question's responses were divided into two categories: more productive and less productive, taking into account comparable factories. The responses were tallied in percentages to determine the factory's level of productivity.

The second open-ended question was: why do you think your factory is more or less productive? Since they were busy and did not want to have an open discussion about this technical issue, not all entrepreneurs replied to this question. Those who replied, regardless of whether they gave a short or long answer, were selected for this article's thematic review. The responses were extracted to a different file and organized into three orders. In the first order, key terms related to the reason for labor productivity were identified and they were arranged into two themes in the second order – internal and external factors. The overarching dimension of such classification was explained in the last order: internal factors were those strategies that were under the control of entrepreneurs and the external factors were beyond their control; these are distinguished in Figure 2.



**Figure 1:** Conceptual Framework



**Figure 2:** Thematic Arrangement of Qualitative Data

## Findings: Entrepreneurial Strategy to Labor Productivity

According to the management survey, 43 percent of factories claimed they were more productive than their counterparts, indicating that management was happy with the level of productivity in their facilities. This meant that 57 percent of the factories were less productive, and in some cases, even after spending ample resources on worker welfare, their productivity remained similar to that of other factories who never took any such investment. Our qualitative research shows that a variety of variables are linked to labor productivity. These include workers' education, training center, culture towards work, migration of workers, long-term relationships with buyers, and management strategy. Below we detail the two categories that these variables have been placed within.

### *Internal Factors: Within Entrepreneurial Control*

This study finds that the aim of entrepreneurs, in alignment with the demands of stakeholders, is to improve the working environment and ensure worker protection in alignment with the Bangladesh Labor Act of 2006 and seven core ILO annual conventions. As part of the entrepreneurial strategy, factory management has introduced compliance and welfare programs to encourage workers to be efficient. This strategy has sometimes succeeded in retaining skilled workers who contribute to productivity. Apart from basic compliance problems, different factories have various welfare services available including day-care centers, wellness checks, subsidized food stores, canteens, annual sporting, and cultural programs. These can motivate workers to stay committed to the enterprise. Entrepreneurial strategy tells us that on-time pay is the most important motivator for workers. Workers who are paid on time are psychologically stable because they know they will obtain their paycheck within the first week of the month and can pay rent for their homes. They then have a better relationship with their landlords since they earn a reputation as reliable tenants. This also leads to their receiving patronage from landlords in times of crisis. In this regard, one of the factory owners stated:

*"We ensure that our workers receive their paychecks on time every month. Workers feel safe and secure working here because they know when they will be paid and that they will not be paid late. As a result, the worker will focus entirely on their job, and the factory receives a higher level of productivity from them."*

The provision of different benefits, such as monetary rewards for punctuality, extra festival bonuses, and reimbursement for meeting production targets, encourages workers to be more productive. This is how an executive director of a garment company described his experiences:

*"Workers receive rewards such as the Hajira (attendance) Bonus, which is tied to on-time entry into the factory. By punching their cards on their way in, every worker receives a Tk 50 Hajira bonus, allowing a worker to earn up to Tk 1,400 just from their arrival bonuses, while in other factories, the maximum bonus they receive for the month is only Tk 200. Other benefits exist, such as the bonus for piece rate jobs, and a 2 per cent bonus on their earnings."*

Certain factories have been able to remain efficient because of such an effective entrepreneurial strategy. Other internal factors that influence labor productivity are organizing the factory layout inefficiently, the type of machinery used, and how production workers, mid-level management, and top-level management interact. To meet the expected goal, the operational management is closely monitored, and operator ability tests are conducted regularly. A recent addition is the hiring of an industrial engineering team to assure a planned process control system with upgraded machinery. To close the distance between workers and managers, adequate resources are provided to train mid-level management. Some factories have frank, regular two-way contact between workers and managers, which includes a substantive discussion of workplace problems. Employees are informed about bonuses and rewards in all departments, so they can see the value of their efforts. According to one entrepreneur, "the management strives to reduce any gaps and disputes among workers from all departments, as well as improve the workforce's work performance, resulting in higher production."

There can be variations in efficiency across production lines within the same factory due to supervisory skill differences. Workers want to do just what middle management tells them to do. Since middle-management employees come from a variety of backgrounds and ranks, each one has a unique attitude and mindset, which has a different impact on productivity.

As an entrepreneurial strategy to encourage workers to concentrate on their work, leading factories have also introduced fingerprinting for workers, ensuring that workers' attendance is recorded transparently and that they receive an attendance bonus. They have installed new automated machines that can count output. Workers may claim their production on their own, rather than relying on their supervisor's testimony. Workers are pleased because these well-managed factories have an effective participation committee (PC), an alternative to a labor union. They are free to raise any problem and file grievances in a grievance box. Such good practices for workers contribute to higher labor productivity (Hossain, Sarkar, Atiqur, and Afroze, 2012). According to the senior management of the surveyed factories, entrepreneurial strategies such as a secure working environment, intra-line production benefits, along with other rewards, and a good partnership among managers, supervisors, and workers contribute to lower labor turnover and higher productivity.

A good partnership is also essential between entrepreneurs and buyers, and this is related to labor productivity. Research shows that efficiency increases when a factory has the same buyer for a long time. The benefit of establishing a long-term buyer is that workers are comfortable with their style and the factory layout does not need to be changed often. One managing director echoed this:

*“We used to carry orders for a small number of buyers, and our workers tended to manufacture the same goods throughout the year. They were well-known for their design, and they could often produce at their full speed. However, we’ve been working with different buyers for the past three years, and even for the same buyers, the design has changed. Because of the new design, the same workers would have to follow a new design in a month. This slows down the manufacturing process because they aren’t used to doing this form of job, and production is delayed. As a result, workers are less productive.”*

Another entrepreneur said, “workers are generally effective when they are making a single product. When they generate several items at the same time, however, they become less productive.”

These comments imply that the longer-term relationship with buyers creates a positive perception about suppliers that can be attributed to two interrelated dynamics – mutual understanding and trust between two parties and large orders that enable higher productivity (Schüßler et al., 2019). In the absence of a longer-term relationship with buyers, the RMG firms do not get regular orders, there may be long gaps between orders, routine work is disrupted, and the workers do not keep themselves busy throughout the year. This affects the momentum of work and demotivates workers, particularly during off-peak times. To avoid this situation, and ensure higher productivity, a long-term relationship with buyers is essential. This study finds that the leading factories have a healthy business relationship with a few buyers. Because the volume of the order is always large, often not less than 1 million pieces, and there is hardly any need for change in style, it is easier for the workers to produce the same product in large quantities rather than producing different products in smaller quantities. When firms have these types of buyers, labor productivity is always higher.

### ***External Factors: Beyond Entrepreneurial Control***

Despite the fragile state of business and an inadequate industrial base, the RMG sector requires workers who have a certain level of education not only to be aware of their rights but also to acquire the skills available and needed in today's factories. Simple literacy and numeracy have been listed as priority skills for garment factory workers (World Bank, 2012). Workers with no basic education face difficulty in absorbing the information they obtain from various types of training provided by management, business associations, government, and non-governmental organizations (NGOs). Bangladeshi garment workers have an average of 5.9 years of education, with just 16.9 per cent completing grade 10 or higher (Kabeer et al., 2020). Workers are unable to get the most out of the training provided by the management to improve their skills. A factory owner expressed his dissatisfaction on relationship between productivity and workers' lack of literacy:

*“Workers are almost ignorant; it is often difficult for them to have the benefits of training. We offer different training services for them, but they are not yet ready to use them because they don’t have a minimum education. We are moving to automation to produce high-end complicated garments. For that, you need skilled workers, but we have a limited supply of such educated skilled workers.”*

Another owner said: “We spend a lot of money on the health of workers, but the returns are not sufficient. It is the country's overall challenge, as our lowest level of education is extremely low. That is why we lack a sufficient supply of skilled labor.”

This is a structural problem of the country over which the entrepreneurs have no control. Another area of concern is the unavailability of adequate numbers of standard training centers to upgrade workers' skills. Entrepreneurs of large garment companies are trying to address this deficiency by establishing training schools on their premises, but most factories are still without such facilities, relying on the outside resources such as The Center of Excellence for Bangladesh Apparel Industry (CEBAI). This center was founded in 2014 by BGMEA with the help of SIDA, H&M, and the ILO (CEBAI, 2018). It offers instruction based on the National Technical and Vocational Qualification Framework's curricula. BGMEA has been implementing various skill development programs for garment workers and management through several training centers across the country with the help of the government of Bangladesh and development partners. In addition, "*Sudokkho*," an initiative run by Swisscontact, the British Council, and the Bangladesh government's Directorate of Technical Education (DTE), offers efficient in-factory training to improve worker productivity in 120 factories (Swisscontact, 2016, 2019).

Although the country has a variety of training facilities, the number of training centers is insufficient in comparison to the size and scope of the industry. In small and medium garment factories, there is almost no in-house training program for employees to increase production. Financial solvency is cited as a major explanation for not providing training. But surprisingly, some factories reported negative effects from training in their workplaces, leading to a lack of interest in their part in training workers. According to a director of a company, a mid-level employee was sent to Taiwan for a three-month paid training program in his factory. When he returned, he told the owner that he wanted to marry, and he was given an additional Tk. 10,000. He never returned to work. The interviews with management find that there are many examples of workers leaving a factory after completing training because they could now obtain a better paying position at another company. Training therefore seemed to have a negative effect on worker retention.

Another external factor that the management command has no direct control over is preventing the migration of workers from one factory to another. One of the key reasons for low labor productivity in Bangladesh's RMG sector is the high labor turnover rate (Afroz, 2017). There are many implications of voluntary employee turnover – delays in production, increased production cost and production loss, higher recruitment and training cost, and damage to a factory's/organization's reputation (Hossain and Mahmood, 2018). The authors also found that late or overdue wage payments and failure in the implementation of standard working hours contributed to voluntary turnovers while higher wage rates for overtime and voluntary overtime helped in retaining workers.

Our study reveals that almost every factory has a high turnover rate, ranging from less than five per cent in factories with a good working environment to more than 10 per cent in average factories. Even the leading garment factories are unable to slow down this labor migration because of the prevailing culture among workers to shift to another factory for a minimum advantage. Productive and qualified workers move to other factories due to the scarcity of skilled workers in the industry. The existence of thousands of factories provides an opportunity for ordinary workers to switch workplaces if they are dissatisfied with their current employer. This mostly affects factories that are noncompliant and unable to provide additional overtime opportunities to workers. Since it is difficult to retain workers, especially skilled workers, labor productivity suffers, and it is often a waste of resources for management. As discussed above, investment in training can lead to trained workers moving to another factory in search of a better wage. Few factories profit because the same workers stay with them for a long time and are familiar with their process and method. The top management of a few factories explained this migration problem:

*"They switch effortlessly from one factory to the next, unconcerned about their job; in reality, they have been known to threaten factory management with quitting."*

*"Some minimum-wage employees are switching jobs for a pay raise of just 100 BDT. The newly replaced worker may not be as productive as the previous one. It takes time for the newer one to get used to the new system. As a result, the factory's production suffers."*

*"The majority of the workforce is 'moving workers,' which means they move from one factory to another in search of a better wage or benefits. As a result, these workers lack professional skills and commitment, and you cannot expect the plant to run smoothly according to your wishes if they are included. As a result, the production goal is reduced, and it is often lower than the average."*

Other studies agree with the effect of high worker turnover on labor productivity, as identified in this article. High labor turnover was described by many managers as a major impediment to productivity-enhancing skill training programs (World Bank, 2012). It breeds negativity among current employees and saps motivation (Holtom, Mitchell, Lee, and Inderrienden, 2005). According to a report based on Chinese final production, testing, and packaging



facilities, a high-turnover rate in the workforce causes productivity disturbances (Moon et al., 2019). To increase labor productivity, management needs to offer incentives to increase the average length of working period of a worker in a factory. The benefit of this practice was explained by a senior manager:

*“We have noticed that people who work for a long period are more productive. We may ask the workers to work longer shifts or even overtime during a crisis. Workers who worked in reciprocity were able to consider the owners' predicament and offer everything. As a result, there is a close connection between the duration of workers' shifts and their output capacity.”*

Workers who have been working in a factory for longer periods are clearly more productive as they are familiar with the processes of production and the management strategy. However, it is crucial to bear in mind that long shift in working hours, which is also against the law, could harm productivity. According to Bangladesh Labor Act 2006, an adult worker is entitled to work for eight hours, and the limit of working hours (including overtime) shall not exceed ten hours (Government of Bangladesh, 2006). Despite the law, workers may have to work for more than ten hours in many garment factories in the country, usually in the form of compulsory overtime without their consent (Alam et al., 2018). Such a working environment makes the workers exhausted, leaving them with insufficient energy to focus on their jobs.

One more factor that is outside management control and contributes to lower labor productivity is the cultural orientation of workers. Because of the absence of a professional work culture in the industry, first-generation factory workers are not familiar with professionalism. Workers' attitudes about their jobs play an important role in ensuring that the manufacturing process runs smoothly. “Non-productive time is very high,” one of the managers argued, claiming that most workers lack a professional mindset. Workers tend to keep themselves occupied by gossiping. They have no sense of responsibility. Some factories' workers are careless, uninterested in their jobs, and inattentive, resulting in lower productivity and a higher rate of product rejection. This trait can be construed as inherently cultural. In addition, some factory employees can be dishonest or have deplorable attitudes. As one manager explained,

*“If a worker is producing 350 pieces per hour and another worker just next to him/her is producing 200 pieces per hour, the latter will advise the former not to produce more than 200 pieces per hour, claiming that the extra pieces will be useless to him/her.”*

## Discussion

The first contribution of this article is to the literature on the sustainability challenges of entrepreneurs in the global supply chain. As discussed above, the majority of literature on this area focuses on the nature of three dimensions of upgrading challenges for sustainability - social, economic, and environmental upgrading – and the relation between one with another. These studies examine what type of activities entrepreneurs are executing in their workplaces and how it affects the firms but there have been limited studies on what challenges the entrepreneurs encounter in the process of up-gradation. From this context, this article shows that entrepreneurs also face challenges that they do not have full control over. These structural drawbacks appear to be obstacles for the entrepreneurs in upgrading the factories. Although some studies have pointed out that the structure of this sector has helped Bangladesh to attain remarkable growth in the last three decades (Gereffi and Frederick, 2010), those have more to do with infrastructure and policies such as, duty drawback facilities, tax holidays, cash assistance, income tax rebates, creation of export processing zones, and zero tariffs on machinery inputs (Ahmed, 2009; Rahman, 2014). The structural problems the entrepreneurs highlighted in this article have not caught the attention of policymakers.

The second contribution of this study is to research labor productivity. The entrepreneurial strategies revealed in this article are supported by other research. The positive relationship between improved working conditions and financial rewards and labor productivity, discussed in Bloom et al. (2017), is confirmed from the findings in our study. That punctuality is rewarded and increases productivity is also in line with the findings of Ahmed and Peerlings (2009) and Alam et al. (2018), and Hossan et al. (2012). According to a survey by CPD (2018), which was carried out in different types of factories, it was found that large enterprises lead upgrading efforts by offering various services, which is possible because of their financial capacity. Our study finds that only the leading factories are financially stable and strategically successful in motivating workers with various rewards to ensure that a productive workforce contributes to the company's development. Fukunishi's (2014) research backs up our finding that a lack of incentive to create a training culture leads to high labor turnover in Bangladesh's RMG sector. A culture of unprofessionalism found in this study is corroborated by Rajib and Adnan (2016). Their research demonstrates that excessive

socialization and focus on work results in lower efficiency and leads to more alterations (defective sewing operations). This also disrupts workers who are mindful and leads to a higher rate of movement of people in the sewing line to transfer the defective unit for corrections, the excessive unfolding of various completed procedures, and unnecessary bottlenecks in the production line. Distracted workers lead to further rejections and modifications because they pay too little attention and do not thoroughly inspect the sewn garment when handing it on to the next process operator. Quality checkers notice several changes at the end of the line and give the garment back to the appropriate operator for adjustments, which reduces the sewing line's efficiency (Rajib and Adnan, 2016).

However, there are areas where this article disagrees with previous research. For instance, although the Bangladesh RMG industry has ratified the core ILO convention, management has been accused of unjustified hiring and firing practices, with retrenched workers often not paid (Rashid, 2006). However, our study finds that getting a salary on time in some factories has had remarkable effect. Payment within the first week of the month has enabled the workers to better organize their household expenditures as well as pay their rent on time, which has motivated them in their jobs. Another example of disagreement with the current research is the relationship between unsafe workplaces and labor migration to other factories. There can be different reasons for the migration of workers, including poor working conditions; the existing literature indicates that the RMG industry is seriously deficient regarding the healthcare of its workers and safety in the workplace (Haque and Azmat, 2015). However, migration to other factories after getting better training is something new and not explored in the existing research.

What is also missing in the existing literature is the role of buyers in the process of upgrading labor productivity as part of addressing sustainability challenges the entrepreneurs encounter in their factories. We already know that different domestic and international stakeholders have the power to influence entrepreneurs and the success of an organization relies on the extent to which entrepreneurs or the senior management responds to the implementation of the demands of key stakeholders (Islam and Deegan, 2008; Ullmann, 1985). For the long-term sustainability of the industry, management must develop a good relationship with powerful stakeholders such as buyers (Haque and Azmat, 2015). The pressure from them can improve companies' social responsibility and result in the introduction of welfare-oriented programs to motivate workers (Perrini, 2006). These studies showcase how buyers can influence the suppliers to be compliant, but little knowledge has been generated on the nature of buyer-supplier relationships and their effects on labor productivity. Garment supply chains are complicated, including a combination of short-term, market-based buyer-supplier relationships and longer-term, trust-based buyer-supplier relationships spread over many countries (Helfen, Schüßler, and Sydow, 2018). For the sustainability of the industry, a long-term relationship with lead buyers is very important considering other sustainability challenges. In this context, this article indicates that the possibility of higher labor productivity is greater when a supplier establishes a long-term business with a buyer.

The third contribution of this article is to the literature on the Bangladesh RMG industry. Although the sector's growth is stable, after encountering the challenges of COVID-19 with generous support from the government, there is serious concern about the Bangladesh RMG industry's long-term viability, which is dependent on three factors: rising enforcement costs, price compression, and a fast fashion business model. One of the ways to address these issues is to produce a skilled workforce that will be more productive. However, there is very limited research on labor productivity in the Bangladesh RMG industry. With growing consumer demand for new apparel at a faster rate and a cheaper price, manufacturers have had to shorten their lead times, and to tackle these business changes, a skilled workforce is essential. Workers must adapt quickly to the constant changes in style and increase output speed. Upgrading the skills of workers to ensure higher productivity is an important part of the company in this fast fashion model to stay competitive in the global market, as is evident in this study.

## Conclusion and Recommendations

This paper sets out to explore the upgrading challenges the entrepreneurs encounter in the Bangladesh RMG industry with a particular focus on labor productivity. To comprehend this problem, this study has examined the experiences of entrepreneurs who are also referred to as "top management" or "senior management" in the process of upgrading labor. The findings are significant for the sustainability of the industry. In this concluding section, we pull together our findings to make several general points about labor productivity of the workers in our study. Different external factors such as the level of education of workers, availability of sufficient training centers, presence of a culture of professionalism in factories, and labor migration have influenced the degree of labor productivity in the industry. Higher labor turnover or migration is common in this sector and also is related to facilities offered by the management

such as better wages or safe and healthy working conditions. The provision of different motivational incentives such as financial rewards for punctuality, extra festival bonuses, and incentives for meeting production targets have also encouraged workers to be more productive. To lower labor turnover and increase productivity, the factory management has stepped out with a strategy that facilitates better working conditions, reward-based work, good relationships among workers, and long-term business relationships with the buyers.

It is time for policymakers to address the above-mentioned findings effectively. We understand that structural problems such as improving the level of education of workers cannot be eradicated overnight. Despite several measures taken to enrich the quality of education as prescribed in SDG, a leadership role needs to be executed by the state to link the education system with the industry. Supportive public policy is not enough. Rather, systematic implementation of policy to improve the relationship between technical and vocational education and training (TVET) institutions and industry can make an impact. We have to create a space for the management to participate in designing curriculum and training, aligning them with market needs and changing technology. Experts from the relevant fields can share their knowledge to build a concrete long-term strategy.

The fast fashion trend is rising in tandem with bulk orders, owing to regular shifts in customer taste and affordability. Consumers have shown a strong desire to receive the latest fashions faster and at a lower cost, requiring shorter delivery times from manufacturers. Management and workers must adapt quickly, with a steeper learning curve due to the constant changes in design, all while striving to increase productivity. There is no way to deny the fact that the export-oriented garment industry, the driving force of the development of Bangladesh, should respond proactively to upgrade labor productivity, a key sustainable challenge of the sector.

The survey questionnaire was primarily designed to explore the impact of transnational governance on the global garment supply chain. For this reason, the majority of questions addressed labor governance and compliance. Only two questions were related to the concern of this article. If there were more questions on labor productivity, the scope of this study would be widened. Another limitation of the study is the application of more than one method to understand why labor productivity is higher or lower in the factories. The inclusion of interviews of key policymakers as well as a focus group discussion of workers would present a different perspective of the problems studied in this article. These issues were not covered due to time constraints.

As mentioned above, further research is needed to understand workers' views of the factors related to labor productivity, because there could be some insights into the relationship between entrepreneurs or top management and workers. Another area that can be of importance is to examine the projects that have been operated by different stakeholders and how these initiatives impact labor productivity. For example, management spoke positively about Swisscontact's initiative "Sudokkho" (mentioned above) but the effect of such an initiative or that of entrepreneurial strategy on productivity is little known or understood. This article indicates the importance of external factors that are beyond the control of entrepreneurs, but a comprehensive study can be conducted on mapping the resources available and the access of the entrepreneurs to those resources. This is crucial because entrepreneurial inequality is becoming a problem, which means that entrepreneurs who are close to power dynamics are more likely to avail the resources, projects, initiatives, information, etc. introduced by national and international stakeholders. In this process, entrepreneurs of small and middle factories are left behind.

## Acknowledgments

Volkswagen Foundation in cooperation with the Riksbankens Jubileumsfond and the Wellcome Trust for generously funding Grant no. 90807

## References

- Afroz, N. (2017). "Factors affecting employee turnover in readymade garments sector of Bangladesh". *International Journal of Multidisciplinary Research and Development*, 4(10), pp. 97-103.
- Ahmed, N. (2009). "Sustaining ready-made garment exports from Bangladesh". *Journal of Contemporary Asia*, 39(4), pp. 597-618.

- Ahmed, N. & Peerlings, J. H. M. (2009). "Addressing workers' rights in the textile and apparel industries: Consequences for the Bangladesh economy". *World Development*, 37(3), pp. 661-675.
- Alam, N. M., Alias, R. B., & Azim, M. T. (2018). "Social compliance factors (SCF) affecting employee productivity (EP): An empirical study on RMG industry in Bangladesh". *Pacific Business Review International*, 10(8).
- Anner, M. (2015). "Labour control regimes and worker resistance in global supply chains". *Labour History*, 56(3), pp. 292-307.
- Anner, M. (2018). *Binding power: the sourcing squeeze, workers' rights, and building safety in Bangladesh since Rana plaza (GCWR Research Report, March 2018)*. Pennsylvania: Center for Global Workers' Rights (GCWR). Available at: <http://lser.la.psu.edu/gwr/documents/CGWR2017ResearchReportBindingPower.pdf>
- Asian Productivity Organization. (2018). *APO productivity data book 2018*. Tokyo: Asian Productivity Organization. Available at: <https://www.apo-tokyo.org/publications/ebooks/apo-productivity-databook-2018/>
- Bangladesh Garment Manufacturers and Exporters Association. (2020a). *Export performance*. Dhaka: BGMEA. Available at: [https://www.bgmea.com.bd/page/Export\\_Performance](https://www.bgmea.com.bd/page/Export_Performance)
- Bangladesh Garment Manufacturers and Exporters Association. (2020b). *BGMEA Sustainability Report 2020*. Dhaka: BGMEA. Available at: [https://www.bgmea.com.bd/page/Sustainability\\_Environment](https://www.bgmea.com.bd/page/Sustainability_Environment)
- Barrientos, S., Gereffi, G., & Rossi, A. (2012). "Economic and social upgrading in global production networks: A new paradigm for a changing world". *International Labour Review*, 150 (3-4), pp. 319-340.
- Bernhardt, T. & Milberg, W. (2011). *Does economic upgrading generate social upgrading? Insights from the horticulture, apparel, mobile phones and tourism sectors (Working Paper, 2011/07)*. Capturing the Gains. Available at: [https://www.researchgate.net/publication/228177690\\_Does\\_Economic\\_Upgrading\\_Generate\\_Social\\_Upgrading\\_Insights\\_from\\_the\\_Horticulture\\_Apparel\\_Mobile\\_Phones\\_and\\_Tourism\\_Sectors](https://www.researchgate.net/publication/228177690_Does_Economic_Upgrading_Generate_Social_Upgrading_Insights_from_the_Horticulture_Apparel_Mobile_Phones_and_Tourism_Sectors).
- Bloom, N., Brynjolfsson, E., Foster, L., Jarmin, R., Patnaik, M., & Eksten, S. I. (2017, May 17). Adding a piece to the productivity puzzle: Management practices. *VoxEU.org*. Available at: <https://voxeu.org/article/management-practices-and-productivity>
- Bush, R. S., Oosterveer, P., Bailey, M., & Mol, P. J. A. (2014). "Sustainability governance of chains and networks: a review and future outlook". *Journal of Cleaner Production*, 107, pp. 8-19.
- Center of Excellence for Bangladesh Apparel Industry. (2018). *Background of CEBAI*. Available at: <https://cebai.org/background-of-cebai/>
- Centre for Policy Dialogue. (2018). *Transformation in the RMG sector in post-Rana Plaza (CPD-RMG Study 2018)*. Dhaka: Centre for Policy Dialogue. Available at: <https://cpd.org.bd/wp-content/uploads/2018/09/Changes-in-Decent-Work-and-Gender-related-Issues-in-RMG-Enterprises-Findings-from-the-Survey.pdf>
- Elkington, J. (2004). "Enter the Triple Bottom Line". In Henriques, A. & Richardson, J (Eds.), *The Triple Bottom Line, Does It All Add up? Assessing the Sustainability of Business and CSR* (pp.1-16). Routledge,
- Fukunishi, T. (2014). "The Bangladeshi garment sector in the liberalised market: is upgrading needed?" In Dirk Willem te Velde (Ed.), *Enhancing Productivity in Bangladesh's Garment Sector. Current Policy and Research Debates (Policy Essay, September 2014)*. London: Growth Research Programme. Available at: [60970 Bangladesh garment sector essays.pdf \(publishing.service.gov.uk\)](https://publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/60970/Bangladesh_garment_sector_essays.pdf) .
- Gereffi, G. (1999). "International trade and industrial upgrading in the apparel commodity chain". *Journal of International Economics*, 48(1), pp. 37-70.

- Gereffi, G. & Frederick, S. (2010). *The global apparel value chain, trade and the crisis challenges and opportunities for developing countries (Working Paper, 5281)*. Washington, DC: World Bank. Available at: <http://hdl.handle.net/10986/3769>
- Gereffi, G. & Lee, J. (2016). "Economic and social upgrading in global value chains and industrial clusters: Why governance matters". *Journal of Business Ethics*, 133(1), pp. 25-38.
- Giuliani, E., Pietrobelli, C., & Rabellotti, R. (2005). "Upgrading in global value chains: Lessons from Latin American clusters". *World Development*, 33(4), pp. 549-573.
- Government of Bangladesh. (2006). *Bangladesh Labour Act, 2006*. Dhaka: Bangladesh Gazette.
- Haque, M. Z. & Azmat, F. (2015). "Corporate social responsibility, economic globalization and developing countries: A case study of ready-made garments industry in Bangladesh". *Sustainability Accounting, Management and Policy Journal*, 6(2), pp. 166-189.
- Hawken, P. (1995). *The Ecology of Commerce: A Declaration of Sustainability*. New York: HarperCollins Publisher.
- Helfen, M., Schüßler, E., & Sydow, J. (2018). "How can employment relations in global value networks be managed towards social responsibility?" *Human Relations*, 71(12), pp. 1640-1665.
- Holtom, B. C., Mitchell, T. R., Lee, T. W., & Inderrienden, E. J. (2005). "Shocks as causes of turnover: What they are and how organisation can manage them". *Journal of Human Resource Management*, 44(3), pp. 337-352.
- Hossain, G. & Mahmood, M. (2018). "Employee Turnover in the Garment Industry in Bangladesh: An Organization-level Perspective". *South Asian Journal of Human Resources Management*, 5(2), pp. 129-149.
- Hossan, C., Sarker, R. A. M., Atiqur, M., & Afroze, R. (2012). "Recent unrest in the RMG sector of Bangladesh: is this an outcome of poor labour practices?" *International Journal of Business and Management*, 7(3), pp. 206-218.
- International Labour Organization. (1999). *Decent Work*. Available at: [ILC87 - Report of the Director-General: Decent work \(ilo.org\)](http://www.ilo.org/public/eng/condem/2000/01/decntwrk.htm)
- International Labour Organization. (2016). *Progress and potential: How Better Work is improving garment workers' lives and boosting factory competitiveness: A summary of an independent assessment of the Better Work programme*. Geneva: International Labour Organization. Available at: [https://betterwork.org/wp-content/uploads/2016/09/BW-Progress-and-Potential\\_Web-final.pdf](https://betterwork.org/wp-content/uploads/2016/09/BW-Progress-and-Potential_Web-final.pdf)
- International Labour Organization. (2020a). *Gender equality in the Bangladesh RMG industry (ILO Fact Sheet BGD/16/03/MUL[ILO\_REF])*. Geneva: International Labour Organization. Available at: [https://www.ilo.org/dhaka/Whatwedo/Publications/WCMS\\_748106/lang--en/index.htm](https://www.ilo.org/dhaka/Whatwedo/Publications/WCMS_748106/lang--en/index.htm)
- International Labour Organization. (2020b). *Understanding the Gender Composition and Experience of Ready-Made Garment (RMG) Workers in Bangladesh (ILO Issue Brief)*. Geneva: International Labour Organization. Available at: [https://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/---ilo-dhaka/documents/publication/wcms\\_754669.pdf](https://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/---ilo-dhaka/documents/publication/wcms_754669.pdf)
- Islam, A. (2019, September 1). "China Plus who? Bangladesh or Vietnam". *Textile Focus*. Available at: <http://textilefocus.com/china-plus-bangladesh-vietnam/>



- Islam, M. & Deegan, C. (2008). "Motivations for an organisation within a developing country to report social responsibility information: evidence from Bangladesh." *Accounting, Auditing & Accountability Journal*, 21 (6), pp. 850-874.
- Kabeer, N. (2002). *The Power to Choose: Bangladeshi Women and Labour Market Decisions in London and Dhaka*. London/New York: VERSO.
- Kabeer, N., Huq, L., & Sulaiman, M. (2020). "Paradigm shift or business as usual? Workers' views on multi-stakeholder initiatives in Bangladesh". *Development and Change*, 51(1), pp. 1-39.
- Khan, J. M., Ponte, S., & Lund-Thomsen, P. (2020). "The 'Factory Manager Dilemma': Purchasing Practices and Environmental Upgrading in Apparel Global Value Chains". *Environment and Planning A: Economy and Space*, 53(4), pp. 766-789.
- Lund-Thomsen, P. & Nadvi, K. (2010). "Clusters, chains and compliance: Corporate social responsibility and governance in football manufacturing in South Asia". *Journal of Business Ethics*, 93(2), pp. 201-222.
- Macchiavello, R., Menzel, A., Rabbani, A., & Woodruff, C. (2015). *Challenges of Change: An Experiment Training Women to Manage in the Bangladeshi Garment Sector (No. 269725)*. Coventry: University of Warwick - Department of Economics. Available at: <https://econpapers.repec.org/paper/agsuwarer/269725.htm>
- Majumder, P. P. (2001). "Occupational hazards and health consequences of the growth of garment industry in Bangladesh". In P. Paul-Majumder & B. Sen (Eds.), *Growth of Garment Industry in Bangladesh: Economic and Social Dimension* (pp.172-207). Dhaka: BIDS.
- Moazzem, K. G. & Azim, S. (2018). *Decent work in sample enterprises in post-Rana Plaza period: Implications on social and economic upgrading (Working Paper, 123)*. Dhaka: Centre for Policy Dialogue. Available at: <http://rmg-study.cpd.org.bd/2016>.
- Moazzem, K. G. & Sehrin, F. (2016). "Economic Upgrading in Bangladesh's Apparel Value Chain during the Post-MFA Period". *South Asia Economic Journal*, 17(1), pp. 73-93.
- Moon, K., Bergemann, P., Brown, D., Chen, A., Chu, J., & Eisen, A. E. (2019). *Manufacturing productivity with worker turnover* (Working Paper, November 2019). Stanford: Rural Education Action Program (REAP). Available at: [https://fsi-live.s3.us-west-1.amazonaws.com/s3fs-public/manufacturingproductivitywithworkerturnover1\\_0.pdf](https://fsi-live.s3.us-west-1.amazonaws.com/s3fs-public/manufacturingproductivitywithworkerturnover1_0.pdf)
- Oxfam Australia. (2019). *Made in poverty: The true price of fashion (Technical report)*. Australia: Oxfam Australia. Available at: <https://whatshemakes.oxfam.org.au/wp-content/uploads/2019/02/Made-in-Poverty-the-True-Price-of-Fashion.-Oxfam-Australia..pdf>
- Perrini, F. (2006). "SMEs and CSR theory: evidence and implications from an Italian perspective". *Journal of Business Ethics*, 67(3), pp. 305-316.
- Pietrobelli, C. & Rabellotti, R. (2011). "Global Value Chains Meet Innovation Systems: Are There Learning Opportunities for Developing Countries?" *World Development*, 39(7), pp. 1261-1269.
- Quddus, M. & S. Rashid. (2000). *Entrepreneurs and economic development: The remarkable story of garment exports from Bangladesh*. Dhaka: The University Press Limited.
- Rahman, S. (2014). *Broken Promises of Globalization: The Case of the Bangladesh Garment Industry*. Lanham: Lexington Books.
- Rahman, S. (2021). *The Bangladesh Garment Industry and the Global Supply Chain: Choices and Constraints of Management*. London/New York: Routledge.

- Rahman, S. & Rahman, M. K. (2020). "Multi-actor initiatives after Rana Plaza: Factory managers' views". *Development and Change*, 51, pp. 1331-1359.
- Rajib, M., Islam, M., & Adnan, ATM. (2016). "Improving ready-made garment productivity by changing worker attitude". *European Scientific Journal*, 12(4), pp. 1857-1881.
- Rashid, M. (2006, June 06). "RMG in Bangladesh: wake-up call and ground realities". *The Daily Star*. [www.thedailystar.net/2006/06/06/d60606050356.htm](http://www.thedailystar.net/2006/06/06/d60606050356.htm)
- Rock, M. (2001). "The rise of Bangladesh Independent Garment-Workers' Union (BIGU)". In H. Jane & B. Andrew (Eds.), *Organising Labour in Globalising Asia* (pp. 27-47). London/New York: Routledge.
- Samaddar, K. K. (2016). "Occupational health and safety management in RMG sector of Bangladesh". *International Journal of Scientific and Technology Research*, 5, pp. 176-193.
- Schüßler, E., Frenkel, S., Ashwin, S., Kabeer, N., Egels-Zandén, N., Alexander, R., Huq, L., Oka, C., Lohmeyer, N., Rahman, S., & Rahman, K. K. (2019). *Garment Supply Chains Since Rana Plaza: Governance and Worker Outcomes (Garment Supply Chain Governance Project Final Report)*.
- Swisscontact. (2016). *About us: Sudokkho*. Available at: <https://sudokkho.org/about-us/>
- Swisscontact. (2019). *BGMEA signs collaboration agreement with Sudokkho*. Available at: <https://sudokkho.org/2019/12/12/bgmea-signs-collaboration-agreement-with-sudokkho/>
- Taplin, I. M. (2014). "Who is to blame? A re-examination of fast fashion after the 2013 factory disaster in Bangladesh". *Critical Perspectives on International Business*, 10(1/2), pp. 72-83.
- Ullmann, A. A. (1985). "Data in search of a theory: a critical examination of the relationships among social performance, social disclosure, and economic performance of US firms". *Academy of Management Review*, 10(3), pp. 540-557.
- USAID. (2006). *Lessons Learned on MSE Upgrading in Value Chains (microReport #71)*. Washington, DC: USAID. [Pnadh970.pdf \(usaid.gov\)](https://www.usaid.gov/pdfs/2006/06/Pnadh970.pdf)
- World Bank. (2012). *Lao PDR - Labour Standards and Productivity in the Garments Export Sector: A Survey of Managers and Workers*. Washington, DC: World Bank. Available at: <https://openknowledge.worldbank.org/handle/10986/11915>
- World Bank. (2021). *The World Bank in Bangladesh: Overview*. Available at: <https://www.worldbank.org/en/country/bangladesh/overview>
- World Trade Organization. (2019). *World Trade Statistical Review 2019*. Geneva: World Trade Organization. Available at: [https://www.wto.org/english/res\\_e/statistics\\_e/wts2019\\_e/wts2019\\_e.pdf](https://www.wto.org/english/res_e/statistics_e/wts2019_e/wts2019_e.pdf)

# Fintech as a Positive Enabler During COVID-19 in Bangladesh

Nova Ahmed\*  
Anik Saha  
Md. Sabbir Ahmed  
Ifti Azad Abeer  
Anik Sinha  
Rahat Jahangir Rony  
Syeda Shabnam Khan  
Shajnuh Amir  
Tanvir Hasan  
Gazi Fakhrul Islam

North South University, Dhaka, Bangladesh

\*Corresponding author: [nova.ahmed@northsouth.edu](mailto:nova.ahmed@northsouth.edu)

## Abstract

The COVID-19 pandemic has disrupted every sphere of life and adversely affected low-income and marginalized communities. They suffered due to loss of income and inadequate points of contact for seeking support. This qualitative study covers 313 participants from urban, semi-urban, and rural areas of eight geographical divisions of Bangladesh. Participants from different economic backgrounds were included to better explore the role of financial technology (fintech) during the pandemic. The study shows that fintech improved people's lives in Bangladesh by adding utility through cashless transactions, creating opportunities for innovative business solutions, and serving as a financial institution for marginalized communities. The study also shows that many participants did not have regular access to digital technology and were deprived of the opportunities fintech provides. The study demonstrates how fintech can add convenience to the continuation of life and livelihood during disruptive disasters such as the COVID-19 pandemic and concludes that community outreach is needed to link all walks of society to the internet.

**Keywords:** Technology, pandemic, financial technology (fintech), COVID-19

## Introduction

The COVID-19 pandemic has affected the health, social, and economic aspects of the entire world. Low-income countries were particularly impacted by a complex array of adversities during this time, given various pre-existing global inequalities (Jadoo, 2020; Bowleg, 2020; Tatar et al., 2021). Moreover, women and marginalized communities were among those affected most significantly (Van Barneveld et al., 2020). Low-income communities living in Bangladesh were among those who faced the most difficulty (Mottaleb et al., 2020). Research has addressed the problem they had in seeking monetary support through various social support mechanisms (Islam and Mostafa, 2021), creating a serious burden on them (Rönkkö et al., 2022; Mueller et al., 2022). The challenges were exacerbated in the early days of the pandemic, as a lockdown was imposed by the authorities in Bangladesh. During this time, many workers and employees lost their continuous income sources on a temporary and/or permanent basis (Jahan et al., 2021). Many struggled to find direction as to where and how to seek support (Ahmed et al., 2020; Islam et al., 2020). During this time, technology-enabled financial operations, referred to as fintech, served as a welcome vehicle for cashless financial transactions for many people (Rony et al., 2021).



We present a qualitative study on the access to fintech for communities from diverse economic backgrounds covering urban, semi-urban, and rural regions of Bangladesh. For this purpose, a qualitative study was carried out during the COVID-19 pandemic between December 12, 2020 and January 16, 2022. The study shows that the pandemic has created a positive shift toward fintech access. It explores how fintech opened opportunities to many by creating and supporting communities through the provision of contactless transactions; it also shows how innovative business opportunities emerged based on fintech and other technological platforms; and finally, how fintech has become a financial institution for marginal communities. It also demonstrates how a number of people were digitally disconnected and therefore not able to take advantage of fintech proliferation and the required support interventions at the community level, as well as policy level, and how this may carry into the future.

## Literature Review

Many studies in developing nations have addressed the gender gap in access to the internet and technology (Aggarwal, 2020). COVID-19 has recently encouraged individuals to continue their work and other activities online (Kabir, 2020), but many people particularly women, are still without access to technology (Highet et al., 2020). Although COVID-19 encourages individuals to work from home, it is difficult for women to continue focus and be able to work from home when they are also burdened with domestic tasks and other related activities (Kaur and Sharma, 2020). Women in low-income countries use technology at considerably lower rates than males, underscoring the gender-based digital gap (Antonio and Tuffley, 2014). A similar problem exists in South Asian nations such as India, Pakistan, and Bangladesh, where gender-based digital gaps and access limitations are especially evident (Sambasivan et al., 2018).

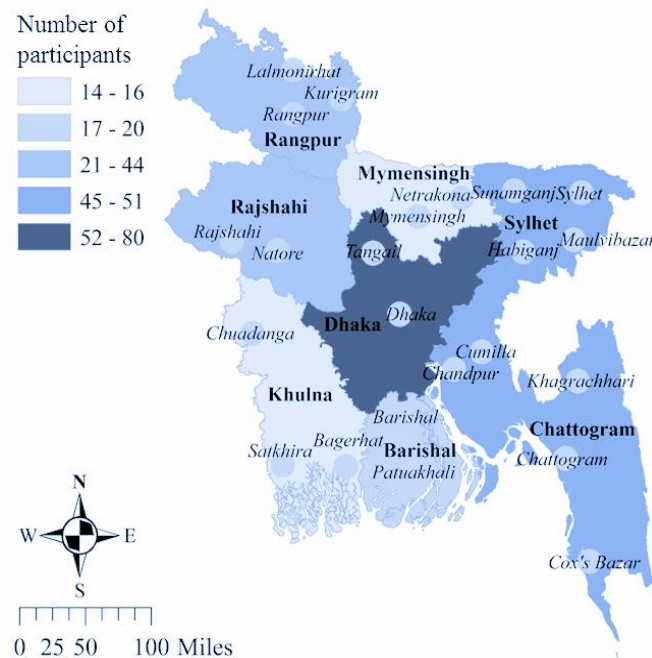
Bangladesh was placed under a countrywide lockdown at various times during the COVID-19 pandemic (Shammi et al., 2021). At that time, fintech usage rose dramatically. According to Bangladesh Bank, online banking usage increased by 14% (Light Castle BD, 2020). Bangladesh's government has encouraged the use of mobile wallets among low-income populations during the pandemic and, at the same time, Bangladesh Bank has substantially upgraded and digitized its payment system. This was done over the past few years before the pandemic so that the population could avail the benefits of digital payments (Akhtaruzzaman et al., 2019). During the pandemic, the government gave monetary assistance to about five million people using mobile wallets (Rahman, 2022). Around 22 banks launched fintech services to move money from the banks to phones or vice versa (The Daily Star, 2021). However, it has been found that women's engagement in accessing and using fintech services remained low (BRAC, 2021). A few studies, notably in Bangladesh, have emphasized the influence of the pandemic in explaining this lower use, but these studies have not addressed the digital divide in terms of telemedicine (Chowdhury et al., 2021) or fintech (Aziz et al., 2020). During the lockdown, the digitally disconnected population was also subjected to government-imposed limitations and changes (Ahmed et al., 2020). The communities that remained cut off from the internet and technology engaged in a collective manner, helping one another as a group to deal with their debilitating financial circumstance. However, the positive impact of fintech in the context of Bangladesh during the COVID-19 pandemic is underexplored. Our study fills this gap and focuses on how fintech facilitated financial transactions and liquidity to the people of Bangladesh during the COVID-19 pandemic.

## Research Method

Presented in Figure 1, our sample includes 313 participants (203 females, 108 males, and 2 transgender people) from different socioeconomic backgrounds from the 23 districts (around 33% of the total districts) of eight divisions in Bangladesh. The study area covers urban (41.21%), semi-urban (25.24%), and rural (33.55%) regions.

The qualitative study followed a purposive sampling method to recruit the participants (Etikan et al., 2016; Bernard, 2002). Statistically representative sampling and making national or subnational quantitative estimates are not among the objectives of the study as it is a qualitative study (Ahmed, 2019). According to Guba and Lincoln (1981), a qualitative study is effective as an evaluator. Therefore, given its design and nature, this study aims to understand the depth of the challenges and opportunities fintech provides to a varied group of participants.

Using the classifications provided by the Pew Research Center (presented in Table 1), we have classified our participants into five different income levels – poor (11.5%), low-income (44.09%), middle-income (23%), upper-middle-income (4.15%), and high-income (2.24%) (Lopez et al., 2022). Table 1 shows the income level of the participants. The details of the sample, including its diversity, are presented in Figure 2. We find that the largest groups were married females, with either substantial or no education, and from low- or middle-income populations



**Figure 1:** Map of Bangladesh showing where study participants live (Divisions are in bold and districts are in italics).

**Table 1:** Economic Classification of the Study Participants

<b>Economic Status</b>	<b>Per Day Income (USD) Based on Pew Research Center</b>	<b>Monthly Income (BDT) (Pew Research Center)</b>
Poor	<= \$2	5,088.12
Low income	\$2.01 - \$10	5,113.56 - 25,440.6
Lower- middle income	N/A	N/A
Middle income	\$10.01 - \$20	25,466.04 - 50,881.2
Upper- middle income	\$20.01 - \$50	50,906.64 - 127,203
High income	> \$50	> 127,203

Education Level	%	Gender	%	Age (years)	%	Income Level	%	Marital Status	%
Bachelor's Degree and Above	36.1	Female	64.86	18-29	28.12	Poor	11.5	Married	73.8
HSC	8.63	Male	34.5	30-39	30.35	Low Income	44.09	Unmarried	19.8
SSC	2.56	Transgender	0.64	40-49	22.04	Middle Income	23.0	Widowed	5.11
Below SSC	3.83			50-65	18.85	Upper-Middle Income	4.15	Divorced	0.64
No	41.53			65+	0.64	High Income	2.24		
Education Level		Gender Distribution		Age Distribution		Income Level (Pew Research)		Marital Status	

**Figure 2:** Sample Characteristics

We conducted focus group discussions (FGD) and individual discussions through a semi-structured questioning style. This allowed all the participants to share stories that could be followed up on further when needed. The participants were open to sharing their perceptions and preferred group discussions which reflected their social mores better (Kim et al., 2008). That is why we chose the FGD method – it allowed us to draw out participants' experiences, beliefs, perceptions, and attitudes (O.Nyumba et al., 2018). The type of FGD was single, referring to an interactive discussion on several topics among a participants group and a research team at the same place (O. Nyumba et al., 2018; Morgan, 1996). However, for the mobile financial services (MFS) agents we talked to, we conducted individual discussions, as they preferred to talk at their shops and without the presence of other MFS agents.

We conducted Offline, Online, and Hybrid FGD and individual discussions, primarily because the pandemic was still going in Bangladesh. For participants who wanted to have an in-person discussion, we arranged discussions in their homes or places that would provide them the most comfort. For participants who had time constraints or were conscious of the COVID-19 safety protocol and had access to the internet, we provided online discussions using Google Meet. Hybrid discussions were a process where one of the researchers was present at the participants' place to conduct discussion, and other researchers joined online through Google Meet. We always maintained social distance and COVID-19 safety protocols in an offline discussion. Also, strict safety policies such as ensuring social distance, and using and providing safety materials (e.g., masks and hand sanitizers) were followed as directed by the Bangladesh Ministry of Health and World Health Organization (WHO, 2021).

We recruited the participants through close connections such as friends, colleagues, relatives, neighbors, and key informants. They helped us connect to desired participants by forming a group of participants who were willing to join the study. The known contacts and key informants were people who locally accepted and trusted in their communities. After recruiting the participants, we went to the participants' living areas to conduct the study. Before our discussions with them, we described the research topic and asked participants about their concerns, preferences, and reservations regarding the study. We ensured that the participants were comfortable with the demography, including gender, age, profession, and religion, of the researchers. The questionnaire was semi-structured, and hence easily understood by the participants. The discussions were audio-recorded with the consent of the participants, so as to minimize data gaps that might impede further analysis. The discussions were 60-180 minutes long, and five researchers participated. One of the researchers conducted the sessions, while the other took notes and helped by asking follow-up questions. The studies were conducted in Bengali, transcribed, and later translated into English.

We performed a content analysis using Altas.Ti (Altas.ti, 2022). The content analysis process was initiated during the first discussion, allowing clearer context-based understanding, and was mutually appraised with the relevant data (Glaser and Straus, 2017). Thematic content analysis, which initiates with the inductive coding method, was followed (Braun and Clarke, 2006; Elo and Kyngas, 2008). This allowed us to identify the key themes from participants' discussions, followed by creating affinity diagrams for grouping, thereby generating major categories. The codebook was discussed among the authors and enabled us to generate the key themes of the findings.

The study was approved by the North South University Institutional Research Board (2020/OR-NSU/IRB/1201). We prepared a consent form in the native Bengali language for the participants, and included research objectives, methods, and permissions on the form. We also sought the consent of participants before the focus group discussions, and each time, the research objectives were explained to the participants for transparency. In this study, the participants had the right to leave the discussion without forfeiting incentives given to them at any moment. The research contents are carefully stored, and only the researchers can access them. We provided BDT 1,000 (USD \$12) as an incentive to each participant. We also provided gifts to the known contacts and key informants. The participants received the incentives with pleasantness.

## Findings

The findings of the study show how financial technology has impacted the lives of people during the COVID-19 pandemic in Bangladesh. The research explores three major aspects of value addition - contactless transactions, opportunities for innovative business solutions, and the ability to act as a financial institution for those who are disconnected from formal banking. However, several participants from the study have remained digitally disconnected. Each of these topics are further discussed below.

*First*, there was a significant impact that fintech had in providing contactless transaction options during the authority-imposed lockdown and social distance restrictions - it supported communities during this difficult time. It allowed immediate emergency support as well as long-term support for many when family members reached out for support for those in need; business owners supported their employees along with making organizational decisions to continue payments through fintech. One participant told us how their relative reached out to them in a situation where the relative had no funds to buy food for that day, and the participant was able to immediately share money using a popular mobile wallet service:

*“My niece calls me kaka. She asked, kaka give me 1000 or 2000 taka, I don't have rice at home, please send me whatever you can. At the time, I was able to send 200 to 300 taka, and I sent it to her through bKash.”*- Transgender, No profession, Dhaka.

The basic operations of fintech also allowed flexibility and comfort to particularly female users, as explained by a participant:

*“When I started to recharge my number using bKash, calls from unknown numbers were significantly reduced. I think when women recharge from mobile recharge shops, there is a large possibility of spreading the number to bad guys. So now I do the recharge by myself with bKash and I don't get any kind of unwanted calls.”* - Female, Student, Mymensingh.

The availability of fintech was especially important for people working during unconventional times or having restrictions regarding their place of work. For example, we noted this among launch workers who were working during night shifts. Similarly, female entrepreneurs who were working within various social restrictions discussed the convenience of being able to have online financial transaction options. Moreover, some participants shared how carrying cash on their person added concerns that fintech has easily addressed.

Second, the study also finds there have been innovative opportunities in different professions that evolved during the pandemic and were enabled by fintech. These were mostly used by people familiar with technology, as well as emerging technology users. Businesses in tourist areas that suffered during the pandemic and lockdown initiated post-based product delivery which were paid by fintech. One businessman who sold dry fish in such an area talked about how these businesses survived their difficulties:

*“All transportation modes were closed. So, no tourists came. But we survived even then. Allah has driven us somehow. Because we had some sales through phones. We could sell some using parcels as trucks were running. We sent the products through trucks and payments were made through bKash. As we didn't get allowances, we managed in these ways.”* - Male, Dry Fish Businessman, Barisal.

Moreover, some entrepreneurs extended their regular services over online platforms that were powered by fintech. For example, a physiotherapist told us how she offered her physiotherapy services online. This appeared to be difficult initially but was later adopted and appreciated by her patients. Similarly, a lawyer shared how she continued to offer her services using online platforms seamlessly during the pandemic period. Many of the participants informed us how they have been able to extend their services using online and offline platforms and have been able to navigate from one to the other.

Third, for the marginal communities, formal financial institutions were unreachable. Our study finds that fintech-based services were used instead and were found to be money-saving by these communities. The participants who are not from marginal communities have also shared the convenience of using fintech over in person banking services considering the long queues, waiting time, and other operational problems.

*“If mobile banking does not serve our purpose, then we go for banking. We pay only 1500 Tk, I don't actually need to share my bank account. It's easier to share mobile banking information. It's not like it is not a big reason. For small transactions, mobile banking like bKash, Nagad, Rocket, etc. is convenient.”* - Female, Entrepreneur, Rajshahi.

However, there was a significant number of participants (around 20%) who never used any fintech-based services. Moreover, a larger number of participants (around 42%) remained digitally disconnected, never accessing the internet or any internet-based services. It must be noted that the percentage is representative of the sample, and not for the entire population of the country. It reflects the depth of the problem among those recruited for the study. These disconnected communities were marginalized because of their educational background and economic capabilities. Participants shared their priority to carry on their daily lives over adopting such technology. For example, a participant working as a laborer in a paper factory said that *“mobile phones are irrelevant to them”* while another participant working as a launch worker shared how *“mobile phones increase their daily costs”*. We therefore surmise that while fintech services have reduced many operational challenges of formal financial services, they were not an option for many.

## Discussion and Conclusion

Digitally disconnected communities are low-income participants with little or no education and needed additional support during the pandemic (McClain, 2021). The findings from our study, focusing on the positive impact of fintech, are in line with another recent study which clearly shows the need for policy intervention to bring such technologies to these disconnected communities (Khera et al., 2021). It is important to ensure the connectivity since most of the Government and Non-governmental support was disseminated during the pandemic through financial technologies, requiring the recipient to have at least a mobile phone (Rahman, 2022; UNCDF, 2022; World Bank, 2022). Moreover, the initial information about pandemic-related safety concerns was disseminated widely across various digital mediums (Khan et al., 2022). Community-centered approaches have been designed and deployed successfully in the healthcare sector for vaccinations (El Arifeen et al., 2013). A similar design could be used for the spread of technology. Community technology booths can be used to connect disconnected members within a locality, for example.

Using technology for development has been criticized as being overly Utopian (Toyama, 2015). However, our study of 313 participants across Bangladesh presents a positive engagement with technology-based services and shows that it can impact development, particularly during a difficult pandemic situation. We hope that the value that technology provides can be extended towards disconnected communities through effective policies that are implemented successfully to engage them within the process of development in future.

## Acknowledgment

The authors acknowledge Bill and Melinda Gates Foundation, North South University Human-Computer Interaction (NSUHCI), Design Interaction and Access Lab (DIAL), participants, and key informants. The authors thank two anonymous reviewers for their valuable suggestions.

## Funding

This ongoing research has been funded by the Bill and Melinda Gates Foundation.

## References

- Aggarwal, A. (2020). *How Covid-19 Fuels the Digital Gender Divide*. Available at <https://asia.fes.de/news/digital-gender-divide/>
- Ahmed, M. (2019). “Ethics and Values Education in Bangladesh: The Challenges for an Aspiring Middle-Income Country”. *Journal of Bangladesh Studies*, 21(2), 18-32.

- Ahmed, N., Rony, R. J., & Zaman, K. T. (2020). "Social distancing challenges for marginal communities during COVID-19 pandemic in Bangladesh". *Journal of Biomedical Analytics*, 3(2), 5-14.
- Akhtaruzzaman, M., Younus, S., Islam, S., & Karim, M. A. (2019). "Developing a Common Platform for the Digital Payment System in the SAARC Region". *Journal of Bangladesh Studies*, 21(2), 33-48.
- Antonio, A. & Tuffley, D. (2014). "The gender digital divide in developing countries". *Future Internet*, 6(4), 673-687.
- Atlas.ti,(2022). Available at <https://atlasti.com>.
- Aziz, A., Islam, M. M., & Zakaria, M. (2020). "COVID-19 exposes digital divide, social stigma, and information crisis in Bangladesh". *Media Asia*, 47(3-4), 144-151.
- Bernard, H. R. (2002). *Research methods in anthropology: Qualitative and quantitative approaches*. (3rd ed.). Walnut Creek, CA: Alta Mira Press.
- Bowleg, L. (2020). "We're not all in this together: on COVID-19, intersectionality, and structural inequality". *American Journal of Public Health*, 110(7), 917-917.
- BRAC (2021). *Report on emergency cash transfer through digital wallets during COVID-19 pandemic*. Accessed on March 2021 from, <http://www.brac.net/program/wp-content/uploads/2021/01/Report-on-emergency-cash-transfer-through-digital-wallets-during-COVID-19-pandemic.pdf>
- Braun, V. & Clarke, V. (2006). "Using thematic analysis in psychology". *Qualitative Research in Psychology*, 3(2), 77-101.
- Chowdhury, S. R., Sunna, T. C., & Ahmed, S. (2021). "Telemedicine is an important aspect of healthcare services amid COVID-19 outbreak: Its barriers in Bangladesh and strategies to overcome". *The International Journal of Health Planning and Management*, 36(1), 4-12.
- El Arifeen, S., Christou, A., Reichenbach, L., Osman, F. A., Azad, K., Islam, K. S., ... & Peters, D. H. (2013). "Community-based approaches and partnerships: innovations in health-service delivery in Bangladesh". *The Lancet*, 382(9909), 2012-2026.
- Elo, S. & Kyngas, H. (2008). "The qualitative content analysis process". *Journal of Advanced Nursing*, 62(1), 107-115. doi: 10.1111/j.1365-2648.2007.04569.x
- Etikan, I., Musa, S. A., & Alkassim, R. S. (2016). "Comparison of convenience sampling and purposive sampling". *American Journal of Theoretical and Applied Statistics*, 5(1), 1-4.
- Glaser, B. G. & Strauss, A. L. (2017). *Discovery of Grounded Theory: Strategies for Qualitative Research*. Routledge.
- Guba, E. G. & Lincoln, Y. S. (1981). *Effective evaluation: Improving the usefulness of evaluation results through responsive and naturalistic approaches*. Jossey-Bass.
- Hight, C., Salman, A., & Singh, N. (2020). *The Digital Gender Divide Won't Close by Itself – Here's Why*. Available at <https://www.cgap.org/blog/digital-gender-divide-wont-close-itself-heres-why>.
- Islam, S. M. & Mostofa, S. (2021). "Coping Strategies of Low-Income Households in Bangladesh During COVID". *Journal of Bangladesh Studies*, 23(1).
- Islam, S., Islam, R., Mannan, F., Rahman, S., & Islam, T. (2020). "COVID-19 pandemic: An analysis of the healthcare, social and economic challenges in Bangladesh". *Progress in Disaster Science*, 8, 100135.

- Jadoo, S. A. A. (2020). "COVID-19 pandemic is a worldwide typical biopsychosocial crisis". *Journal of Ideas in Health*, 3(2), 152-154.
- Jahan, I., Iqbal, K., Rabbani, A., & Shonchoy, A. S. (2021). "One and a half years into the pandemic in Bangladesh: what have we learnt so far?" *Journal of Bangladesh Studies*, 23(1), 1-18.
- Kabir, F. H. (2020). "Covid triggers rise in mobile financial services". *The Financial Express*. Available at <https://thefinancialexpress.com.bd/trade/covid-triggers-rise-in-mobile-financial-services-1605325877>
- Kaur, T. & Sharma, P. (2020). "A study on working women and work from home amid coronavirus pandemic". *J. Xi'an Univ. Archit. Technol.*, 1400-1408.
- Khan, S., Mishra, J., Ahmed, N., Onyige, C. D., Lin, K. E., Siew, R., & Lim, B. H. (2022). "Risk communication and community engagement during COVID-19". *International Journal of Disaster Risk Reduction*, 74, 102903.
- Khera, P., Ng, S., Ogawa, S., & Sahay, R. (2021). *Is Digital Financial Inclusion Unlocking Growth?* International Monetary Fund, Washington, D.C.
- Kim, H. S., Sherman, D. K., & Taylor, S. E. (2008). "Culture and social support". *American Psychologist*, 63(6), 518.
- Light Castle BD (2020). *Digital Payment in Bangladesh: A Road to Growth and Stability*. Available at <https://www.lightcastlebd.com/insights/2020/12/digital-payments-in-bangladesh-a-road-to-growth-and-stability>
- Lopez, M. H., Rainie, L., & Budiman, A. (2020). Financial and health impacts of COVID-19 vary widely by race and ethnicity. Policy Commons
- McClain, C. (2021). *34% of lower-income home broadband users have had trouble paying for their service amid COVID-19*. Pew Research Center. Available at <https://www.pewresearch.org/fact-tank/2021/06/03/34-of-lower-income-home-broadband-users-have-had-trouble-paying-for-their-service-amid-covid-19/>
- Morgan, D. L. (1996). "Focus groups". *Annual Review of Sociology*, 22(1), 129-152.
- Mottaleb, K. A., Mainuddin, M., & Sonobe, T. (2020). "COVID-19 induced economic loss and ensuring food security for vulnerable groups: Policy implications from Bangladesh". *PloS one*, 15(10), e0240709.
- Mueller, V., Grépin, K. A., Rabbani, A., Navia, B., Ngunjiri, A. S., & Wu, N. (2022). "Food insecurity and COVID-19 risk in low-and middle-income countries". *Applied Economic Perspectives and Policy*, 44(1), 92-109.
- O.Nyumba, T., Wilson, K., Derrick, C. J., & Mukherjee, N. (2018). "The use of focus group discussion methodology: Insights from two decades of application in conservation". *Methods in Ecology and Evolution*, 9(1), 20-32.
- Rahman, A. (2022). "In Search of Digital Financial Inclusion in Bangladesh". *The Daily Star*. Available at <https://www.thedailystar.net/recovering-covid-reinventing-our-future/fourth-industrial-revolution-and-digital-transformation/news/search-digital-financial-inclusion-bangladesh>.
- Rönkkö, R., Rutherford, S., & Sen, K. (2022). "The impact of the COVID-19 pandemic on the poor: Insights from the Hrishipara diaries". *World Development*, 149, 105689.
- Rony, R. J., Khan, S. S., Sinha, A., Saha, A., & Ahmed, N. (2021, May). "COVID has made Everyone Digital and Digitally Independent: Understanding Working Women's DFS and Technology Adoption during COVID Pandemic in Bangladesh". *Asian CHI Symposium 2021*, pp. 202-209.

- Sambasivan, N., Checkley, G., Batool, A., Ahmed, N., Nemer, D., Gaytán-Lugo, L. S., ... & Churchill, E. (2018). "Privacy is not for me, it's for those rich women: Performative Privacy Practices on Mobile Phones by Women in South Asia". In *Fourteenth Symposium on Usable Privacy and Security*, 127-142.
- Shammi, M., Bodrud-Doza, M., Islam, A. R. M., & Rahman, M. (2021). "Strategic assessment of COVID-19 pandemic in Bangladesh: comparative lockdown scenario analysis, public perception, and management for sustainability". *Environment, Development and Sustainability*, 23(4), 6148-6191.
- Tatar, M., Shoorekchali, J. M., Faraji, M. R., & Wilson, F. A. (2021). "International COVID-19 vaccine inequality amid the pandemic: Perpetuating a global crisis". *Journal of Global Health*, 11.
- The Daily Star (2021). *Mobile Money in the COVID-19*. Available at <https://www.thedailystar.net/supplements/mobile-financial-services/news/mobile-money-the-covid-19-pandemic-2028889>
- Toyama, K. (2015). *Geek Heresy: Rescuing Social Change from the Cult of Technology*. PublicAffairs.
- UNCDF (2020). "COVID-19: the Local Government Finance response in Bangladesh" Available at <https://www.uncdf.org/article/5478/covid-19-the-local-government-finance-response-in-bangladesh>.
- Van Barneveld, K., Quinlan, M., Kriesler, P., Junor, A., Baum, F., Chowdhury, A., ... & Rainnie, A. (2020). "The COVID-19 pandemic: Lessons on building more equal and sustainable societies". *The Economic and Labour Relations Review*, 31(2), 133-157.
- World Health Organization (2020). *Bangladesh*. Available at <https://www.who.int/countries/bgd/>.
- World Bank (2022). *Bangladesh: \$300 Million World Bank Financing to Help Urban Local Governments to Respond to COVID-19*. Available at <https://www.worldbank.org/en/news/press-release/2022/02/24/bangladesh-300-million-world-bank-financing-to-help-urban-local-governments-to-respond-to-covid-19>



# Bangladesh-Bhutan Preferential Trade Agreement: WTO Compliance and Implications for LDC Graduation

Shahriar Bin Wares

School of Law, University of Glasgow, Scotland, United Kingdom

Email: [waressshahriar@gmail.com](mailto:waressshahriar@gmail.com)

## Abstract

The purpose of this article is to assess the prospects of the maiden Preferential Trade Agreement (PTA) between Bangladesh and Bhutan. The complexity of complying with the legal provisions of this PTA between a WTO member (Bangladesh) and a non-WTO member (Bhutan) has been scrutinized in light of GATT/WTO rules. Also, the trade development challenges of these trading partners have been presented. In addition, the Least Development Countries (LDC) graduation issue is a potential threat for each country as they become qualified to exit from the LDC category in the next few years. Therefore, the efficacy of this PTA is likely to be vital with regard to the economic growth and trade development of these countries.

**Keywords:** Least Developed Country, Preferential Trade Agreement, Regional Trade Agreement, Special and Differential Treatment, Generalized System of Preferences, Sanitary and Phytosanitary measures

## Introduction

The recent surge of Preferential Trade Agreements (PTAs<sup>1</sup>) is fast reshaping the architecture of the world trading system and the trading environment of developing countries (Chauffour and Maur, 2011). The number of PTAs has skyrocketed over the past twenty years (Baccini, 2019). A preferential trade agreement was signed between Bangladesh and Bhutan on December 6, 2020. While Bangladesh has stepped into this maiden bilateral preferential trading agreement with Bhutan, Bhutan had previously signed their maiden Free Trade Agreement (FTA) with India long before signing this PTA with Bangladesh. Since Bangladesh does not have any experience with signing a bilateral trading arrangement (PTA or FTA), the signing of this PTA with Bhutan could be seen as a testing ground with a minor trade partner. Regarding the above, prior to the signing of this Preferential trade agreement, Bhutan was not a member of the World Trade Organization (WTO), although they are under procedures to be a member. However, Bangladesh is already a member of the WTO. Under the PTA, 100 Bangladeshi products, including ten new goods, will enjoy duty-free access in the Bhutanese market (Khan, 2020). On the other hand, 34 Bhutanese items, including 16 new products, will also enjoy duty-free access in the Bangladeshi market, Bangladesh having less developed country (LDC) status in the WTO.

This paper provides a background of this PTA and the trade relationships of these countries. In addition, it provides a legal analysis of this preferential trade agreement between Bangladesh and Bhutan. In this regard, it is noted that the scrutiny has been assessed based on the legal provision of this PTA in relation to the GATT/WTO rules and its compliances. First, the question of the validity of a preferential trade agreement between a WTO (Bangladesh) and a non-WTO member (Bhutan) has been dealt with. Second, the complexity of ensuring non-discriminatory treatment between these contracting parties has also been discussed. Additionally, the compliance issue of Anti-dumping Duty, and the Sanitary and Phytosanitary measures (SPS) and its challenges of both trading partners have been highlighted.

The loopholes of the trade Dispute Settlement Mechanism (DSM) provision of this PTA has been scrutinized. Furthermore, the reviews of the trade challenges of this PTA and the possible ways to overcome the obstacles between these contracting parties has been highlighted. Moreover, it has been examined whether this PTA would outweigh the apparent challenges stemming from the graduation of both countries from Least Developed Countries (LDCs) to non-LDC countries. Finally, the proper function of each government has been emphasized to successfully implement and reap uninterrupted trade benefits from this PTA.

Few qualitative or analytical research that has been conducted on this topic. Therefore, this article aims to carry out a qualitative study regarding this PTA. As precedence, there has been a preferential trade agreement (PTA) between Iran and Turkey and a Free Trade Agreement (FTA) between Turkey and Serbia, where Iran and Serbia were not WTO members at the time of the signing. Also, the analysis of the effectiveness of this PTA while Bangladesh and Bhutan qualify to graduate from Least Developed Countries (LDCs) would be a new dimension brought to the literature by this paper. Although the issue of challenges after exiting the LDC league has been discussed in the literature, but ways to cope with the challenges brought up in this paper have been less explored. Therefore, this PTA could be useful as a study that can provide insight into how to cope with these specific concerns.

### **Legal Issues Arising from the Bangladesh- Bhutan PTA**

In a Regional Trade Agreement (RTA), if both trade partners become members of the WTO, generally, there is no ambiguity or complexity in complying with WTO/GATT rules (WTO, 2013). However, if Bhutan's accession to the WTO takes place before Bangladesh's notification about the PTA to the WTO, the discourse may change. On the contrary, non-accession could also bring about some difficulties. In a similar fashion, the conclusion of the Preferential Trade Agreement (PTA) between Bangladesh and Bhutan may be subject to the complexity of GATT/WTO legal compliances after its enforcement.

### **Validity of the Bangladesh and Bhutan PTA**

This section examines the validity of a Preferential Trade Agreement between a WTO member and a non-WTO member state. In this regard, the legitimacy of member RTAs with non-WTO members has never been formally settled within the WTO, but, in practice, the political and economic driving forces behind the RTAs have been stronger than the WTO membership obligations provided in Article XXIV:5 GATT (Devuyst and Serdarevic, 2007). Also, the "approval and control" mechanism of Article XXIV:10 GATT has been continuously losing its practical importance so that conclusion of RTAs with non-GATT contracting parties (non-WTO members) would no longer be an exception, and GATT working parties would apply to such RTAs the normal review procedure under Article XXIV:7 rather than Article XXIV:10 GATT (Choi, 2005). Under this logic, there should not be any prohibition regarding signing any RTA between a WTO and a non-WTO member state.

Similarly, it was already noted that Iran and Serbia were not WTO members at the timing of the signing their PTA with Turkey. However, an alternative view is that examination should be pursued because transparency requirements apply to RTAs with non-WTO members as well and "deferral might send a negative message about transparency, in particular regarding the notification of such type of RTAs."<sup>2</sup> Eventually, in 2009, it was agreed that RTAs involving non-WTO members would fall under the provisions of the WTO Transparency Mechanism.<sup>3</sup> Therefore, it can be held that there should not be any question of the unlawfulness of this preferential trade agreement between Bangladesh and Bhutan and it should be considered valid.

### **Ensuring Non-Discriminatory Treatment between a WTO and non-WTO member**

The principle of National Treatment (NT) is undeniably significant and has been considered a cornerstone of GATT/WTO. In this context, to ensure non-discriminatory treatment of other nationals that are the same as one's own, the actions of the contracting nations shall have to comply with the NT principle. If two countries are members of WTO, there should not be any questions about the compatibility of the GATT/WTO rules. However, if one of the countries is not a WTO member, the applicability of the GATT/WTO rules become a concern. It is noted that not being WTO member, Bhutan will not be able to make any claims to the WTO concerning the violation of NT. So, how will Bhutan enjoy non-discriminatory treatment? The NT principle provides that once a product is imported, the importing country may not subject that product to regulations less favorable than those that apply to like products produced domestically (Aaronson, 2011). Simultaneously, in terms of the importance of National Treatment, it should be noted that there might be some function of NT even after the reduction of tariffs. Hence, it would not be sensible to assume that NT has no role to play once tariffs have been eliminated (Mavroidis, 2015). Similarly, national

treatment continues to bind WTO members even after tariffs have been eliminated. Thus, as a WTO member, Bangladesh shall have an obligation to ensure non-discriminatory treatment to Bhutan. However, Bhutan is a non-WTO member and therefore the question arises as to whether the GATT/WTO rules would be binding upon Bangladesh regarding Bhutan or not. To answer this question, Article III of the General Agreement on Tariffs and Trade 1994 (GATT) provides that:

*“In terms of the domestically produced goods and imported goods, there should not be any discrimination with regard to internal taxation and regulations.”*

Hence, it can be said that the rules of article III of GATT were designed to safeguard tariff concessions and to prevent hidden discrimination. Despite not being a WTO member, Bhutan would nonetheless be protected to enjoy non-discriminatory treatment from Bangladesh.

In addition, regarding non-discrimination, GATT/WTO provides some important provisions. Article I:1 of GATT bars “WTO members from discriminating amongst like products originating in or destined for different countries.” In this regard, it is noted that even RTAs entered between WTO members and non-WTO-member states may qualify to receive a benefit of justification for GATT Article I violation if the non-WTO-member parties are least developed countries.<sup>4</sup> Thus, this would provide a safeguard for Bhutan as it is both an LDC and non-WTO country in case of the violation of this article I of GATT/WTO.

Furthermore, ensuring non-discriminatory treatment is equally important for both contracting parties. It is worth noting that imported goods that have “paid their ticket to enter a market” (that is, the tariff duty) cannot be subjected to a burden, of whatever nature, that is higher than that imposed on domestic products with which they are competing in any given market (Mavroidis, 2015). In this regard, article V of the PTA between Bangladesh and Bhutan states that:

*“The Parties agree to accord each other's products imported into their territory, treatment no less favorable than that accorded to like domestic products in respect of internal taxation and in respect of all other domestic laws and regulations affecting their sale, purchase, transportation, distribution or use.”*

To comply with this legal provision, both countries shall not treat the imported products less favorably than their like domestic products. Thus, the law-abiding practice of ensuring equal treatment by Bangladesh and Bhutan will be favorable for each party and they would be barred from practicing discriminatory treatment against each other.

### **Exercising Anti-Dumping Duty between a Less and a More Developed Country**

Article VI of GATT provides the foundation for the legal infrastructure for the WTO Antidumping Agreement. The implementation of this antidumping agreement might also be problematic since one of the parties are non-WTO member. So, it is uncertain whether Bangladesh and Bhutan are legally liable to comply with their duties on anti-dumping or not. However, article XIV of Bangladesh-Bhutan PTA states that:

*“The Parties may impose anti-dumping duties and countervailing duties to prevent dumping and unauthorized subsidies by notifying each other if any such situation arises.”*

To comply with this provision, both countries may place antidumping duties. However, to some extent, the written provision cannot guarantee the compliance of mandatory obligations. Similarly, a breach of antidumping duty arrangement was found between Bangladesh and India in their trade agreement. In the lead battery case<sup>5</sup>, being a developed trade partner of a trade agreement, India wanted to take advantage by not complying with anti-dumping rules. This incidence shows how a strong economic trade partner may take advantage of their position in applying arbitrary enactment of unfair, unlawful, and unilateral trade measures. In this regard, it is carefully noted that Bangladesh's bilateral trade with Bhutan is a minuscule part of Bangladesh's overall trade in goods (only about USD 45.7 million out of USD 93160.0 million or 0.05 per cent of the total trade of Bangladesh). Therefore, Bangladesh will likely be the stronger trading partner in this PTA.

### **Compliance of SPS Measures under the Umbrella of Joint Trade Committee**

The contracting governments shall have to act consistently in terms of Sanitary and Phytosanitary measures (SPS) measures. The Uruguay Round Agreement has played an important role in ensuring SPS measures. In this regard, it should be noted that:

*“Members shall ensure that their sanitary and phytosanitary measures do not arbitrarily or unjustifiably discriminate between Members where identical or similar conditions prevail, including between their own territory and that of other Members [ . . . ]”<sup>6</sup>*

Therefore, it is evident that sanitary and phytosanitary measures shall not be subject to discrimination and restriction in international trade. In a similar vein, an essential issue of trade measures needs to be considered here. Article 5 of the SPS Agreement further provides that:

*“[m]embers shall ensure that such measures are not more trade-restrictive than required to achieve their appropriate level of sanitary or phytosanitary protection, taking into account technical and economic feasibility.”<sup>7</sup>*

In this regard, it should be noted that the “contracting members” shall not exclusively have to be WTO members. One of the members might be a non-WTO member like Bhutan. So, Bhutan will be given an opportunity to exercise this provision in its favor. Simultaneously, regardless of WTO membership, and in keeping with the essence of the provision, both members shall have to apply the legal obligation to apply SPS measures among them.

To ensure SPS obligations are met in trade agreements, a committee on SPS plays an imperative role. In this regard, it has also been suggested that the Committee on Sanitary and Phytosanitary is working to develop a procedure for monitoring the process of international harmonization and coordination of such efforts.<sup>8</sup> Besides, it is important to note that most PTAs provide for some sort of joint committee or commission to deal with administration of the agreement.<sup>9</sup> Alongside, the PTAs contemplate the creation of a joint administrative body provide for decision making to be achieved through consensus or mutual agreement (Lester, S., et. al., 2009). Similarly, the agreement between Bangladesh and Bhutan is not an exception. In this regard, Article XVII in the Bangladesh-Bhutan PTA describes that:

*“The Committee shall adopt appropriate measures for settling any matter arising from such representations within six months of the representation being made.”*

In the evaluation of this provision within the Bangladesh-Bhutan PTA, it is evident that there is no committee on Sanitary and Phytosanitary measures. However, since the Joint Committee, mentioned in Article XVII of between Bangladesh-Bhutan PTA, shall be conducting a meeting once a year regarding the review, progress, and implementation of this agreement. Technically, it may play a role in ensuring the SPS measure and its monitoring process. Thus, in the agreement between Bangladesh and Bhutan, the lack of an SPS committee might be shielded by the suitable implementation of article XVII of this Preferential Trade Agreement between Bangladesh and Bhutan. As a result, both parties shall be able to comply with any SPS measures.

It cannot be denied that the legal provisions of this treaty agreement are meant to be compliant with the legal rules of GATT/WTO as well as the legal provisions Bangladesh-Bhutan PTA. However, being a less developed country and a non-WTO member, it will not be easy for Bhutan to protect these treaty provisions and enjoy non-discriminatory treatment due to their disadvantageous position. Therefore, it can be alleged that Bhutan would face more challenges than Bangladesh when complying with these legal provisions.

### **Reviewing the Dispute Settlement Mechanism of Bangladesh-Bhutan PTA**

The Dispute Settlement Mechanism (DSM) of a trade agreement has always been significant. In this PTA between Bangladesh and Bhutan, article XVIII states that:

*“Any dispute that may arise in connection with the interpretation, application or non-compliance with the provisions of this Agreement shall be settled through mutual consultation.”*

In other words, this provision prescribes mutual discussion in the case of a trade dispute. Since Bhutan's access to WTO for dispute settlement is not possible (until they become the WTO member), they must decide through mutual settlement when disputes occur. And, if Bhutan is aggrieved due to an arbitrary decision, they will not have the opportunity to exercise any protection under WTO. It is not hard to imagine that this gives Bangladesh an advantage if a circumstance of dispute arises. An absence of legally enforceable rules regarding this in the Bangladesh-Bhutan PTA might be burdensome for Bhutan in case the mutual solution does not end satisfactorily. We may consider this dispute settlement mechanism of the Bangladesh and Bhutan PTA to be somewhat weak.

In addition, it is important to note that the DSM under PTAs is crucial in ensuring adequate implementation and enforcement of commitments among contracting parties (Yan, 2006). Given the circumstances, the implementation and enforcement of this preferential trade agreement between Bangladesh-Bhutan, the DSM would be challenging due to a lack of choice of the form of dispute settlement mechanisms. Hence, along with article XVIII of Bangladesh-Bhutan PTA, the following provisions regarding dispute settlement would have played a crucial role in Bangladesh-Bhutan PTA.

### **The Loopholes of the DSM of Bangladesh-Bhutan PTA**

It is evident that the dispute settlement mechanism of this PTA has not set up any legal procedures. Instead, it illustrates a political or diplomatic-oriented dispute settlement mechanism titled "mutual consultation", as discussed above. It is worth mentioning that if third party adjudication is not provided in the RTA, the level of legalism is described as "none" (Chase et. al., 2016). Since this PTA does not have the provision of third-party adjudication, this may lead to a hindrance of implementation and enforcement. Similarly, it is noted that there is an ambiguity as to whether the decision of the Bangladesh-Bhutan PTA committee on DSM is binding or not; hence, the presence of an adjudication body would have been a catalyst to ensure the implementation and enforcement of the decision of any disputes in this Bangladesh-Bhutan PTA.

Along with a primary option within a PTA, the secondary option regarding DSM within the WTO plays a supportive role to move to the next step for getting the resolution. Similarly, a contracting party could request this procedure if it believed that other contracting parties had failed to carry out GATT obligations or, if there was "non-violation nullification or impairment of the benefits of GATT".<sup>10</sup> However, since Bhutan does not have accession to WTO; hence, none of the parties can claim their request to WTO. Similarly, pursuant to Article 3.3 of the Dispute Settlement Understanding, the speedy settlement of such disputes is "essential to the effective functioning of the WTO and the maintenance of a proper balance between the rights and obligations of Members". Thus, it is a disadvantage of the contracting parties in exercising such a safeguard under WTO. However, even if Bhutan had accession to the WTO, they would not go to the WTO DSM because as a least developed country, it will be a burden for their economy to bear the litigation costs involved.

We note, according to article XVIII in this PTA between Bangladesh and Bhutan, that there is no option of an alternative dispute mechanism such as mediation and arbitration, the only recourse being mutual consultation. However, it is worth noting that the availability of several alternative dispute mechanism options carries a good value. For example, in the preferential trade agreement between Iran-Turkey, there is a choice of a dispute settlement forum. The parties can choose from different dispute settlement mechanisms such as consultation, mediation, arbitration, and creation of a standing body<sup>11</sup>. In this regard, it should be carefully noted that despite being a non-WTO member, Iran had the option to exercise multiple DSM options at the time of signing the PTA. Similarly, in this Bangladesh-Bhutan PTA, Bhutan is also non-WTO member. Hence, it can be argued that the decision makers in this context would also have made the availability about such provisions in this PTA to get satisfactory results for both countries.

Most trade agreements have adopted those two styles – political vs. adjudicatory, with the domination of one style over another (Munin, 2010). Hence, a power-oriented approach will follow if the political style is dominant, while a procedure where the adjudicative styles are dominant will be shaped as rule-oriented. Thus, the adoption of this mechanism could play a significant role if one of the countries were to dominate the other, based on political strength. Therefore, this is another crucial weakness in this PTA.

If a dispute cannot be settled through mutual consultation under article of XVIII of the PTA between Bangladesh and Bhutan, both will experience loss through higher litigation costs; consequently, they will experience substantial economic loss. A small country like Bhutan may have its economy paralyzed if any remedial measures to be taken must wait for a long time (Wangdi, 2010). Similarly, being an LDC country, if Bangladesh must disburse a considerable amount of money to settle the dispute outside the scope of this provision, it will be burdensome for their

economy. Therefore, resolving the dispute within the PTA framework, such as through mutual settlement, should be given utmost priority. Nevertheless, if the dispute cannot be settled in a satisfactory manner due to diplomatic influences or any other reasons, the suggested provisions might be a crucial option to reach a peaceful resolution of a dispute between the two states.

### **Cooperation for a Successful Trade Operation**

Challenges in the implementation of a preferential trade agreement have been a widespread phenomenon in the world trading arena. Tariffs, non-tariff and technical barriers, and infrastructure development are common trade barriers. In this PTA between Bangladesh and Bhutan, such challenges are likely to be present and trade facilitation between these governments can play a vital role in a successful trade operation.

### ***Trade Prohibition or Trade Restriction by a WTO Member against a Non-WTO Member***

Article IX of the preferential trade agreement between Bangladesh and Bhutan describes the issue of “Import and Export Restrictions.” Pertinent to this, GATT holds:

*“Neither Party may adopt or maintain any prohibition or restriction on the importation of any goods of the other Party or on the exportation or sale for export of any goods destined for the territory of the other Party.”<sup>12</sup>*

Nevertheless, a complexity may arise if Bangladesh takes any measure and claims based on the reasoning that Bhutan has not been a WTO member. However, if Bangladesh does so, that will be invalid based on the interpretation of this Article XI of GATT/WTO, since the wording “neither party” does not necessarily have to be the GATT/WTO member. If Bangladesh restricts some products of Bhutan, the significance and the lawful implementation of Article XI of GATT/WTO should be a safeguard for Bhutan. Hence, along with mitigating this hindrance, as mentioned earlier, both countries shall have to focus on the following essential subject matters.

### ***The Significance of Eliminating Trade Barriers***

For any small open economy, the lowering of trade barriers generates benefits to the country overall. Although the welfare implications of PTAs may be ambiguous, one general result is that small countries (for which world prices are given) are likely to lose from a PTA between themselves unless they lower trade barriers with respect to excluded countries (Winters, 2011). Along with this, it is worth noting that the parties should prioritize the matter of eliminating trade restrictions between themselves first before they consider effects associated with other trading partners. So, in the spirit of GATT/WTO, both countries should eliminate the trade restrictions among them,<sup>13</sup> and the burden of lowering trade barriers is reliant on Bangladesh and Bhutan by default. The key characteristic of RTAs is that it allows the parties to offer each other more favorable treatment in trade matters than the parties offer to their other trading partners (Bossche, 2008). Therefore, to ensure welfare gain from the trade, both RTA partners shall have to cooperate with each other. Otherwise, the goal to eliminate the trade barriers will not be attained.

### ***Mutual Agreement about Reducing Tariff***

Article II(c) of the PTA between Bangladesh and Bhutan states that:

*“Preferential treatment means any concession or privilege granted under this Agreement by a Party through the progressive reduction and/or elimination of tariffs and para-tariff measures on the cross-border movement of goods.”*

Generally, this appears to be very promising; however, the practical setting articulates another story. LDCs that are not members of the WTO have no schedule of concessions with commitments on bound tariff rates (WTO, 2020). Thus, being a non-WTO and an LDC country, Bhutan does not fall under the commitment on bound tariffs.

On the other hand, it is noted that the LDCs that acceded to the WTO during the Uruguay Round have a lower level of commitments, reflected by higher bound rates and lower binding coverage compared to LDCs that acceded to the WTO more recently under the Article XII process. In this regard, it would not be wise to assume that, since Bangladesh acceded to WTO membership in the post-Uruguay Round period in 1996, they have a higher binding

coverage. Statistics indicate that Bangladesh has a binding coverage of only 17%, which implies that the remaining 83% of its tariffs are unbound (WTO, 2020). Hence, it is to be noted for Bhutan that Bangladesh might not be bound to reduce its overall tariffs. In fact, both Bangladesh and Bhutan may not be bound to reduce their overall tariffs, since their products will get preferential market access in each other's territories.

However, the central (or at least ostensible) purpose of trade agreements is to eliminate trade barriers, in particular tariffs and duties, but also non-tariff barriers such as arbitrary or complex standards and regulations. In a similar vein, despite reducing tariffs on ample products, non-tariff barriers may prevent trade growth.

The interpretation of Article II(c) of Bangladesh-Bhutan PTA suggests that both countries agree to reduce their tariffs. As mentioned above, a lion's portion of the tariffs might be unbound and can be reduced, according to the statistics mentioned above. Hence, the two countries must mutually determine for which products they would partially reduce tariffs. Both countries need to focus on the issues of reducing both tariff and non-tariff barriers, positively impacting their businesses and consumers.

### **Enhancing Trade Facilitation**

Article XVI of the Bangladesh-Bhutan Preferential Trade Agreement envisages "Trade Facilitation." According to Asia-Pacific Economic Cooperation (APEC), trade facilitation is defined as the simplification, harmonization, use of new technologies, and other measures to address procedural and administrative impediments to trade (Manger, 2015).

Both countries must share their technology and maintain their harmony to ensure trade facilitation. Usually the trade facilitation agenda in PTAs remains largely driven by the most developed partners, which tend to set the agenda and to propose terms of agreement that may not necessarily reflect the needs and capacity of their less developed partners (Maur, 2011). Since Bangladesh is more developed than Bhutan, it should extend a helping hand to ensure trade facilitation.

It should be called to notice that when tackling trade facilitation issues, it is not sufficient to agree on items that should be prohibited or on simple positive obligations such as transparency; countries must also agree on standards for procedures such as use of risk management screening at borders, and must monitor agency conduct (Chauffour and Maur, 2011). It can be said that if both countries are to enjoy trade benefits, to some extent they need to work fairly and positively beyond their commitment as laid out in the PTA.

Moreover, it is essential to note that trade facilitation lowers trade costs and benefits the consumers of imported goods because larger and more affordable quantities of goods are available. Besides, the countries mutually agree to liberalize their markets, and in most cases, the result is welfare enhancing trade liberalization. Similarly, mutual agreement in trade dealings has been a key for trade development between trading partners. Therefore, to ensure trade facilitation, there is no alternative to cooperation. Such cooperation with each other enhances the possibility of deep integration.

### **The effectiveness of this PTA when exiting the LDC league**

In recent times, Bangladesh and Bhutan have qualified for graduation from LDC status. The term "graduation" is applied when an industrialized country withdraws non-reciprocal trade preferences to a sector or a country that was previously given because of LDC status (Lidberg, 2012). A country becomes eligible for graduation if it meets the threshold levels for graduation for at least two of the three criteria during two triennial reviews. The thresholds for the three criteria for graduation are a GNI per capita of USD 1,242 or more, based on a three-year average; a human asset index (HAI) score of 66 or more; and an economic vulnerability index (EVI) score of 32 or below (Dorji, 2018). For Bangladesh, the most recent triennial review by the Committee for Development Policy of the WTO has confirmed that Bangladesh is eligible to exit from the LDC category having crossed the threshold of the three definitions.<sup>14</sup> On the other hand, in a similar manner, Bhutan had also met the graduation criteria for the first time at the triennial review in 2015 and again in March 2018 (Dorji, 2018). Hence, being newly graduated countries, they will have to face some challenges.

On the one hand, the conclusion of this PTA between Bangladesh and Bhutan can make progress in their economy through successful trade operation. On the other, at the time of exiting the LDC league, they will be deprived of special treatment from WTO and developed countries. Hence, some obvious question arises: how can Bangladesh and Bhutan minimize their feasible losses? Will this PTA be able to completely minimize market losses for them? In my opinion, a single PTA will not be sufficient to minimize the entire potential losses for the following reasons.

### **Challenges of Post-graduation for Bangladesh**

Generally, LDC countries are given special treatment within trade regimes. Being a less developed country, Bangladesh receives many preferential treatments such as special and differential treatment (SDT), Generalized System of Preferences (GSP) schemes, and preferential market access initiatives that are part of various regional trade agreements including the South Asian Free Trade Area (SAFTA), the Asia and Pacific Trade Area (APTA) and Bay of Bengal Initiative for Multi-sectorial Technical and Economic Cooperation (BIMSTEC) Free Trade Area.<sup>15</sup>

In the European Union (EU), there are quotas on non-LDC exporters, but Bangladesh's apparel items are allowed quota-free access. Bangladesh also enjoys preferential treatment in the EU under the "Everything but Arms" initiative, and, in Canada, Japan and the US, under their respective GSP schemes (Rahman, 2014). In the US market, Bangladesh enjoyed quota-free treatment for a number of apparel items in the non-quota market and was allowed significant annual quota enhancement in the quota market based on growth performance in the preceding year. This gave Bangladesh's apparels exporters a secure market in the US and allowed them to gain quota rents (Rahman, 2014). Since these schemes are non-reciprocal, there is no guarantee that Bangladesh will enjoy all of these treatments upon graduation from LDC to non-LDC.

Eventually such graduation will result in the loss of this special treatment, although the degree to which this will impact individual graduating LDCs differs. Although Bangladesh stands out among all graduating LDCs as the largest economy and exporter, it is also likely to confront more graduation challenges than others. The greatest impact is potentially on its exports, which are estimated to decline by 14% (WTO, 2015). It can therefore be alleged that despite having the largest LDC economy, they might experience an economic contraction in the immediate period following LDC graduation.

Furthermore, upon graduation, LDCs would normally be required to align their participation as for other developing country members (WTO, 2015). This would mean increasing its administrative and institutional capacity as well as adjustments in other trade related agreements such as the agreement on Trade-Related Aspects of Intellectual Property Rights. Bangladesh has not progressed sufficiently in this area and therefore graduation may have a negative impact on the economic growth of Bangladesh.

### **Enjoying SDT and GSP after the Graduation from LDC**

Since SDT and GSP are the most necessary preferential treatments that Bangladesh enjoys, these have been given special attention separately in section. The enjoyment of Special and differential treatment (SDT) issues may become complicated for LDCs when they graduate from LDC to Non-LDC. Bangladesh has also been enjoying Generalized System of Preferences (GSP) facilities provided by the European Union 28 countries. It is worth mentioning that after LDC graduation, Bangladesh will not be allowed duty-free and quota-free access (DFQF) in EU markets and would likely experience an average of 8.7 per cent duty.<sup>16</sup> This is a likely challenge for Bangladesh upon graduation from LDC to non-LDC by 2024 or 2026. Given the COVID-19 pandemic and a request by the Bangladesh government, the graduation year was deferred by two years (Bhattacharya, 2021).

### **The Feasible Economic Loss for Bangladesh upon Exiting the LDC Category**

The likely losses after LDC graduation have been a growing source of tension for Bangladesh. In January 2018, a paper from the Economic Relations Division (one of the four divisions of the Ministry of Finance in Bangladesh) estimated that after graduating from LDC status, Bangladesh could annually lose about US\$2.7bn in export earnings, given additional tariffs of 6.7%.<sup>17</sup> The UN Conference on Trade and Development estimates that Bangladesh's exports may decline by 5.5-7.5% after graduating from LDC status.

In addition, the largest reductions in exports, both in dollars and in percentage of initial exports, are projected to take place in Bangladesh for two reasons: Bangladesh is the largest exporter among the graduating countries, and it is expected to face the largest increase in applied tariffs as a result of graduation. Consequently, Bangladesh is projected to lose 14.28% of its exports, caused by a 5.73 percentage point increase in the effective tariff (WTO, 2018).



Furthermore, as the deadline for graduation from LDC to non-LDC category is approaching in 2024, existing benefits for this category and the era of 'non-reciprocal' trade benefit will be over by 2027<sup>18</sup>. In this regard, the example of Vietnam is relevant and alarming for Bangladesh. Currently Vietnam is paying a 12.0 per cent duty to export its apparel into the EU market and Bangladesh may have to pay similar duties upon graduation (WTO, 2013).

### **The Challenges of Bhutan after Graduation from LDC**

Bhutan may also shortly graduate from LDC status and cannot have preferential treatments offered to LDCs once it does (Wangdi, 2010). Upon graduation, Bhutan will lose access to many privileges and International Support Measures (ISMs) exclusively available for LDCs, and face the withdrawal of unilateral and non-reciprocal trade preferences granted under Duty-Free Quota-Free (DFQF) schemes (Subba, 2021). At the same time, the enjoyment of the significant preferential treatments such as the Generalized System of Preferences (GSP) and the Global System of Trade Preferences (GSTP) will also adversely affect its exports. After the graduation of Bhutan from LDC status, they will be required to lower their tariffs and subsidies. As tariffs are reduced, imports will become cheaper, and the import volume will increase. Consequently, this will pose a serious threat to Bhutanese domestic products, which are low in competitiveness due to the absence of competitive technology and a lack of economies of scale (Subba, 2021; Wangdi, 2010). It is evident that Bhutan will face some domestic trade challenges along with preferential treatment challenges. Similarly, to facilitate LDC graduation and ensure its longer-term sustainability, greater attention will need to be paid to address many of the structural and other challenges that Bhutan continues to face despite its strong growth performance and progress in its social indicators.<sup>19</sup>

Upon noting the possibility of losing preferential special treatments that each country enjoyed as an LDC, and according to the above data on potential economic losses, it can be claimed that a single PTA will not be adequate for Bangladesh and Bhutan to minimize their projected economic losses. Despite the probable forthcoming complexities of LDC graduation, the conclusion of this PTA could provide opportunity for both countries. Both these countries could cope with the potential challenge from losing special treatments upon graduation if they had many RTAs with developing and developed countries. Unfortunately, they do not. But because both countries face an LDC graduation threat, this PTA could be important for them to turn this opportunity into a fruitful one as they begin to cope with the losses in their economy. It is worth mentioning that this single PTA will not change the economies of the two countries dramatically. However, through the productive implementation of this PTA they can marginally minimize their losses by boosting export earnings in the next few years. In contrast, it is not hard to imagine that the failure of a successful implementation could result in an adverse scenario as well. Therefore, both governments must be cautious to get growth efficiency in their economy through the proper execution of this PTA.

### **Conclusion**

Based on the discussion in this paper, it is evident that Bangladesh-Bhutan PTA generates complications regarding compliance with GATT/WTO rules together with trade development challenges and opportunities. Hence, along with overcoming the legal and trade complexities mentioned above, the following are the essential subject matters to uphold trade benefits without any trade interruptions once this PTA is enforced.

Bringing the success of a trade agreement is a goal for each contracting party. It is important to note that preferential trade agreements are one of the main vehicles that may help a country overcome its isolated position and enter a reasonable and productive relationship with its neighbors and trading partners. PTAs are useful instruments for countries to engage in regional integration to achieve goals related to trade, labor, foreign investment, or environment.<sup>20</sup> Thus, it can be expected that this regional integration between these contracting parties will motivate them to improve their country's economic performance.

It is also evident that both these trading partners have been experiencing outstanding bilateral trade relations. Bangladesh is the second largest trading partner for Bhutan; therefore, it is probable that both contracting parties will cooperatively ease existing trade barriers and pave the trail to achieve the success of this PTA. Therefore, despite the impending LDC graduation threat, this opportunity should not be missed.

Moreover, for many low-income countries, PTAs are increasingly the core of a credible development strategy for accelerating economic growth and reducing poverty. In this case, since both signatories are low-income countries, trade integration will be helpful for the economic development of the two contracting countries. To ensure successful

trade, the agreement must avoid any implementation gaps. Also, any operational gaps must be eased in the smoothest and earliest possible manner.

To conclude, it must be stated that the economic growth of these partners is noticeable. Trade volume is gradually expanding for Bangladesh, reaching \$57.90 million in 2018-19, while it was only \$26.52 million and \$11.58 million in the FY 2012-13 and FY 2007-08 respectively. On the other hand, in FY2021 Bangladesh's exports to Bhutan was worth USD 6.90 million and imports from Bhutan was USD 38.8 million. Considering the growth of the economy and trade development, this historic PTA between Bangladesh and Bhutan will likely be an excellent potential for each party for their economic growth. Therefore, Bangladesh and Bhutan shall have to ensure the compliance of legal obligations and be committed to perform their duties and obligations regarding trade to experience steady and uninterrupted trade benefits from this preferential trade agreement.

## Endnotes

<sup>1</sup> Preferential trade agreements are meant to liberalize trade among the participating countries by allowing preferential access to certain products in the form of reducing tariffs.

<sup>2</sup> WTO, Committee on Regional Trade Agreements, Note on the Meeting of 7-8 October 2004, WT/REG/M/37 (20 October 2004), para 5.

<sup>3</sup> WT/REG/M/52 (10 March 2009), paras 3-5.

<sup>4</sup> Paragraph 2(d) of the Enabling Clause

<sup>5</sup> WT/DS306/3 G/L/669/Add.1 G/ADP/D52/2

<sup>6</sup> WTO SPS Agreement, Article 2(3).

<sup>7</sup> The SPS Agreement explains that this latter provision means that a measure is illegal if “there is another measure, reasonably available taking into account technical and economic feasibility, that achieves the appropriate level of sanitary or phytosanitary protection and is significantly less restrictive to trade.”

<sup>8</sup> WTO SPS Agreement, Article 12(1) (7)

<sup>9</sup> SICE-OAS: Chile -EFTA Article 85

<sup>10</sup> GATT, art. XXIII

<sup>11</sup> Behrooz A. & Associates (2015, January 7).

<sup>12</sup> Article XI, GATT 1994

<sup>13</sup> Article XXIV:8, GATT 1994

<sup>14</sup> Bhattacharya, D. (2021, March 11). Bangladesh qualifies for LDC graduation: What next? *The Financial Express*.

<sup>15</sup> Rahman, M. (2014).

<sup>16</sup> Hoque, M. (2021).

<sup>17</sup> Editorial in the Economist (2018, March 29).

<sup>18</sup> In general, ‘non-reciprocal’ tariff concessions appear to be characteristic of RTAs between developed and developing countries.

<sup>19</sup> Marshall, R. (2013)

<sup>20</sup> Raihan, S., and Ashraf, F. (2017)

## References

- Aaronson, S. A. (2014). A match made in heaven? The wedding of trade and human rights. *The Political Economy of International Trade*, 493.
- Baccini, L. (Ed.). (2019). The Economics and Politics of Preferential Trade Agreements, *Annual Review of Political Science*, 22(1), 75-92.
- Behrooz A. & Associates (2015). Iran-Turkey Preferential Trade Agreement. *19th Bi-Weekly News & Analysis of the International Office*. January 7. Retrieved from <https://intlflow.net/wp-content/uploads/2015/04/Iran-Turkey-Preferential-Trade-Agreement-19th-Bi-Weekly-N-A-January-7-2015.pdf>
- Bhattacharya, D. (2021). Bangladesh qualifies for LDC graduation: What next? *The Financial Express*. Dhaka. March 11.
- Bossche, P. (2008). *The Law and Policy of the World Trade Organization: Text, Cases and Materials*. Cambridge University Press.
- Chase, C., Yanovich, A., Crawford, J., & Ugaz, P. (2016). Mapping of dispute settlement mechanisms in regional trade agreements – innovative or variations on a theme? In R. Acharya (Ed.), *Regional Trade Agreements and the Multilateral Trading System*, (pp. 608-702). Cambridge University Press.
- Chauffour, J.P. & Maur, J.C. (2011). (Eds.). *Preferential Trade Agreement Policies for Development: A Handbook*. World Bank.
- Devuyt & Serdarevic. (2007). The World Trade Organization and Regional Trade Agreements: Bridging the Constitutional Credibility. *Gap Duke Journal of Comparative and International Law*, 18(1), 22.
- The Economist*. (2018). Graduating from LDC: Will the benefits outweigh the losses? The Economist Intelligence Unit, Issue. March 29. Retrieved from [http://country.eiu.com/article.aspx?articleid=276572011&Country=Bangladesh&topic=Economy\\_1](http://country.eiu.com/article.aspx?articleid=276572011&Country=Bangladesh&topic=Economy_1)
- Hoque, M. (2021). Addressing post-LDC graduation challenges. *The Business Post*. August 4.
- Lester, S., Mercurio, B., & Bartels, L (Eds.). (2009). *Dispute Settlement. In Bilateral and Regional Trade Agreements: Commentary and Analysis*. Cambridge University Press.
- Marshall, R. (2013). *Graduation from the group of least developed countries: Prospects and challenges for Bhutan*. In 12th Round Table Meeting. December 11-12 Retrieved from [https://www.gnhc.gov.bt/12rtm/wp-content/uploads/2013/10/GRADUATION-FROM-THE-GROUP-OF-LEAST-DEVELOPED-COUNTRIES-PROSPECTS-AND-CHALLENGES-FOR-BHUTAN\\_final.pdf](https://www.gnhc.gov.bt/12rtm/wp-content/uploads/2013/10/GRADUATION-FROM-THE-GROUP-OF-LEAST-DEVELOPED-COUNTRIES-PROSPECTS-AND-CHALLENGES-FOR-BHUTAN_final.pdf)
- Rahman, M. (2014). *Trade Benefits for Least Developed Countries: the Bangladesh Case Market Access Initiatives, Limitations and Policy Recommendations (CDP Background Papers 18, United Nations, Department of Economics and Social Affairs)*. Retrieved from [https://www.un.org/en/development/desa/policy/cdp/cdp\\_background\\_papers/bp2014\\_18.pdf](https://www.un.org/en/development/desa/policy/cdp/cdp_background_papers/bp2014_18.pdf)
- Raihan, S., & Ashraf, F. (2017) *Review of Bangladesh's Engagement in Preferential Trading Arrangements*. Retrieved from <https://www.unescap.org/sites/default/files/DA9-01%20Bangladesh%20PTA%20review%20-%20Raihan%20&%20Ashraf.pdf>
- Subba, MB. (2021). Bhutan's losses on graduation from LDC to be minimum. *Kuensel*. Thimpu. August 7.
- Tshering, D. (2018). Bhutan proposes to graduate from LDC in 2023. *Kuensel*. Thimpu. June 2.

- Karl, L. (2012). Assessing the Trade Effects of Being Graduated from Non-Reciprocal Trade Preferences. Retrieved from <http://lup.lub.lu.se/luur/download?func=downloadFile&recordId=3095368&fileId=3095372>
- Manger, M. (2015). PTAdesign, Tariffs, and Intra-Industry Trade. In *Trade Cooperation: The Purpose, Design and Effects of Preferential Trade Agreements*. Cambridge University Press.
- Mavroidis, C. (Ed.). (2015). *The Regulation of International Trade: GATT*. MIT Press.
- Nellie, M. (2010). The Evolution of Dispute Settlement Provisions in Israel's PTAs: Is There a Global Lesson? *Journal of World Trade*, 44.
- Omar, K. (2020). The historical and economic significance of bilateral PTA with Bhutan. *The Business Standard*. Dhaka. December 9.
- Karma, W. (2010). To Join or Not to Join WTO: A Study on its Negative Impacts, *Journal of Bhutan Studies*: 23, 82.
- Sistema de Información Sobre Comercio Exterior (Foreign Trade Information System; Organization of American States). Chile-European Free Trade Association Free Trade Agreement (2003), Retrieved from [http://www.sice.oas.org/TPD/CHL\\_EFTA/CHL\\_EFTA\\_e.ASP](http://www.sice.oas.org/TPD/CHL_EFTA/CHL_EFTA_e.ASP)
- Winters, L.A. (Eds.). (2011). Preferential Trading Agreements: Friend or Foe? In Winters, L.A. & Mavroidis, PC. *Preferential Trade Agreements: A Law and Economics Analysis*. Cambridge University Press.
- Won-Mog, C. (2005). Legal Problems of Making Regional Trade Agreements with Non-WTO Member States, *Journal of International Economic Law*, 8(4), 840-841.
- WTO Agreement on the Application of Sanitary and Phytosanitary Measures (SPS Agreement). Undated, Retrieved from [https://www.wto.org/english/tratop\\_e/sps\\_e/spsagr\\_e.htm](https://www.wto.org/english/tratop_e/sps_e/spsagr_e.htm)
- WTO Document, WT/REG/M/52 (10 March 2009), paras 3-5. Retrieved from <https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=Q:/WT/REG/M52.pdf&Open=True>
- WTO, Committee on Regional Trade Agreements, Note on the Meeting of 7-8 October 2004, WT/REG/M/37 (20 October 2004).
- WTO General Agreement on Tariffs and Trade (GATT) Article XI. Retrieved from [https://www.wto.org/english/res\\_e/publications\\_e/ai17\\_e/gatt1994\\_art11\\_oth.pdf](https://www.wto.org/english/res_e/publications_e/ai17_e/gatt1994_art11_oth.pdf)
- WTO General Agreement on Tariffs and Trade (GATT) Article XXIII. Retrieved from [https://www.wto.org/english/res\\_e/publications\\_e/ai17\\_e/gatt1994\\_art23\\_jur.pdf](https://www.wto.org/english/res_e/publications_e/ai17_e/gatt1994_art23_jur.pdf)
- WTO General Agreement on Tariffs and Trade (GATT) Article XXIV. Retrieved from [https://www.wto.org/english/tratop\\_e/region\\_e/region\\_art24\\_e.htm](https://www.wto.org/english/tratop_e/region_e/region_art24_e.htm)
- Yan, L. (2006). Dispute Settlement in the East Asia Free Trade Agreement: Lessons Learned from the ASEAN the NAFTA, and the EU. In *Regional Trade Agreements and the WTO Legal System*. Bartels, L. & Ortino, F. (Eds.). Oxford University Press.

## ***Ethical Encounters: Women, War, and Cinema in Bangladesh***

Elora Halim Chowdhury  
Professor, Women's, Gender, and Sexuality Studies  
University of Massachusetts Boston  
[Elora.chowdhury@umb.edu](mailto:Elora.chowdhury@umb.edu)

A modern remake of Ajoy Kar's 1961 film *Saptapadi*, Shameen Akhtar's film *Rina Brown* (2017) unfolds intimate geographies of love and loss among individuals from India, and West and East Pakistan. One of few independent women filmmakers in Bangladesh, Akhtar offers a tale about unfulfilled dreams of love and freedom, setting her story in contemporary Bangladesh (or, Dhaka City) to trace the return of Rina, an Anglo-Christian, to the now-independent nation that she left during the turbulence of the Bangladesh Liberation War (*Muktijuddho*). It is decades later, and Rina comes back to participate in a seminar about women in conflict. Yet forty years after the war's end, she seeks out her adolescent love, Darashiko, a Bengali Muslim freedom-fighter-turned-business-executive. Over the course of a long afternoon, the two reminisce about the fading aspirations of the nationalist struggle and its unreconciled trauma.

Though Rina's past is indelibly linked to the history of Bangladesh, she is now a stranger whose suffering is incomprehensible to the post-war generation. As the couple look out on the sweeping urban landscape of Dhaka City, and think about what could have been, a vacant footbridge bereft of pedestrians serves as a metaphor to all that the war has torn asunder and imaginary borders, intractably entrenched. War changed everything, yet as Darashiko expresses forlornly, "We could not change the country."

I begin with this vignette from Akhtar's film – a woman-centered *Muktijuddho* film – because it highlights what the essays in *Ethical Encounters* strive to do: reimagine a *Muktijuddho* gender ideology through visual culture that engages with, disrupts, and incites a new imaginary for gender justice. The collection defies conventional readings of the aesthetics and politics of *Muktijuddho* narratives. They tell stories of the birth of a nation from its margins, grappling with the formation of a "Bangladeshi" identity that embraces Bengali Muslims, as well as non-Muslims and non-Bengalis, coalescing into a national cinema that crystallizes an emergent Bangladeshi modernity. Yet at the same time, this modernity also relies on a middle-class and masculinist reading of the nation and its history. *Ethical Encounter*, inspired by women-centric cinema in Bangladesh, illuminates a *feminine* aesthetic as well as a politics of disruption and agency, healing, and reconciliation.

In a study mapping a comprehensive log of Liberation War films, Kaberi Gayen (2013) looks at twenty-six full-length and seven key telefilms and categorizes them into three camps: films that are set pre-war, during war, and post-war. She further categorizes the films by each decade following national independence as well as by industrial versus alternative film. She draws on alternative filmmaker Catherine Masud's definition of "national cinema" and its quality as an authentic reflection of a country's tradition, society, history, and culture, in all its diversity and richness. Gayen further studies these films in both world cinema and Bangladesh national cinema contexts and shows that in pre-war films, with few exceptions, women appear in marginal, fragmented, or supporting roles. Even though post-independence films have featured women more centrally, their representational range is limited. In broad strokes, the abject sexual victimization of women in the Liberation War, leading to loss of life (suicide or otherwise) and harm to mental stability appear to set the stage for most mainstream and even some alternative war cinema.

Contrary to such categorical representation of women and war, a lesser told story of women's diverse participation in 1971 is the subject of Tareque and Catherine Masud's important short film, *Narir Kotha (Women and War 2000)*. The attention to diverse women's myriad roles in war is highlighted in the film through interviews with Ferdousi Priyobhashini, sculptor, and the first survivor to speak publicly of her experiences of rape and torture in 1971; Sritirekha Biswas who was twelve years old in 1971 and among the millions who crossed over to India as refugees; Mazlibala, an indigenous woman, who speaks of her community fighting the Pakistani Army with bows and arrows, as well as men and women from Choto Paitkandi village who also took part in guerilla resistance against the Pakistani Army. The attention to intersectionality in the film disrupts the Bengali and Muslim as well as masculinist hegemonic representational politics of contemporary Bangladeshi cinema about 1971. The picture that emerges in this film is that of a peoples' war fought across class, gender, religious, and ethnic lines and in various roles by the people

of then East Pakistan. Importantly, the film raises two critical points especially relevant for representation of women and violence: one raised by Mazlibala when she poses the question, “Is it just a matter of physical ‘dishonor’?” when recounting the trauma of 1971; and another by Priyobhashini commenting on the continuing and multi-faceted violence against women, “The situation has not really changed, even today in 1999. Rather all over the world, killing and rape of women has increased.” She reads off the headlines in the Bengali language daily *Ittefaq*, “Refugee Exodus: Kosovo to Become Empty Wasteland.” Broadening the relegation of women’s roles to sexual victimization, and locating the Bengali struggle for self-determination within a global, transcultural, and transhistorical context of conflict and gender violence, Masuds’ film – indeed, filmography of this leading filmmaking duo in Bangladeshi nationalist cinema, as *Narir Kotha* is part of a trilogy along with *Muktir Gaan (Songs of Freedom 1995)* and *Muktir Kotha (Words of Freedom 1999)* – opens up significant questions to grapple with regarding the past and continuing encounters between war, women, and cinema. Following the provocation in Masuds’ filmography, in this piece, I invite readers on a journey through Bangladeshi national cinema and its contestations over gender by highlighting three moments in its trajectory.

As Bangladesh emerged in the global imaginary as a deficient, war and disaster-ridden nation, leftist revolutionary writer and activist Zahir Raihan was already an acclaimed filmmaker, having made the classic nationalist satire *Jibon Theke Neya* (Glimpses of Life) in 1970 and *Behula* in 1966. In 1971, as the war raged, the provisional government asked Raihan to make a series of documentaries about the erupting struggle in South Asia—one the global community knew very little about. These documentaries were to raise consciousness and spur international intervention. Raihan was already at work on *Stop Genocide* (1971), which documented the terrible violence of the war as it was unfolding, utilizing sparse technical and financial resources. *Stop Genocide* put the Bengali struggle for self-determination within a global context of anti-colonialism and anti-imperialism, including critiques of the United States in aiding West Pakistan and of the United Nations for its failure to protect human rights in the region. Archiving this traumatic history meant bringing to light little-known, disappeared stories, thereby reclaiming particular memories from the vantage point of the marginalized, and those made invisible. The result was the first significant moment in the trajectory of Bangladeshi national cinema as four critical documentaries – *Stop Genocide*, *Liberation Fighters*, *A State Is Born*, and *Innocent Millions*—aspired to educate through film and deploy the camera as an emancipatory tool. These films strove to capture the war as it was experienced by the “people of Bangladesh,” authenticated by filmmakers who were themselves freedom fighters.

The second moment saw the release of four full-length feature films within months of the war’s end, including the iconic *Ora Egaro Jon* (1972) directed by Chashi Nazrul Islam, in which real-life freedom fighters played the leading revolutionary roles, continuing that earlier trend. At the same time, however, the films canonized 1971 as encapsulated by key motifs – mass murder, rape, arson, and the righteous guerrilla insurgency – that, over time, concretized as tropes. Yet these documentaries set the context and ideal for a *Muktijuddho* gender ideology for a subsequent generation of films – the third significant moment – notably crystallized in the award-winning film, *Guerrilla* (2011), directed by Nasiruddin Yousuff, a freedom fighter, that introduced the first commercial film centering a woman combatant. Curiously, while highlighting women’s roles in the Liberation War – even centering them – the film nevertheless ends with Bilkis Banu’s (played by Jaya Ahsan) self-annihilation by which she earns the honorific, “martyr.” Bilkis Banu personifies a composite of bereaved wife, dutiful daughter-in-law, loving sister, insurgent, and revolutionary as she blows up both herself and the Pakistani Army office—an ultimate sacrifice for her and, by proxy, the nation’s honor.

So, in what ways have women filmmakers disrupted the gendered ideology of glorious war, masculine heroism, and feminized shame and sacrifice? Shameem Akhtar, part of a film movement shepherded by Alamgir Kabir, and alongside Tareque Masud and others, created the neorealist trilogy *Daughters of History* (2000), *Shilalipi* (2004), and *Rina Brown* (2017) as a call for justice, employing a lens that foregrounded intimate histories, empathy, and friendship with the “Other”. The first of the three, *Daughters of History*, is set amid the ruins of the devastating Liberation War and follows a dissident friendship between women across borders whose pasts are intimately intertwined, caught within an encounter between oppressor-oppressed nations. Lalarukh (played by Sara Zaker), a Pakistani researcher working on documenting war crimes that the Pakistani military committed on Bengalis in 1971, and Monika (played by Rahnuma Ahmed), her Bengali activist-friend whose family survived the violence, both experience transformations of consciousness through their interlaced struggles. As a Pakistani, Lalarukh bears the burden of the genocide that her own government and military forces unleashed on the Bengali population. Yet she finds herself conflicted. Born in East Pakistan, she is empathetic toward the Bengalis affected by the war, particularly her childhood friend Monika. Yet she must also make sense of the silence and sanctioned ignorance of her own family, including her Bengali mother, during the war. Monika’s and Lalarukh’s parallel trajectories form the premise of a

dissident alliance, as they embark on a journey of healing and reconciliation with a war-child Ananya (played by Nasrin Siraj).

Extending beyond this trilogy, feminist filmmaker Rubaiyat Hossain's first film, *Meherjaan* (2011), broadens the scope of remembering 1971 through the intertwined history of the region, with cast members and musical score featuring artists spanning India, Pakistan, and Bangladesh. The stunning visual landscape feels dissonant in the war film genre, but *Meherjaan* also centers ethical encounters with the "Other", whether through Bengali-Pakistani romance, same-sex desire, or a war-child returning in search of her past to reunite with a family member. The film confronts cherished truths about femininity and masculinity during wartime, interrogating the sacrosanct space that memorialization practices have ritualized. Reckoning with past trauma, healing and reconciliation begin with women's interpersonal encounters.

The attempt to memorialize women's varied experiences in the Liberation War is a way to advocate for and write their complex, agential roles into the national history. Instead of primarily focusing on state-level negotiations or masculine combat, films in this genre highlight the intimate, domestic, or "feminine" sphere as the site of struggle and meaning. Building on Hossain's notion of a feminine revisiting of the war, by a "feminine" sphere, I mean those spaces that are usually considered feminized – and thus subordinated – within dominant patriarchal ideology. However, reframed, they can also be read as portrayals of nonconformity, mutuality, and solidarity. By allowing the viewer to remember, imagine, and work through traumatic events such as war and conflict through a feminine aesthetic, cinema can help us to appreciate the moral choices and interpretive acts of women, previously consigned to only the "feminine" sphere, cast as passive victims or witnesses. Women in these films instead make unexpected, sometimes jarring choices: nursing a wounded enemy soldier; seeking the assistance of a sympathetic Pakistani soldier after having been raped by others like him; and embracing a child of rape even when the nation rejects them. Recognizing these moral choices is a legacy of the war that viewers learn to appreciate through the cinematic medium, and these films are an evolving archive where diverse women's stories are memorialized, as significant and precious as the memorials and museums the state erects to commemorate martyrs.

Moving to Hossain's subsequent films, *Under Construction* (2015) and *Made in Bangladesh* (2019), these also shift the terrain of masculinist filmmaking practices on a number of fronts, not the least of which is her use of a diverse cast and a production crew of mostly women. With regard to the representations of women at the crossroads of gender, class, and neoliberal development in the context of urban Bangladesh, these films highlight the city and explore how gender and sexuality are central to the formation of a public modernity. Both spotlight the daily negotiations women – namely the garment workers of Bangladesh – make in relation to domestic, factory, and public arenas, focusing on the new kinds of encounters and subjectivities enabled by these hostile yet agentic encounters. Breaking from mainstream cinema in terms of form, content, and complexity, Hossain's work is significant in the way she de-romanticizes war masculinity and femininity but also, in this new cinematic context, centers the women's journey from the village to the city, from worker to activist yet not as a seamless transition to empowered subjects. She counters a victim discourse in favor of a woman's lived experience that challenges the heteropatriarchal reduction of women to only their reproductive and sexed bodies. Hossain's filmography boldly centers a feminist dissidence that reflects the organizing principles, language, and contemporary movement-organizing of an urban context. Recent feminist campaigns have demanded attention to women's freedom as opposed to patriarchal protection, and such narratives speak to the complexities reflected in the female characters' sexual expressivity in these films. Viewers witness the liminality of war and liberation, the traditional and the modern, women living within and through the clash between conflicting worlds, as Hossain skillfully layers meaning to characters such as a war heroine (*Birangona*), a war child (*Juddhoshishu*), the migrant worker, the NGO professional, the human rights activist, and middle class women aspiring for emancipation – lovers and mothers – all of them scattered along the contested terrain of a gendered spectrum that embodies the new woman of Bangladesh.

Meanwhile, a host of documentaries about Bangladesh's Liberation War, also made by women filmmakers, namely, *The Poison Thorn* (Farzana Boby, 2015), *Rising Silence* (Leesa Gazi, 2019), *Born Together* (Shabnam Ferdousi, 2016), and *A Certain Liberation* (Yasmine Kabir, 2003), showcase the aspirational justice process with regard to survivors of the violence of 1971. These films redefine what humanity, loss, and justice mean for victims, and reconfigure relationships between viewer, witness, and ally. The human rights and NGO-based activist instrumental summoning of victims' testimonials are juxtaposed to community- and kinship-based reciprocal care of victims as well as the plight of war children who are in search of their roots and recognition. These point to the open wound that 1971 still is, especially for women. This foundational trauma remains constitutive of the nation, and *Muktijuddho* cinema plays a pivotal role in constructing – and disrupting – the gendered subjectivities begat by the war's legacy. Women's cinema, and human rights cinema, capture more broad, transnational visions of feminist

filmmaking. They recast the relationships of women to war – as plunder of nation, as dislodged women from that nation – and question the terms of what constitutes the human in these fraught circumstances.

Ultimately, women-centric *Muktijuddho* films employ global human rights narratives and aesthetics that defy reductive and monolithic renditions of social reality. They offer complexity and nuance beyond just a tussle between victims and aggressors, loss and triumph, and colonization and liberation. Simultaneously, they strive for more ethical recognitions, drawing on a multiplicity of histories, struggles, and experiences. Woman-centered films provide an alternative reading toward decolonizing notions of agency, freedom, justice; they imagine a new kind of feminist knowledge-making.

## References

- Behula*. (1966). Directed by Zahir Raihan. Dhaka, Bangladesh.
- Gayen, Kaberi. (2013). *Construction of Women in the War Films of Bangladesh (Muktijuddher Cholochochitre Naree Nirman)*. Dhaka: Bengal Publications Limited.
- Guerilla*. (2011). Directed by Nasiruddin Yousuff. Dhaka, Bangladesh: Ashirbad Cholochochitra, Impress Telefilm.
- Innocent Millions*. (1971). Directed by Babul Choudhury. Bangladesh: Bangladesh Government.
- Itihaash Konna (Daughters of History)*. (2000). Directed by Shameem Akhtar. Dhaka, Bangladesh: Mrittika.
- Jibon Theke Neya (Glimpses of Life)*. (1970). Directed by Zahir Raihan. Pakistan: Zahir Raihan.
- Jonmo Sathi (Born Together)*. (2016). Directed by Shabnam Ferdousi. Dhaka, Bangladesh: Liberation War Museum and Ekattor Media.
- Liberation Fighters*. (1971). Directed by Alamgir Kabir. Bangladesh: Bangladesh Government.
- Made in Bangladesh*. (2019). Directed by Rubaiyat Hossain. France, Bangladesh, Denmark, Portugal: Les Films de L'Apres Midi, Khona Talkies, Beofilm.
- Meherjaan*. (2011). Directed by Rubaiyat Hossain. Dhaka, Bangladesh: Era Motion Picture.
- Muktir Gaan (Songs of Freedom)*. (1995). Directed by Catherine Masud and Tareque Masud. Dhaka, Bangladesh: Audiovision.
- Muktir Kotha (Words of Freedom)*. (1999). Directed by Catherine Masud and Tareque Masud. Dhaka, Bangladesh: Audiovision.
- Narir Kotha (Women and War)*. (2000). Directed by Catherine Masud and Tareque Masud. Dhaka, Bangladesh: Audiovision.
- Ora Egaro Jon*. (1972). Directed by Chashi Nazrul Islam. Dhaka, Bangladesh: Parvez Films.
- The Poison Thorn (Bish Kanta)*. (2015). Directed by Farzana Boby. Bangladesh: Khona Talkies.
- Rina Brown*. (2017). Directed by Shameem Akhtar. Dhaka, Bangladesh: Mrittika.
- Rising Silence*. (2019). Directed by Leesa Gazi. Bangladesh: Komola Collective.
- Saptapadi (1961)*. Directed by Ajoy Kar. India: Alochhaya Productions Pvt. Ltd.
- Shadhinota (A Certain Liberation)*. (2003). Directed by Yasmine Kabir. Bangladesh.



*Shilalipi (The Inscription)*. (2004). Directed by Shameem Akhtar. Dhaka, Bangladesh: Mrittika.

*Stop Genocide*. (1971). Directed by Zahir Raihan. Bangladesh: Bangladesh Chalachitra Shilpi-O-Kushali Swahayak Samity and Bangladesh Liberation Council of the Intelligentsia.

*A State is Born*. (1971). Directed by Zahir Raihan. Bangladesh: Bangladesh Government.

*Under Construction*. (2015). Directed by Rubaiyat Hossain. Bangladesh: Era Motion Pictures, Khona Talkies.

## Book Review

### *Sisters in the Mirror: A History of Muslim Women and the Global Politics of Feminism*

Elora Shehabuddin

Review by: Nusrat Sabina Chowdhury

Amherst College

Email: [nchowdhury@amherst.edu](mailto:nchowdhury@amherst.edu)

Metaphorically, a mirror can be many things. Often a means for self-reflection and moral judgment, it is also considered a reliable reflection of events. But a mirror, as Elora Shehabuddin's *Sisters in the Mirror: A History of Muslim Women and the Global Politics of Feminism* insightfully shows, can also distort. Elementary physics tells us that even the slightest bend in the frame can easily alter a mirror's reflection. Herein, I think, lies the main thrust of Shehabuddin's book. The women who figure in this sweeping tale of feminist encounters not only see their own reflections in the mirror, but they also see their own likeness being refracted through the images of other women. In other words, *Sisters in the Mirror* utilizes the metaphoric possibilities of the "mirror" to craft a narrative of feminist worldmaking that truly spans *saat samudra tero nodi*, the endless imaginary horizon of seven seas and thirteen rivers.

Shehabuddin's book "is a feminist story about how changing global and local power disparities—between Europeans and Bengalis, between Brahmos, Hindus, and Muslims within Bengal, between feminists of the Global North and South; and between Western and Muslim feminists—have shaped ideas about change in women's lives and also the strategies by which to enact change" (pg. 9). From Munni Begum at the court of the Nawab of Bengal to Mahmuda Khanum in the United States in the 1950s, the characters here are women who managed to forge unexpected solidarities but also created unforeseen friction. Some have been misunderstood, others celebrated, most others barely remembered. Shehabuddin approaches their texts with genuine curiosity and rigorous research. Both words and silences are valued for what they are—symptoms of the tectonic shifts that were taking place in the social and political contexts in which these women lived and thrived. Their stories are proof that "no society has the monopoly on ideas about justice and fairness or for that matter, on male bias, violence, and injustice" (pg. 10) —a simple, yet grievously neglected assertion that, alas, still demands constant reiterating, a task *Sisters in the Mirror* accomplishes with considerable flair.

The book progresses chronologically covering centuries' worth of material including documents, fictional and pedagogical writing, oral histories, and photographs. Geographically, it straddles the boundaries of Europe, the Indian Subcontinent, the Middle East, and the United States. The research follows women and men who have crossed many real and metaphoric borders in their quest for reform, liberation, education, and revolution. The results have been as varied as the backgrounds of the book's spirited interlocutors. Here, we see early English feminism reconstituting the plight of the English women by comparing themselves to the "oppressed" Eastern women. In the latter half of the 18<sup>th</sup> century, European women emerged as the standard against which to measure civilizational progress. In a familiar irony, however, this new-found respect barely translated into actual political, legal, and economic rights. "As the idea of middle-class woman diffused throughout English society, a mirror image of the Muslim woman as the negative ideal came into ever sharper focus." Even Mary Wollstonecraft was not immune. The famous feminist identified "eastern life" with debauchery, frivolity, luxury, weakness, and idleness against which the contours of Englishness was imagined and expressed. As imperial forces accrued more power and territories in the following centuries, civilizational discourses directly informed policies around women's status and rights in the colonies whose reverberations carried far beyond decolonization.

Around the same time Bengali Muslims as a category emerged through that quintessential tool of imperial governance – the census. The 1871 census revealed the surprising fact that the 20.6 million Muslims in the province of Bengal and Assam constituted over half of the Muslim population in British India, making Bengalis the largest Muslim group in the subcontinent. It also resulted in the first official count of women in Bengal. Soon, the new century

saw the active engagement of Muslim Bengali women, several emerging as women's rights activists. It is not surprising that Rokeya Hossain, a stalwart of Bengali feminism, appears here in all her glory. Education, as Hossain and other native feminists made clear, was far more than literacy. It was the very means to women's presence and participation in society. Not surprisingly, *purdah* dominated the discourses of liberation when it came to outside observers. However, as Shehabuddin shows, Muslim women's concerns and resolutions were both more subtle and eminently more complex than the ready association between unveiling and emancipation that dogged even the most thoughtful foreign observers.

*Sisters in the Mirror* makes its strongest case for a re-reading of global feminist encounters in Chapters 5 and 6. In the shadows of the Cold War and against the perils of a divided world, Muslim feminists joined hands to address issues such as women's education and men's license to take multiple wives. What emerges through these stories of struggle is also the power and potential of South-South solidarity. As concerns over *purdah* gave way to Western feminist preoccupation with abortion, population control, and family planning, third world feminists met in places such as Dhaka, Lahore, Mexico City, Beijing, and elsewhere on various occasions at times to support and at others to challenge the developmental shift in thinking about women's rights. It was no surprise that newly independent Bangladesh became the largest recipient of international population-control funds that made up a substantial share of the national budget. At the dawn of the *War on Terror* era that resurrected Islam as the new enemy, global feminism increasingly tied modernity – or at least Muslim moderation – to neoliberal and neoconservative agendas.

The mastery of *Sisters in the Mirror* is reflected in the ease with which its author moves through an exceptionally large canvas. While the effort seems organic, Shehabuddin is also unapologetic in her privileging of Bengali Muslim feminists. The move here is both ideological and methodological. While redressing silences is a classic feminist move, starting from a different standpoint, such as Muslim Bengal, holds a powerful mirror to existing studies of transnational feminists. What we gain is a fascinating story of passion, politics, and possibilities. It is perhaps no exaggeration to say that the past that comes to life in *Sisters in the Mirror* is the condition of our possibility, certainly the author's and mine, but also of millions of others. It is a story that merits global attention.

Each of the eight chapters in *Sisters in the Mirror* can stand on its own. If its 400 or more pages seem daunting, the book can also be read in parts without missing out on the larger argument. A work of staggering research, the book will be of great interest to scholars in multiple areas of study including feminism, imperialism, comparative politics, development, South Asian Islam, and Bangladesh Studies.

## Book Review

### *Ethical Encounters: Transnational Feminism, Human Rights, and War Cinema in Bangladesh*

Elora Halim Chowdhury

Review by: Firdous Azim

BRAC University

Email: [fazim@bracu.ac.bd](mailto:fazim@bracu.ac.bd)

This book traces the complexities of a standard gendered narrative of nation-making. Focusing on war films, or *Muktijuddho* movies, a genre that the author claims pervades the filmic narratives in Bangladesh, Elora Halim Chowdhury, Professor of Gender and Women's Studies at University of Massachusetts, Boston, traces through the efforts of alternative, and mainly female filmmakers, the ways in which such stories are reframed to question the mainstream portrayal of the "glorious" birth of the nation. These films shake the dominant trope and add, as historian Van Schendel indicates, "nuance" to it. The author quotes Bina D'Costa, and claims that the "nationalist and masculinist identity" that pervades all recounting are tested and unsettled.

The figure of the *birangona* has remained elusive and difficult to pin down. The then home minister Mr. Kamruzzaman gave this title to women who were raped in the 1971 war of liberation. The appellation was meant to bestow women with the honor and glory attached to the title of *bir muktijuddha* or "brave warriors" given to male guerilla fighters. But alas, such honor and glory were not enjoyed by the women, who were either ostracized by their family and community or preferred to hide themselves within the folds of other identities.

In fact, it is only in the last few decades that the figure of the *birangona* has begun to emerge in artistic portrayals, in film, fiction, research, and documentary, and it is in this context that the publication of this book is welcome. The context is further widened through the transnational lens mentioned in the title, and the theoretical connections made between African American women recounting stories of slavery and emancipation, or the Palestinian struggle against conquest and domination connects these very local efforts to the struggles of women worldwide and seeks a theoretical frame within which to place it. In fact, the films are made to circulate in several contexts, as they disturb the dominant national narrative, making them part of the transnational feminist questioning of women's position and portrayal.

Chowdhury also traces what she calls human rights cinema, that is, filmic representations that bring in ethical considerations, with the aim of correcting previous representations. These films, while set in a nationalist frame, recounting the story of the birth of the nation, consciously examine the ways in which the nation treats its people, with an emphasis on women's positioning.

The book carefully draws a lineage for this form of woman-centered or *birangona* centered films. Starting with a wonderful vignette from the author's memory of how in her middle-class academically oriented home, holiday film viewing on TV meant that all activities stopped while Bangladesh Television or BTV (the sole TV channel) aired various films – *Ora Egaro Jon* for example. This provides the background for the films under review. Tracing the history of *Muktijuddho* cinema from 1972 (and even earlier in films of struggle and life) two filmmakers stand out: Zahir Raihan and Alamgir Kabir. However, the *Muktijuddho* films in Bangladesh can be characterized by the "absent-present woman" (p. 36). It is only when we come to the 2000s, that a group of filmmakers, both in documentary and feature films, focus on the figure of the woman and usher in a new nuanced portrayal of the *Muktijuddho*. Among the feature films – three take center stage, *Itihash Konna* (2000, dir. Shameem Akhtar), *Meherjan* (2011, dir. Rubaiyat Hossain), and *Guerilla* (2011, dir. Nasiruddin Yousuff). Documentaries such as *Rising Silence* (2019, dir. Leesa Gazi), *Bish Kanta (The Poison Thorn)*, 2015, dir. Farzana Boby), and *Shadhinota (A Certain Liberation)*, 2003, dir. Yasmine Kabir) are discussed to bring in the way the women filmmakers draw aside the curtain that has hidden this figure.

The *birangona* as a subject of filmic representations thus comes into being about 30 years after independence. The hitherto masculinist discourse is questioned and examined, and in doing so, the easy celebration of independence is brought under fresh purview. This is the same period that saw the publication of major works on the *birangona*, including fiction and research. As the *birangona* emerges into view, issues of rights and justice also rise to the fore. How has the victim/survivor of women raped during the war been understood and treated? What does justice mean to these women? Who are the perpetrators of the violence that these women have been subjected to? Easy answers are unavailable. Instead, the book draws attention to the reception to two films which were released around the same time in 2011: Rubaiyat Hossain's *Meherjan* and Nasiruddin Yousuf's *Guerilla*. The former film has a rather checkered history, portraying a love affair between a young Bengali girl and a runaway Pakistani soldier. Even though the soldier figure is shown to be a Baluch – fellow sufferers under the Pakistanis – who had deserted his battalion because he could not participate in the war crimes, the mainstream narrative represented by the government as well as the host of reviews and interviews regarding the film, considered this story unacceptable. Furthermore, it is alleged that the *birangona* in Hossain's portrayal is shown as an inglorious figure, mentally unbalanced, and making accusations against her fellow activists in the pre-liberation days. Any interaction between a Pakistani soldier and a Bengali person had to be portrayed as violent, and a friendship, let alone a romance between them, was difficult to stomach.

On the other hand, *Guerilla*, which was widely acclaimed and won many awards, portrays a woman soldier taking up arms. However even in this highly acclaimed film, the *birangona* hardly emerges as a heroic figure, and the lead figure is shown to choose death over being captured by Pakistani soldiers. The questions that arise time and again regarding the portrayal of the *birangona* are - how is she integrated into family, society, and nation? So where is the glory of the nation if it cannot render justice to its own suffering people?

The films under review – *Meherjan*, *Guerilla* or *Itishash Konna* – struggle with portraying a *birangona*. She remains, as Chowdhury claims, a “ghostly presence”, and hovers in the sidelines, either as a person who has already departed the scene, or as a ghastly fate that awaited women in the time of war, or as a mad presence. She is both inside and outside the story, hardly coming to the fore to speak her mind. Giving voice and presence to the *birangona* is a persistent problem that all representations have had to grapple with. An interesting way in which the impossibility of representation has been approached is through an inter-generational lens employed in *Meherjan* and *Itishash Konna*.

The inter-generational lens, or a looking back is what brings us to the documentaries under review. The documentaries – *Rising Silence* or *Jonom Shathi (Born Together, 2016, dir. Shabnam Ferdousi)* places the filmmaker at the center of the narrative as the film traces the process by which a new generation of women connect the story of *birangonas* with their own lives. Even when the film text does not foreground the persona of the filmmaker, as in *Bish Kanta*, interviews with Farzana Boby, the filmmaker, reveal her total immersion into the lives of the women portrayed. Virginia Woolf had once said that we think through our mothers, if we are women. These stories are cast in the role of women of the nation delving into the lives of our mothers to create an alternative history of the nation.

The epilogue examines Yasmine Kabir's documentary *Shadhinota*. This film follows Gurudasi as she walks the streets of her town with a stick. Her family had been slaughtered during the war, and she herself had been rescued by *muktijoddhas* from an army camp after the liberation of the country. A survivor of extreme tragedy and violence, Gurudasi could easily be dismissed as a mad woman. Instead, she is accepted by all, young and old, and in her community, she is embraced as the universal mother. The title is rendered in English as *A Certain Liberation*, and Gurudasi's ambiguous presence is indeed the most telling representation of the unrepresentable *birangona*.

These films, and this book, will speak to many, and especially to women, in Bangladesh and beyond. As most research on *birangonas* or victims of war rape show, (Mookherjee (2015), Saikia (2011), or fictional renderings such as Shaheen Akhtar's *Talaash*, 2005), justice remains an elusive word. This book spoke specially to me as I am part of Naripokkho's involvement with *birangonas*. The program entitled “The Forgotten Women of 1971” has brought us into contact with many women who have suffered and survived untold sufferings since the 1971 war of independence. These women are now in the twilight of their lives, yet their struggles for food, health care, or adequate shelter continue. The neglect they have suffered from the nation, as well as their families, persists.

This book, and these films, reminds us that justice has many facets, that it goes beyond punishing the perpetrators, and that sadly some wrongs cannot be righted, and some “rights” (in both senses of the word) were not pursued.

## References

Mookherjee, N. (2015). The raped woman as a horrific sublime and the Bangladesh war of 1971. *Journal of Material Culture*, 20(4), 379–395.

Saikia, Y. (2011). Women, war, and the making of Bangladesh. In *Women, War, and the Making of Bangladesh*. Duke University Press.

## Book Review

### *The Odds Revisited: Political Economy of Development in Bangladesh*

**K. A. S. Murshid**

Reviewed by: Haider A. Khan

University of Denver

Email: [hkhan@du.edu](mailto:hkhan@du.edu)

Bangladesh is now readily depicted by many western writers as a country that has succeeded in overcoming serious hurdles. This is certainly a change of perspective from the early days of the struggling country when it was beset by severe problems of economic and political stability and saddled with many years of military dictatorship until the return to the parliamentary democracy in the early 1990s.

The book reflects the many years of active involvement of the author with practical issues of development within a concrete geohistorical context. It also shows engagement with the relevant literature – particularly of the new institutionalist variety. Within the ten chapters it comes close to presenting a comprehensive picture of development dynamics in Bangladesh. It is fair to say that the author explores – at least to some extent – the complexities of the Bangladesh story quite objectively.

At over 300 pages, the book is quite ambitious and intends to be as comprehensive as possible. It succeeds to a large extent, and more so than other works of similar intent. Naturally, it cannot cover everything, and picks out certain aspects for greater emphasis. I will point out some of these in what follows.

This book starts with the observation that “[t]he story of Bangladesh is an extraordinary tale of struggle against immense odds” (p. 1). Chapter one that follows offers a broad brush background view of the economy. For those who are not familiar with the Bangladesh economy, this will be indeed very helpful.

Chapter two is very important as it lays out the difficult initial conditions for a war-torn devastated poor newly independent country. As modern analysis of complex systems, of which any economy is an example, has established clearly – such nonlinear systems are quite sensitive to initial conditions. Fortunately for Bangladesh, we also know that such systems are not completely deterministic (Khan 1998; 2004 a,b; 2021). Policies and institutions may be manipulated – within limits – by human agency once a minimum degree of political stability is achieved. In a sense, this book can be read as an illustration of the complex proposition that can be rigorously derived from recent advances in both ordinary complex systems modeling, and more specific neuro-fuzzy modeling.

However, the strength of the book lies not in offering any new formal models, but in providing careful empirically based arguments. This is as it should be for an important case study such as that of Bangladesh. Furthermore, the book not only provides snapshots of how odds were overcome in Bangladesh, but also offers important details, particularly in analyzing rural economy and the emergence of a new business class centered in Dhaka.

For the portion on the rural economy, chapters three to six are well worth reading with an eye for crucial details. In my view, these are the most rewarding for a reader who knows something about the evolution of the rural economy in Bangladesh and the local variations within the more general trends. A careful reader will come away being deeply impressed by the author’s knowledge and the scientific survey data-based analyses which offer evidence for the main thesis of the book, and unveil the complex causal connections between institutions, policies, and the roles of various agents including non-governmental organizations (NGOs). Chapter four, in particular, which is on the transition and change in the rice market, is a gem. It can claim its place among such classic studies as the ones by Hayami and Kikuchi (1981), and the great book by Leon Mears (1981) on the rice economy of Indonesia. Khan and Thorbecke (1988, 1989) and Khan (1999) point out the key role agriculture – particularly food production – can play in a disaggregated multisectoral model of a developing country. In particular, upgrading of physical technology,

including use of seed, fertilizers, irrigated water and other inputs, as well as the provision of credit and marketing facilities all are important in an interdependent developing economy. My own fieldwork in rural Bangladesh confirms many of Dr. Murshid's valuable findings.

The observations on rural nonfarm activities are also most pertinent. As employment in traditional agriculture decreases partly as a result of increase in productivity along with other, less positive factors, the need for creating opportunities will assume increased importance in Bangladesh. For this, it is necessary to have both public sector development activity and private sector engagement through pertinent policy interventions, using both older rural institutions as well as developing new rural institutions, particularly those that enhance governance.

The later chapters on industrialization, social sector puzzle, and capital formation in Dhaka offer important insights. One could argue that each of these chapters could legitimately deserve a full book length treatment. But these chapters can serve as synoptic introductions for deeper analysis.

Finally, it must be said that the limitations and weaknesses of RMG centered export-dependence, together with the dependence on remittances for external balance, plus the NGO-based social sector development approach are becoming clear as the global crisis deepens. The longer the global recession that is just beginning lasts, the more urgent will become the need for at least partly endogenous policy changes in Bangladesh (and other developing countries) toward better demand and supply management and regulatory regimes.<sup>1</sup> Admittedly, this will be difficult for countries with limited sovereignty and a small number of experts with independent analytical capacities; but the difficulties must be addressed before the multiple global crises deepen even further.

## Endnotes

---

<sup>1</sup> On the complexities of feasible endogenous policy changes see Ranis and Mahmood (1992), Khan and Thorbecke (1988), Gang and Khan (1991, 1999), Khan (1993; 1994; 1997a,b; 1998; 2002; 2004a,b,c; 2005; 2006; 2018; 2020; 2021a,b,c; 2022) and Khan and Rahman (2022).

## References

- Ahmed, A., Khan, H. & Sampath, R. K. (1991). "Poverty in Bangladesh: Intertemporal Comparison and Decomposition". *Journal of Development Studies*. July.
- Gang, I. & Khan, H. (1991). "Foreign Aid, Taxes and Public Investment". *Journal of Development Economics*.
- (1999). "Aid Under Different Policy Regimes: Does the Policy Maker Make a Difference?" *Empirical Economics*. September.
- Hayami, Y. & Kikuchi, M. (1981). *Asian Village Economy at the Crossroads*. Tokyo: University of Tokyo Press.
- Khan, H. (1993). "A Conversation with Amartya Sen". *Voice of Bangladesh*, New York.
- (1994). "Poverty in Bangladesh: What Have We Learned?" in Salim Rashid ed. *Bangladesh Economy*. Dhaka: The University Press.
- (1997a). "Does Japanese Bilateral Aid Work? Foreign Aid and Fiscal Behavior in a Bounded Rationality Model: The Case of Bangladesh". *Regional Development Studies*, Vol. 3.
- (1997b). "Ecology, Inequality and Poverty: The Case of Bangladesh". *Asian Development Review*, 15 (2).
- (1998). *Technology, Development and Democracy: The Limits of National Innovation Systems in the Age of Postmodernism*. Cheltenham, UK: Edward Elgar.
- (1999). "Sectoral Growth and Poverty Alleviation: A Multiplier Decomposition Technique Applied to South Africa". *World Development*.



- (2002). "Innovation and Growth in a Schumpeterian Model". *Oxford Development Studies*, 30(3), pp. 289-306.
- (2004a). *Global Markets and Financial Crisis: Towards a Theory for the 21<sup>st</sup> Century*. Macmillan/Palgrave/Springer.
- (2004b). *Innovation and Growth in East Asia: The Future of Miracles*. Macmillan/Palgrave/Springer.
- (2004c). "Globalization: Challenges and Opportunities". *Review of International Business Research*, Vol. 15, pp. 276-291.
- (2005). "Assessing Institutional Efficiency, Growth and Integration". *Emerging Markets Review*, 6(1), pp. 69-84.
- (2006). "Trade Liberalization and Poverty Reduction in CGE Models: The Dual-Dual Approach", in H. Khan and J. Weiss, eds., *Poverty Strategies in Asia*, E. Elgar.
- (2018). "The Future of Bangladesh: ICT and Technological Superconvergence". *Journal of Bangladesh Studies*.
- (2020). "A Sustainable Development Strategy for Bangladesh in the Post-COVID 19 Era: A socially embedded intersectional capabilities perspective". *Journal of Bangladesh Studies*. Vol. 22, No. 2, pp. 1-14.
- (2021a). "Deep Machine Learning via Neuro-Fuzzy Models: Complexities of International Financial Economics of Crises". *International Journal of Computation and Neural Engineering*. 7(3), pp. 122-134. DOI:10.19070/2572-7389-2100016
- (2021b). "Governing a Complex Global Financial System in the Age of Global Instabilities and BRICS: Promoting Human Capabilities through Global Financial Stability and Growth with Equity". Chapter 37 in P.B. Anand, Shailaja Fennell and Flavio Comim eds. *Handbook of BRICS and Emerging Economies*. Oxford University Press, pp. 940-979.
- (2021c). "Towards a New Socially Embedded Intersectional Capabilities Theory (SEICT) in the 21<sup>st</sup> Century: Analysis of COVID-19 Policies in South Africa through Socio-Economic Modeling and Indigenous Knowledge Base". *Journal of Applied Economic Sciences*. Vol. XVI, Summer, 2(72), pp. 162-178.
- (2022). *When the Earth Trembled: Towards a Theory and People's History of the Bangladesh Liberation Movement and Lessons for Today*. Dhaka: Kathaprakash.
- Khan, H. & Rahman, S. (2022). "The Political Economy of Development: Bangladesh from Its Emergence toward the Future", in H. Khondker et. al. eds. *The Emergence of Bangladesh*, Springer.
- Khan, H. & Thorbecke, E. (1988). *Macroeconomic Effects and Diffusion of Alternative Technologies Within a Social Accounting Matrix Framework: the Case of Indonesia*. Aldershot, UK: Gower Publication.
- (1989). "Macroeconomic Effects of Technology Choice: Multiplier and Structural Path Analysis". *Journal of Policy Modeling*, 11 (1).
- Mears, L. (1981). *The New Rice Economy of Indonesia*. Jog Jakarta: Gadjah Mada University Press.
- Ranis, G. & Mahmood, A. (1992). *The Political Economy of Development Policy Change*. Cambridge: Blackwell.

## Book Review

### *My Brac Life: The Becoming of a Development Activist*

Ahmed Mushtaque Raza Chowdhury

Review by: Mustafizur Rahman  
Centre for Policy Dialogue, Bangladesh  
Email: mustafiz@cpd.org.bd

It is not very frequently that one comes across a book and the first thing that crosses the reader's mind is "If only I had an opportunity to read this book earlier! Perhaps it would have steered me to think differently, and act differently. Perhaps it would have led to something more fulfilling and more meaningful in my life. Something different". Dr. Ahmed Mushtaque Raza Chowdhury's book *My Brac Life: The Becoming of a Development Activist* is one such inspiring read. While the book will be of interest to the wider audience, I would venture to particularly stress its importance to the younger generation, who dream of a better world and who are keen to pursue their vision and translate their ideas into actions towards such an aspiration.

The author's narrative spans the greater part of his life and work and encompasses a period which coincides with Bangladesh's post-independence journey. The non-state organizations and actors of Bangladesh have played a crucially important role in this trajectory, making significant contributions to the many impressive achievements in the socio-economic arena of which the country can be genuinely proud of. Brac, the world's largest non-government organization (NGO), and its founder Sir Fazle Hasan Abed, have especially played a key part in this impressive journey. This book is an insightful look at this and is narrated by someone whose life was closely entwined with both the institution and the man behind the institution, first as a foot soldier, and subsequently as one of the closest associates of Sir Abed at the helm of Brac's leadership. As Vice-Chairperson and Advisor to the Chairperson of Brac, Dr. Mushtaque worked closely with Sir Abed, and had a unique opportunity to witness the evolution of Brac into what it is today and contribute to its emergence as the globally renowned institution it has become.

Dr. Mushtaque writes about the early 1970s, when, as a freshly minted graduate of the Department of Statistics of Dhaka University, he met Sir Abed, who had returned to Bangladesh leaving his promising career as an accounting professional in London. It was a time when the newly independent country was struggling to deal with devastation, poverty, hunger, and destitution. The Father of the Nation Bangabandhu Sheikh Mujibur Rahman had called on all to demonstrate patriotism and commitment and lend their hand to rebuilding the newly independent country from the ashes left from the liberation war of 1971. Indeed, this was a time when Just Faaland and Jack Parkinson were writing one of the very first books on the newly independent country. In the preface, these authors justified the naming of the book by arguing that they first thought of titling their book as "Bangladesh: A Test Case for Development" but then changed it to "Bangladesh: The Test Case for Development" since they thought that if development was possible in this country, it would be possible in any country and hence the justification for "*The Test Case for Development*".

Sir Abed dedicated his life to realizing the dream that was Bangladesh, and he inspired the young graduate to come and join him in his quest for that dream. The test of the young man's commitment came rather quickly – the choice between going to Harvard University to do a PhD that would have taken four to five years, or to the University of London, which required shorter time span. Young Mushtaque chose the University of London and completed his PhD in a record period of two years and three months. The subject of his thesis work was Brac's oral rehydration therapy program.

When he returned to Bangladesh, his choice was to join Brac or to go for a job in a multinational company at a salary that was several times higher. The question the young Dr. Mushtaque asked himself, and, which helped him resolve the dilemma was: "it is possible to earn a lot of money in life, but should this be the metric of life's fulfilment?" In receiving the Ramon Magsaysay award for community service in 1980, Sir Abed had observed, "A community of greed has taken over the community of need." These words had inspired him to remain committed to

the life he had led for the next four decades. Dr. Mushtaque reflected on his options and decided to anchor his lifetime's work at Brac and with Sir Abed, though at different points in life, his talent and scholarship did take him to other jobs and accomplishments. Dr. Mushtaque had the distinction of being the first tenured Bangladeshi Professor in an Ivy League university in the US when he was teaching Public Health at Columbia University. He was offered the prestigious position of Senior Advisor at the Rockefeller Foundation and, as part of its formidable global engagements, Dr. Mushtaque made important contributions to improving the health and well-being of people in many countries. This included the establishment of the Department of Public Health and Informatics at Bangabandhu Sheikh Mujib Medical University in Bangladesh. However, when Sir Abed requested him to return to Bangladesh, he did not hesitate to leave his job and comfortable life to come back and rejoin Brac.

Dr. Mushtaque's book, however, is not about himself, but about how "BRAC" graduated from an acronym to a word with a distinct identity, the learnings and unlearnings that informed its pathway, the mistakes and the successes, and how from small beginnings Brac became what Brac is today. For both academics and development professionals, his experiences, presented in a most lucid manner, are highly instructive. What emerges from the author's narrative, analysis, and interpretations is that institutions matter, people matter, and public-private partnerships matter. Brac initiatives have been successful because Brac had the institutional capacity to experiment, go through trial and error, correct any mistakes, and then move on; because Brac was able to assemble a team of dedicated individuals who believed in Sir Abed's vision and were ready to commit themselves for the long haul. In addition, and this is often not appreciated enough, it was able to function within a conducive policy ecosystem that saw the non-state sector and its actors as complementary forces and partners for development rather than competitors or rivals. This also has relevance for contemporary Bangladesh.

Being the scholar he is, Dr. Mushtaque dedicates a significant amount of his book to emphasize the importance of research in Brac's manifold activities, and as a key driver of its successful programs. The author writes about the role of field level investigation and research in assessing what works and what does not work in the developmental praxis. He also writes about how research has contributed to the success of Brac's many initiatives, experiments, and innovations. He writes about how field level experience has helped him hone his research skills and develop as a scholar, teacher, and a public intellectual grounded in realities. He writes, "My being engaged in research was no accident; my childhood dream was to do something good for the downtrodden people. I considered research as a tool in realising this dream. I took my preparations in a conscious way. Perseverance and dedication have played an important part in all my endeavours."

We learn from his book how low cost-solutions introduced by Brac became widely disseminated and accepted in rural households and by mothers in rural villages in Bangladesh. We learn how programs such as oral rehydration therapy, using common salt and unrefined brown sugar, brought about revolutionary changes in the well-being of children in Bangladesh. At the same time, we also learn that none of this was easy, and that behind every success story there was experimentation and error, a lot of convincing was needed to trigger behavioral changes, and that culturally appropriate messaging was as important as the efficacy of the interventions. We learn that cost-effectiveness of interventions mattered, and that research was important in identifying cost-effective and low-cost solutions. The author recalls the dedication of Brac's field level workers who made it all possible. We learn how Dr. Mushtaque and his team had set up Brac's flagship Research and Evaluation Division, and how it worked by blending qualitative and quantitative tools of analysis to test out the efficacy of Brac's interventions and proposing improvements.

Brac's engagements are wide in scope and highly diversified, ranging from women's empowerment programs to allowing people to read and learn by making reading glasses widely accessible; from specific and targeted rural development programs such as the introduction of improved seed and fish varieties and poultry revolution to programs that blended health, nutrition, microfinance, and non-formal education. Dr. Mushtaque's writing allows the reader to benefit from an insider's view as to how some of these programs were translated from ideas to action models, and then to visible outcomes that could be scaled up and replicated widely. One also learns why research at all stages – upstream, mid-course and downstream – is so critically important for the success of any intervention. Readers also gain insight into how many of Brac's programs were replicated in several developing countries – saving lives, providing livelihoods, empowering women, and educating children. The author's observations about the importance of attention to context and details, local specificities, community involvement, and stakeholder participation will be of benefit to development practitioners who are keen to learn what makes the difference between failure and success at the field and operational levels.

Dr. Mushtaque writes about his experience as the founding Dean of James P. Grant School of Public Health, and how it has evolved into a globally leading center of excellence. Indeed, by selling the only plot of land the family owned, they have set up a foundation to give scholarships to needy students at the school who come from socio-economically backward communities.

Dr. Mushtaque took the scholarship generated by Brac's experience in health areas to wider audience and newer heights through publications in the world's leading medical journal, *The Lancet*, and by organizing the *Lancet Lecture Series* in Bangladesh. At the same time, through his pioneering work with Health Watch and Education Watch, he continues to play an important role in blending knowledge and research with policymaking and public awareness to trigger demand-driven actions and changes.

Reading about all these multifaceted initiatives and actions with which Dr. Mushtaque has been involved, one comes across a person who is ever ready and keen to give all the credits to his colleagues and collaborators, keeping himself in the background and downplaying his own role in many initiatives which Sir Abed entrusted him with during his long association with Brac.

Dr. Mushtaque writes that he is worried about the state of education in the country, a view which will no doubt be shared by many in Bangladesh. His worrying observation about the declining quality of education in Bangladesh ought to be taken in all seriousness. "This is a wake up alarm, not a wake up call", he cautions. But he is not someone who would surrender to pessimism. Dr. Mushtaque continues to work on improving the quality of education and health in Bangladesh, as a distinguished member of the Board of Trustees of Brac University, of Education Watch and Health Watch, and through his association as member of the Core Group of Citizen's Platform for SDGs, Bangladesh. In the limited time that life gives us, the true value of life lies in doing something for fellow human beings, he writes. This life lesson he learned from Sir Abed which he repeatedly recalls in many pages of this book.

It is not surprising that in one year since its publication, the book has gone through five reprints and a new edition, testifying to the interest it has generated among the wider readership in Bangladesh. One hopes that many more will read the book and draw inspiration from the life of an exceptional man whose journey was inextricably entwined with a truly visionary man and an iconic institution.

## Journal of Bangladesh Studies

*Journal of Bangladesh Studies* (JBS) invites academics, experts, and practitioners to submit previously unpublished and original scholarly papers pertaining to Bangladesh for possible publication. JBS is a double-blind peer-reviewed journal registered with the National Serials Data Program, Library of Congress [ISSN: 1529-0905 (Print), 2771-5086 (Digital)], USA.

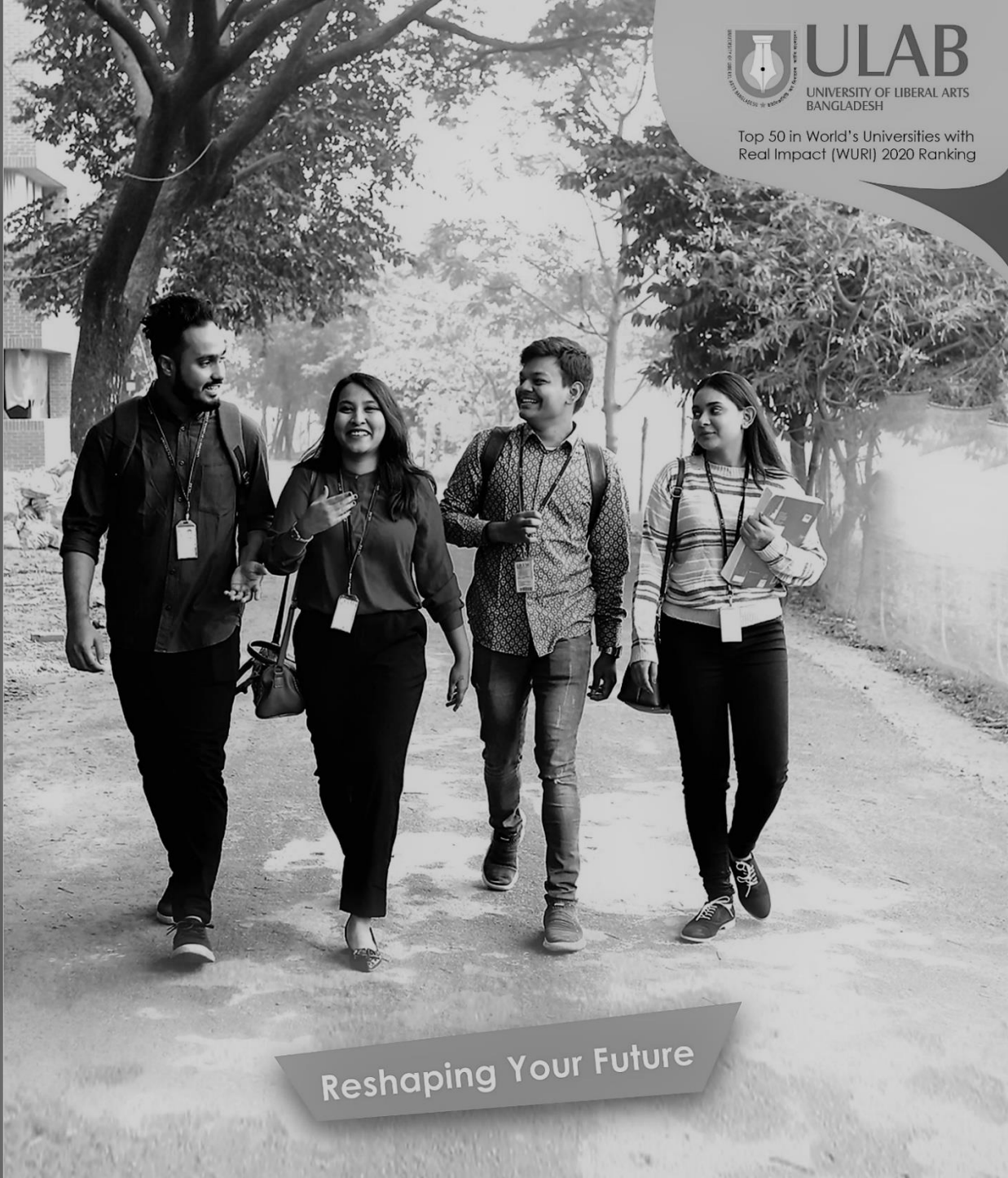
We encourage articles from all disciplines of scholarship pertaining to the study of Bangladesh, the Bangladesh diaspora, or comparative studies in which Bangladesh is included. Our aim is to provide a platform for rigorous intellectual and academic research as well as studies that are practical and relevant to everyday solutions and policymaking. Articles should address Bangladesh's problems and prospects from theoretical, empirical, or analytical perspectives prevalent in academic disciplines. Articles must be grounded in theory, analysis, and referenced work, and be able to address readers beyond the specific disciplines they represent. Manuscripts must be written in APA style, the guidelines for which are provided in the [Author Guide](#). Please also check the [Sample Articles](#) on our website for guidance.


JBS considers both short communications and full-length articles. Analysis of recent developments and comments on specific issues can range from 2,000-4,000 words. A full-length article is expected to be between 6,000-9,000 words, provide a reasonable review of the literature, and clearly articulate the nature of the problem addressed. Shorter articles are often considered, based on their merit.

Book reviews are invited by the Editorial Board and approved by the Book Review Editor. If scholars have an interest in reviewing a book, they may make this request to the editor in chief at [fkhan@uccs.edu](mailto:fkhan@uccs.edu) or the book review editor at [Ahrar.Ahmad@bhsu.edu](mailto:Ahrar.Ahmad@bhsu.edu). Book reviews are expected to range from 1,000-1,500 words. Book reviews are only subject to editorial review.

JBS publishes two issues per year and accepts submissions on a rolling basis. Manuscripts should be emailed as a MS-WORD document to: Dr. Farida C. Khan, Editor in Chief, JBS at [jbs@bdiusa.org](mailto:jbs@bdiusa.org). Submit your manuscript and revisions with all identifiers and affiliations removed from the submitted document. Please also submit a separate file with the title of your manuscript, author identity, and affiliation. Please check our website <https://jbs.bdiusa.org/> for further details and for digital issues of the journal.

Annual subscription for two issues is \$25 for individuals and \$100 for institutions in the United States and overseas. The corresponding prices are Tk. 1,000 for individuals and Tk. 5,000 for institutions in Bangladesh. To initiate or renew your subscription, please contact Dr. Munir Quddus ([muquddus@pvamu.edu](mailto:muquddus@pvamu.edu)) or visit <https://jbs.bdiusa.org/>. Please send the completed subscription form and check payable to "Bangladesh Development Initiative" to the following address: *Dr. Munir Quddus, JBS Subscription, P.O. Box 519, MS 2300, Prairie View, TX 77446.*





 **ULAB**  
UNIVERSITY OF LIBERAL ARTS  
BANGLADESH

Top 50 in World's Universities with  
Real Impact (WURI) 2020 Ranking

**Reshaping Your Future**

**UNIVERSITY OF LIBERAL ARTS BANGLADESH**

Mohammadpur, Dhaka, Bangladesh | [www.ulab.edu.bd](http://www.ulab.edu.bd)  
Phone: +88 01714 161613 | [www.facebook.com/ULABian](https://www.facebook.com/ULABian)

 **EQUALITAS**  
 **MSCB-156**  
**ISO 9001:2015**

