

14th Congress of WFTU

New Delhi

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Brother Chairman, delegates, friends and distinguished guests,

It gives me great pleasure to speak in this 14th Congress of WFTU. It gives me great pleasure to see and meet my old comrades here. It seems to me that we did not lose much. Enthusiasm from delegates is very encouraging.

Let me begin by congratulating All India Trade Union Congress for hosting this 14th Congress of WFTU and excellent arrangement of the Congress and has done everything possible to make us feel at home.

At the very outset, I should say that, the draft document very correctly reveals the present scenario of Socio-political situation shall not enumerate here the many criticisms that have been made on globalisation and 'adjustment' programme in various forms. Excellent and comprehensive critiques, including both concrete studies of national experiences and broad synthesis, have been carried out in such a way that there is no need to repeat them.

Just two weeks ago newspapers of Bangladesh had published a report that imports of consumer goods have increased. Not much wrong with that. But the point is that the 35 percent of imported goods were not taken delivery by importers from the ports. It is due to huge imports the price falls and importers are afraid of loss may incur. The banks funded the import and now in verge of crisis. It is due to free import.

Two years back we had experienced with a crash in share market, which was initiated by some foreign companies through their local agents and pumped out huge money out of the country. They invested huge money to buy shares, the share price sharply went high and they sold their holding shares in high price and pumped out huge money from the market. The government of Bangladesh only watched the situation but could not prevent. The global economy, particularly international finances marked by instantaneous transactions of enormous magnitude manipulated by speculator who can easily upset national economies. Just few days back the customs authorities in Bangladesh have fined a top Korean company Tk.20 croer for evading Tk.35 croer taxes. The company Youngone Hightech Sportswear Industries Ltd. had imported duty free cloth under bonded facility for manufacturing sportswear for export but sold those cloth in open market in Bangladesh. Its factory is situated in the Dhaka Export Processing Zone (DEPZ) at Savar. The most horrifying thing is that the owners of the company are also owners of the lone foreign-owned export processing zone in the country in Chittagong.

In the process of structural adjustment programme and privatisation 35 percent workers of jute mills has lost the job for closing and downsizing many jute mills. Similar situation also in textile. Thousands of permanent employees have been retrenched under a Voluntary Separation Programme (VSP). Some 1,00,000 persons are being retrenched under the VSP provisions. There are being in process closing and down sizing a number

of Government offices after liberalisation and deregulation. Thousands of employees from Bangladesh Agriculture Development Corporation have lost their job and others are in the process of retrenchment. Number of government offices are in the process of close down in the wake of liberalisation and deregulation. Important among these are the offices of the Chief Controller of Import and Export, Trading Corporation of Bangladesh, The Coal Directorate etc. The level of potential redundancies and retrenchment in the organised sector is not insignificant. Even more important is the impact these redundancies will have on the unorganised sector and the determination of working conditions of the organised sector workers as they pushed out of the protection of various labour laws. It is estimated that around 8,00,000 workers were lost their job in the process of liberalisation. These are the conditionalities of IMF imposed on poor countries as a precondition for loans from the international agencies. The technological progress of the last two decades, gives to the industrial decision maker, access to the most profitable option. Mechanisation being an integral part of Structural Adjustment Programme, the industrialist often opts for it. Agricultural and rural workers are also affected for reduction in the subsidised of agricultural inputs and the price rise have resulted in negative employment generation and poverty in the rural areas.

During the last three years annual GNP growth has been around 5%, but employment generation has been negative.

The seven rich countries known as G-7, take most economic decisions for the rest of the world. Their decisions are presented as free trade or free market. In reality it is freedom of unequals geared to the profit of a few. To be considered fair, liberalisation should include free trade, free flow of capital and of a labour. In practice, the 30 OECD countries in general and G-7 in particular, limit freedom to movement of capital, not labour. They demand free access of their capital to the South but put ever more restrictions on visas for their citizens. Thus it is one way imposition by the powerful.

Given the nature of the onslaught on the position of the workers, unions could do little to prevent the fall in living standards of their members. In addition, as a result of the liberalisation policies associated with many structural adjustment programmes, though labour legislation is not changed, but relaxed where it protected organised labour. For example Director of Labour office has stop issuing registration of unions of Garments manufacturing workers. Nearly a million workers are denied from organise themselves in trade union.

The Bangladesh undoubtedly is less favorable disposed to labour than to capital. Allowed only limited freedom, labour has been unable to fight effectively for the development of strong worker's movement and, consequently, better wages and employment conditions.

While political, economic and social factors have all influence the growth of trade unions. Through its actions and the various laws and regulations it as promulgated, the government seems to have succeeded in stifling the growth of a strong workers movement in Bangladesh.