

Will foreigner killings hurt Bangladesh economy?

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Following the killing of an innocent Italian citizen on Sept. 28 in Dhaka, tensions have been engulfing us on all sides.

Diplomatic missions, quite naturally, alerted their citizens to stay safe and take precautions while moving around the city.

Bangladeshis were upset and surprised by high security alerts issued by some countries to their citizens and also by the news in the Western media.

Many thought that the reaction to the killing was probably out of proportion, even though they were also shocked and baffled by this sudden murder, something that has rarely happened in Bangladesh before.

This is also alarming, since Gulshan and Baridhara are supposedly the safest areas of Dhaka city where diplomats and foreign communities reside.

We see many foreigners jogging on the roads and parks, walking with groceries to their homes, cycling to their offices and even sending their children to international schools in rickshaws which many of us, being Bangladeshis, don't feel comfortable doing.

But our foreign friends faced no problem until this killing. Bangladeshis have always shown their hospitality and warmth to foreigners.

Except for one or two petty incidents of mugging, miscreants generally never target them. So the murder of a foreigner on a street of Gulshan was beyond the wildest imagination of anyone.

Political Implications and Economic Repercussion

But within five days into the killing of the Italian citizen, the second murder of a foreigner, a Japanese man working in a village in a northern district of Rangpur, brought new waves of apprehension regarding the question of safety of foreigners in the country.

Political implications of such killings cannot be ignored. There could be economic repercussions too.

Even with impressive economic growth of about 6 percent during the last decade, Bangladesh has been struggling to attract foreign direct investment (FDI) to enhance its growth momentum and reduce poverty through higher employment generation.

However, private investment — both foreign and domestic — is not picking up not only due to the lack of infrastructural bottlenecks, but also owing to poor governance and lack of political stability.

Export growth, including exports of ready-made garments (RMG), did not meet the target in the 2015 financial year. Political volatility during earlier months of 2015 has been one of the reasons, in addition to compliance issues in case of lower RMG exports.

As the global economic outlook for 2015 and 2016 is not promising, the coming days for Bangladesh will not be easy either.

The International Monetary Fund (IMF) in July this year projected global economic growth to be 3.3 percent, which is lower than 2014.

In its upcoming global economic outlook, IMF is going to downgrade its growth projections, as large economies such as China face weaker growth than expected.

The Organisation for Economic Co-operation and Development has also lowered its forecasts for global economic growth in mid-September.

The World Trade Organization indicates only a slight increase of global trade, from 2.8 percent in 2014 to 3.3 percent in 2015 and to 4 percent in 2016.

ADB's economic outlook for Asia in September reveals that Asian economies will have lower growth from 6.2 percent in 2014 to 5.8 percent in 2015 and only a slight increase to 6 percent in 2016.

Hurdles Remain Amid Hope For Economic Growth

As for Bangladesh, growth projections are revised slightly upward in the hope that exports will grow, remittances will boost consumption demand, investment will pick up and spending on annual development program will increase.

However, the recent Global Competitiveness Report (GCR) of the World Economic Forum indicates that hurdles remain in a number of areas, including institutions, despite a slight improvement in the GCR ranking, from 109th position in 2014 to 107th in 2015.

As almost 60 percent of the Bangladesh economy is integrated with the global economy through trade, FDI, foreign aid and remittances, clouds in the global economy will also loom over Bangladesh.

Concerns, such as the murders of foreigners in the country, can only make matters worse, since image also plays an important role in the case of economic decisions.

Some of us tried to compare the killings of foreigners in Bangladesh with the shooting of people in developed countries, particularly the U.S., where gun massacres are random and have become a day-to-day affair.

Life there is unpredictable for innocent citizens, even for very young children. The difference between killings in advanced countries and Bangladesh is that it does not stop

people from going to those countries to live there, spend their money there and invest there.

Those are developed economies, whereas Bangladesh has just graduated from a low income to a lower-middle income country with a per capita income of only US\$1,314 where investment is merely 30 percent of the gross domestic product (GDP). Therefore, it cannot afford any slight mistake in its journey toward further progression.

But branding Bangladesh as an unsafe country for foreigners would be fatal, as much as it would be wrong to portray today's Bangladesh as a place for religious extremism.

Bangladeshis have always been progressive in their thoughts with religious values instilled in their hearts. Despite being a predominantly Muslim country, Bangladesh has always upheld communal harmony and demonstrated tolerance toward people from other religious beliefs.

The present government of Bangladesh has shown a strong commitment toward combating terrorism and extremism. In the same spirit, the government should exhibit its strength to take measures for justice and protect foreigners living in the country.

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