WHO REAPS THE BENEFIT? – DUAL HEGEMONY
AND THE POLITICS OF DEVELOPMENT AID IN BANGLADESH

by

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A THESIS SUBMITTED IN PARTIAL FULFILLMENT OF
THE REQUIREMENTS FOR THE DEGREE OF

DOCTOR OF PHILOSOPHY

in

THE COLLEGE OF GRADUATE STUDIES
(Interdisciplinary Graduate Studies)

THE UNIVERSITY OF BRITISH COLUMBIA
(Okanagan)

July 2019

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Who Reaps the Benefit? Dual Hegemony and The Politics of Development in Bangladesh

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Abstract

After a lengthy professional tenure with the World Bank’s Result Measurement Unit, I began to question why development aid to impoverished countries appears to benefit aid facilitators and donors, as well as a few wealthy clients, rather than empowering aid recipients on the ground.

My interdisciplinary research project focuses on the poverty reduction industry in Bangladesh’s private and public sectors, where the industry is deeply embedded in the country’s culture and class structures. I analyze development through an examination of those class relations and how they are situated vis-à-vis the politics of development and economic globalization, and how they shape aid delivery mechanisms and aid recipients’ choices in participating in such programs.

I begin by illustrating Bangladesh’s complex historical, economic, and political environment. This background information is important to understand the current trajectory of development in Bangladesh. Particularly, I look at how the country’s long and turbulent history of state-building continues to shape class configurations and privatization processes facilitated by the development aid industry. My interdisciplinary research has a fieldwork component, in which I employ a multi-sited approach to data collection through semi-structured interviews, focus group discussions, and participant observation in rural and urban Bangladesh to allow the aid recipients and other members of different social groups to share different aspects of development aid.

One of my main findings is that development in Bangladesh relies on dual hegemony, which I articulate as an alliance between the new Bangladeshi political and economic elite and the Western international aid/development industry. I argue that dual hegemony functions in
such a way that it erodes the Bangladeshi middle-class and reinforces class and caste differences through the privatization of the public sector and greater fragmentation of civil society.

In my conclusions I highlight the need to build a strong middle-class. This can be achieved by improving the industrial base and growing the skilled workforce, as well as by reducing the dependency on imported raw materials. Furthermore, it is critical to educate Bangladeshis about the primary reasons for poverty construction and underdevelopment, as well as to explore alternatives in development that can strengthen opportunities for young Bangladeshis to grow the economy.
Lay Summary

My interdisciplinary research investigates poverty and class relations in the context of development aid projects in both private and public sectors in Bangladesh. I begin my investigation by analyzing Bangladesh historical, economic, and political landscapes, and then describe the outcomes of multi-sited fieldwork conducted in rural and urban parts of the country. My key findings reveal an alliance between the new Bangladeshi political and economic elite and the Western international aid/development industry. This alliance reinforces the influence of caste and class in privatizing public sectors and functions as a catalyst that renders Bangladesh’s middle-class and other social groups divisive and fragmented. These outcomes explain the country’s expanding socio-economic inequality. Gaining an understanding about development from multiple perspectives, as well as exploring alternatives in development is thus necessary in order for Bangladeshis to begin the slow move away from these economically repressive regimes.
Preface

Ethics approval for this research was granted by the University of British Columbia Okanagan Behavioral Research Ethics Board with certificate number H12-00262. Informal ethics approval was also granted by the community leaders in the study areas of Bangladesh.

Sections of chapter three have been accepted for publication on Student Anthropologist.


Portions of chapter seven have been published in Development Policy Review.


Sections of chapter eight have been published in Development in Practice.


[I contributed the theoretical analysis of contemporary debates and theories in development aid. I also took the lead in collecting and analyzing data, as well as in writing and editing the article].

Sections of chapter nine have been published in Policy Futures in Education.


[I contributed the theoretical analysis of contemporary debates and theories in development and the higher education industry. I also took the lead in collecting and analyzing data, as well as in writing and editing the article].
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Acknowledgements

I am forever grateful to my teachers, colleagues, and friends. Particularly, my sincere gratitude to the following mentors who went above and beyond their professional responsibilities to assist me with my learning, as well as to enhance my world-view.

My supervisory committee—Dr. Peter Urmetzer, Dr. David Geary, and Dr. John Wagner—their insightful guidance, critical and constructive feedback, thought provoking questions, and untiring support contributed to finishing my task, as well as created new passion for research and learning.

Dr. Urmetzer’s academic depth in economic globalization and free-trade enriched my academic knowledge.

Dr. Geary is a South Asia scholar. His deep knowledge about modernity in the region, as well as editorial guidance and compassionate support complemented valuable insight and learning.

Dr. Wagner is a prolific expert in subject matters relating to academic theories and methods. His vast academic depth and sense of commitment, as well as mentorship and continuous support provided crucial energy during the period of my doctoral study.

A whole community of friends and colleagues supported, encouraged, and kept me going during this most psychologically challenging but immensely enriching and empowering journey of my life. First and foremost, I would like to thank my peer-researchers for volunteering their time as my research assistants and witnesses during my fieldwork in Bangladesh. Space prevents naming all my incredible friends, but I would like to offer a special thanks to the Taylor, Kyle, De Burgos and Geary families. Special thanks to Drs. Susan Frohlick and Mike Evans for providing mental support and to Drs. Robin Dods and Naomi McPherson for their assistance
during the earlier versions of my dissertation, as well as to Ms. Michele Bjornson for her timely administrative support. To all whose names could not be mentioned, especially from the University of British Columbia Okanagan library and the Centre for Teaching and Learning, a big thank you for your support and patience. I am very grateful.

To my Bangladeshi participants, I express my profound appreciation of and solidarity with your struggles, strength and sense of humour despite your circumstances. This dissertation would not exist but for your willingness to share your lives, insights and perspectives with me. I thank you for your trust in me.

I would like to acknowledge scholarships, awards and financial support I received for my PhD studies from the Queen Elizabeth (II) Diamond Jubilee Scholarship Fund and the University of British Columbia Okanagan.

Finally, and most importantly, I thank my wife, Shuchita and daughter, Aalina. Their loving support and sacrifices made during the entire tenure of doctoral studies really made much of the work not only bearably enjoyable but also possible.
Dedication

I dedicate this dissertation to the poster children of poverty. This is for them.
Chapter 1: Introduction

My study in Bangladesh attempts to address a central puzzle involving the construction of poverty, particularly through the initiatives and programs offered by the international development aid industry with the goal of alleviating poverty. I ask why, after forty-seven years of development initiatives that include receiving billions of dollars’ worth of aid every year (World Bank 2018b), do so many Bangladeshis continue to be victims of poverty—unable to access the basic necessities, such as shelter, water, and sanitation, as well as remain forced to seek employment in sweatshop-like working environments in Bangladesh and beyond to make ends meet? An alternate way to frame this study is to explore the inter-connections between economic development and politics to understand why a country that invests, for example, USD 248 million to launch its own communications and broadcasting satellite (Mahmud 2018) fails to assist approximately thirty-one million people (18 percent of the population) that still live below the poverty level (The World Bank 2018a).

Bangladesh has been participating in global free-trade networks for the last twenty-five year between 1991—2016 and maintained over six percent economic growth, which increased further in 2017 to a rate of 7.65 percent (The World Bank 2018a). According to the World Bank (2018a), Bangladesh’s economic growth has contributed to reducing the number of people living below the poverty line, from 80 percent in 1972 down to 18 percent in 2017 (The World Bank 2018a). While economic growth, as measured by GDP and other signs of development such as investment in infrastructure (e.g. roads and highways), is occurring in Bangladesh, claiming rapid success in reducing poverty in the country, from 80 percent to 18 percent, is highly problematic as I discuss in more detail in chapter five. These numbers mask the chronic poverty and growing social inequality between the rich and poor and the ways in which valuable
resources, spent and consumed through privatization, are being used to consolidate and maintain power by a newly emerged economic-political elite class.

Understanding the production of poverty in contemporary Bangladesh, however, is not simply a post-1971 phenomenon. The current nation-state has long been situated at the margins of power in broader historical contexts, including various colonial regimes, which have contributed to forming and reforming social classes over several centuries. Interestingly, until the late eighteenth century, Bengal was one of the richest regions in the world, contributing 12 percent of global gross domestic product (GDP) (Alam 2016, 32). Most of the revenue was generated by its vast, flat, and fertile agricultural land, the intricate textile manufacturing industries, and abundance of rivers filled with varieties of fish. However, deindustrialization of Bengali industries during the British colonial period, particularly textiles, in favour of industries in Britain, led to the hardening of religious and class divisions in Bengal, the creation of a new bureaucratic class drawn from the Brahmin caste, and the installation of a British education system in India. These changes also paved the way for economic destruction throughout the Bengal region, mainly its eastern half, now Bangladesh. After the British colonization and the independence of India and Pakistan in 1947, the restructuring of class relations in East Pakistan (Bangladesh) during the Pakistani period (1947–1971) resulted in a vacuum in terms of who took over and ran industries, businesses, and government bureaucracy. That void led to the emergence of conscious-stricken Muslim Bengali *bhadrakots* (elites) that aspired for independence from Pakistan.

When Bangladesh became independent in 1971 it was suffering from widespread illiteracy and poverty. Since gaining independence until present, one could also argue, that Bangladesh has been ruled by one totalitarian regime after another. Rather than simply
discrediting the country as a “failed state,” my research looks into “globally and nationally circulating discourses of development and structural forces” (Gupta 1998, 6) to understand how “under-development” in Bangladesh is the result of the continuing colonial relationships and idioms through which development and aid is reconfigured in contemporary Bangladesh and how that gives rise to a cultural and social disempowerment among the impoverished.

For example, structural changes in the rural economy as a result of the “Green Revolution” and the push by Western development agencies towards industrialized commercial farming has led to growing rural-urban migration and increased poverty for many former agricultural workers seeking new opportunities in the heavily populated city centres like Dhaka (Mahmood 2017). Chronic underemployment, alongside a remarkable population increase, has further exacerbated the struggles of the poor. Present-day Bangladesh ranks as the seventh most densely populated country in the world, with approximately 170 million people and a density of 1,252/km² (Statistics Portal 2018). Moreover, approximately 61 percent of the population of Bangladesh is of working age (15 to 64 years-old), while 34 percent is under the age of 14, indicating a moderate youth bulge (Kibria 2011). According to Kibria (2011, 7), “Those who are employed in the formal labour market often work ‘officially’ twenty-five or more hours a week but only get paid for 10 hours.” While the estimated unemployment rate is relatively low, at about five percent, the problem of underemployment prevails (Kibria 2011).

In addition to some of these economic, political, and social changes, Bangladesh is facing serious climate change related problems, such as higher concentration of arsenic in the country’s natural water sources. While current development policies in Bangladesh remain unable to reduce economic and social inequality in the country, climate change brings an added layer of complexity to the question of governance. These complications make Bangladesh a promising
destination for the development aid industry which treats poverty reduction as a business opportunity and has more lessons than successes in reducing poverty (Riddell 2008; Apthorpe 2011; Venugopal 2018). Despite that, the aid industry is deeply invested in climate change mitigation with aims to provide the financing required for “an orderly transition to a low carbon, resilient global economy” (The World Bank 2018c).

Such a state of precarity and underemployment has encouraged rural and young Bangladeshis to work as migrant workers in the construction sites of the Middle East and beyond (Eelens and Speckmann 1990; Md. Rahman 2012). Presently, Bangladesh is one of the top ten remittance-receiving countries in the world (The World Bank Group 2016b, 19). Between 1990 and 2010, the emigration rate in Bangladesh increased by almost 750 percent (Bangladesh Government 2011), which brings Bangladesh on to the list of the top five emigration countries (The World Bank Group 2016b, 29). The emerging new remittance working class and the politically connected new elite class represent two different and contrasting social groups related to the politics of development in Bangladesh (Islam 2017; Sobhan 1984).

Since the development industry in Bangladesh is now deeply embedded in its culture and class structures, I analyze development through an examination of those class relations and how they are situated vis-à-vis the politics of development and economic globalization. To understand the genesis and persistence of these class differences, I examine a broad network of actors in my study, including small, medium, and wealthy entrepreneurs, NGO aid facilitators and development professionals operating in Bangladesh’s private and public sectors, including commercial agriculture, the readymade garment industry, the Ministry of Transport, and privatized higher education institutions. I was also able to engage with many individuals who were the direct and indirect targets of development within these sectors, including undergraduate
students and faculty at private universities, retired academics, homemakers, media personnel, small scale farmers and landless labourers. Although aid resources are meant to assist the impoverished, my findings collected from the members of these various social groups indicate that the valuable resources are mostly spent and consumed through privatization to consolidate and maintain the status quo by a newly emerged economic-political elite class in Bangladesh.

In regards to the politically connected new elite class in Bangladesh, I also investigate the sudden rise of these networks among the wealthy and upper middle-class in the country. According to the World Ultra Wealth Report (2018, 16), “Bangladesh has been ranked the fastest growing country with an increasing number of rich population.” Yet Quadir (2015, 10) remarks that presently Bangladesh is ruled by a government that is democratically elected but that nevertheless functions as a form of “kleptocratic fascism” and that this pattern of rule is responsible for the lack of social mobility for the impoverished. Sobhan (1984, 202–3), a prominent Bangladeshi economist, agrees and highlights a historical path of dependency towards wealth creation plagued with corruption and nepotism. He further explains that the dominant classes in Bangladesh are not an autonomous ruling class but dependent on external patronage provided through the Western aid regime.

Building upon this network of relationships between the Bangladeshi elites and international aid agencies, my research questions address three inter-related issues, first of all, whether aid resources are actually reaching their intended recipients, or if the elites are capturing or diverting them and, if so, through what mechanisms and strategies. Secondly, I seek to determine how much influence the members of each of these social groups—the impoverished Bangladeshi aid recipients, the international aid agencies, and Bangladeshi elites—have in the design of the development projects and how that affects their lives. Finally, I attempt to
understand and document the range of opinions and varied levels of awareness that members of various social groups and stakeholders express in regard to aid, privatization, deregulation, as well as their expectations surrounding the long term effects of globalization.

Exploring these three questions through a multi-sited research project within rural and urban Bangladesh has helped me to understand how external international forces of development—aid, privatization, and neoliberalism—shape peoples’ everyday lives and articulate with politics on the ground. Emerging from the data are two important optics for the analysis of development aid in Bangladesh: a) analysis of power; and b) analysis of failure. By looking at how power and failure are mutually constituted in Bangladesh, I engage a holistic and reflexive lens to understand certain contributing factors and outcomes leading to poverty and economic inequality, as well as how the development aid ‘loan/grant’ process works/or not to reduce poverty in the case of Bangladesh. What is certainly evident is that the application of development aid for poverty reduction has generated less than minimal success raising the question: “does it actually work?” That question is an indication of how little we still seem to know about the impact and influence of aid (Riddell 2014).

Additionally, I argue, that the only way to provide agency to the non-Western world in the broader discussion of international development is through contextualizing ‘development’ historically and showing how it continues to inform the present, as well as aspirations for the future. This historical analysis wedded to contemporary social lives in South Asia is instrumental to address factors over-simplified or overlooked in the contemporary narratives of development, poverty, and growth (Banerjee 2018; Cooper 2005). My dissertation attempts to fill that gap in the context of development in Bangladesh in twenty-first century led by findings that illustrate the dual-hegemonic characteristic of the state and the development aid agencies where their
mutually beneficial tendencies undermine the greater good.
1.1 Presentation of Thesis

Including the introduction and conclusion, there are ten chapters in this dissertation. In chapter two, I review the conceptual and theoretical framework that informs much of the debate around development in the modern world. The analysis is arranged in two sections. I begin by contextualizing three historical phases that underlie and contribute to the emergence of development discourse and the politics of aid: a) the late 18-century rise of industrial capitalism, b) the 1944 Bretton Woods Conference and the end of WWII, and c) the breakdown of the Bretton Woods control in early 1970s on capital movements. Following my discussion of these historical periods, I outline my conceptual and theoretical framework which is informed by interdisciplinary approaches to international development drawn from such disciplines as anthropology, economics, sociology, human geography, history, and political science. Much of my theoretical background falls within the scope of political economy in conversation with the critical literature and debates around two main conceptual themes: dependency and world-systems theories. I also unpack how these theories contribute to debates about neoliberalism and economic globalization, especially as they speak to the importance of international development aid in Bangladesh. The main conclusions from this chapter demonstrate that development aid is guided by economic structural forces linked to broader neoliberal changes that result in the construction of poverty and perpetuation of socio-economic inequality through the application of over simplistic quantifiable indicators, such as GDP. These processes also overlook the outcomes of development aid on various social groups, cultures, and countries.

In chapter three I provide a detailed overview of the methodological approaches that informed my choice of interdisciplinary research and data collection techniques. In short, my investigation on poverty and development in Bangladesh follows a dual approach—analyzing
Bangladesh from historical, political, and economic perspectives, as well as conducting fieldwork in both rural and urban parts of Bangladesh. My main methodological orientation is influenced by qualitative research and the philosophical foundations of pragmatism which has been useful in showing how my research informants in Bangladesh have roots in their respective histories and culture, and how that shapes their subjectivity. Given the complex relationship of development aid in Bangladesh, I designed my study to focus on the networks and relationships formed around the politics of development. As noted above, this strategy led me to include a broad range of individuals, institutions, projects, and events in my study.

My main field methods include unobtrusive observational studies, participant-observation, informal and semi-structured interviews, focus groups, archival and census data, and content analysis of media publications. I draw on these multiple sources of data collection from different locations in which the aid recipients and other members of different social groups were situated in Bangladesh. These sites include industrial, residential, and baazar (market) areas in the city of Dhaka, as well as in Shimulia and Doulotpur villages located outside Dhaka, and finally, Cox’s Bazar, a popular tourist destination in Bangladesh located in the southeast area of the country. This fieldwork was carried out from June 1 to August 31 in 2014 in rural and urban Bangladesh, followed by another six weeks of fieldwork during July 7 to August 22 in 2016. I gathered quantitative data from secondary sources and before each trip I conducted web analysis on Bangladeshi media reports. In total, I interviewed 46 informants in rural and urban Bangladesh and employed purposive sampling among my urban contacts in Dhaka.

In chapter four, I narrate the long and turbulent history of state-building in Bangladesh since the Indo-Aryan period and the consequent re-shaping of class structures during the Islamic, Mughal, British, and Pakistani periods until Bangladesh’s independence in 1971. I argue that this
historical overview of class structures in the Bengal region is critical to understanding the ways in which development discourse and social structures are mediated in contemporary Bangladesh. Although one has to be careful of oversimplifying these complex historical processes, they do provide important insights into the power vacuum that Bangladesh faced when it became independent on December 16, 1971. Furthermore, my historically-informed investigation of development in Bangladesh helps to provide a background that is necessary to argue for alternative justifications that are “self-consciously distinct and independent of colonial connotations” (Banerjee 2018, 34), as well as liberated from leading development aid agency rhetoric.

Moving from the historical chapter to independent Bangladesh, in chapter five I explain the power vacuum that emerged at the end of the Pakistani period and facilitated the emergence of a new Bangladeshi elite class that achieved hegemonic status through forming alliances with the hegemonic Western international aid/development industry. Drawing on the concept of dual hegemony, I investigate the Bangladeshi elites and Western aid industry and show how this alliance is mutually beneficial in terms of retaining positions of influence over the country. The findings also link the neoliberalism induced development industry in Bangladesh, as well as to the country’s expanding socio-economic inequality. Particularly, I highlight the emergence of a new remittance working class as an outcome of not only the expanding socio-economic inequality but also entrenched patterns of poverty and migration in Bangladesh. Finally, with an aim to exploring the causes of poverty, I identify capitalist and non-capitalist factors that contribute to the construction of poverty in Bangladesh. The findings suggest that poverty reduction through development is a political function with roots in history, despite its portrayed apolitical and ahistorical images.
Moving from my analysis of dual hegemony and poverty in Bangladesh, in the following chapters six through nine I present the results of my field data. In these chapters I illustrate the international development aid industry’s systemic design, implementation, and program failure in contemporary Bangladesh’s public and private sectors, as well as establish the links to the state and aid agency dual hegemony in practice in the country. In chapter six, I showcase the class relations among various social groups—new political elites, military class, remittance class, emerging middle-class, underemployed youth, landless peasants, among others—in rural and urban Bangladesh. Particularly, I illustrate that these elites remain connected to the country’s national politics and hold supreme authority vis-à-vis allocating government and non-government funding to development projects. These elites can be seen to be encouraging the prioritization of orthodox Islam based education system within their respective rural constituencies. These observations link to the overall helplessness of the impoverished in Bangladesh, as well as suggest they have marginal or zero influence in designing the poverty reduction activities in Bangladesh.

In chapters seven through nine, through three case-studies I highlight the effects of development aid and privatization measures respectively on Bangladesh’s private sector, public service, and the private higher education sector. Based on my analysis of power and failure, these findings illustrate how the dual hegemonic and mutually beneficial characteristics of the state and the development agency undermine the greater good. Particularly, in chapter seven, I highlight that aid agency failures in design, management, and program agenda, as well as a lack of quality control sustain the influence of class in privatizing Bangladeshi industries. In the case of the women’s entrepreneurs association, my findings also demonstrate how class-based inequalities are reaffirmed and deepened through inequitable distribution of aid grants.
In chapter seven I also document the record of aid that flowed in through a World Bank project in Bangladesh that existed during 2002–2008. This project was managed by the South Asia Development Facility (SEDF) which was launched in 2002 by the World Bank’s International Finance Corporation. Studying the design and budget dissemination of this IFC-SEDF project helped me to understand how an aid project aiming to deregulate and privatize resources unfolded in Bangladesh. Also, speaking to IFC-SEDF’s former staff members and project beneficiaries during my fieldwork expanded my learning regarding aid projects mainly functioning with senior government bureaucrats and local business elites, while the project staff and grass-root project beneficiaries have marginal or less influence either in the project design or budget disbursement. In addition, my research considers how much agency Bangladesh had in how these globalizing forces proceeded, specifically in regard to projects like this. For example, what role did Bangladeshi officials have in negotiating loans or bargaining technical assistance from the World Bank and/or the International Monetary Fund (IMF)?

In chapter eight, I highlight specific examples from Bangladesh’s public sector, mainly the Bangladesh Road Transport Authority (BRTA), which has received a great deal of financial support from the World Bank. My findings show that a lack of oversight sustains an underground economy at BRTA. These findings also illustrate how the dual hegemonic and mutually beneficial characteristics of the state and the development agency fail to achieve greater good for the Bangladeshis. This case study of the BRTA is followed by a discussion of the privatization of Bangladesh’s higher education sector and the deregulation of the public universities in the country in chapter nine. Drawing attention to the institutional practices, knowledge production, and social relations that underlie the higher education system, my findings substantiate the argument that the frictions that have arisen between public funded versus private universities is
driven by powerful and wealthy Bangladeshi capitalists and is a direct consequence of economic globalization. In each of these case studies from chapter six to nine, I explore the design, implementation, and program failure aspects of different development aid projects in Bangladesh, as well as highlight the role of dual hegemony and the mutually beneficial relations between aid agencies and state administrators and/or Bangladeshi elites.

I conclude with chapter ten, summarizing my interdisciplinary and fieldwork results on the analysis of power and analysis of failure. Although civil society — the ‘third sector’ in a society, which is separate and distinct from government and business, and includes community organizations, NGOs, families and the private sphere — is not the focus in this dissertation, I acknowledge that the role of civil society is immensely important in any nation, including Bangladesh. In my conclusion I highlight the importance of generating a strong civil society in accelerating social mobility in the country. Also, a vibrant civil society can make donor reports from the aid industry available in the public domain. My plea stems from the observation that although aid donors try to make the voice of the aid recipients heard, what these aid donors carry out with their reports, rather silences the aid recipients. I believe making the internal donor reports available in the public domain would provide a basis for better policy-making.

Additionally, in order to improve development policies in the United Nations (UN) and beyond, I propose that we need to acknowledge poverty is a human made construct by learning the causes and factors that create poverty, such as how poverty grows out of various historical conditions, as well as modern socio-political economic processes. This is a plea I intend to take to the appropriate United Nations agencies such as United Nations Educational, Scientific, and Cultural Organization (UNESCO). I am determined to take my plea further to the development NGO sector in Bangladesh as well. I believe that developing countries like Bangladesh should be
allowed to promote local industries that can serve as substitutes for their imports. Finally, I also acknowledge the limitations of this research project and suggest future research endeavors.
Chapter 2: Theoretical Orientation — Political Economy and Development

This chapter provides a conceptual and theoretical framework to my research and contextualizes some of the wider debates around development aid and its structural influence in creating and maintaining poverty and underdevelopment—a phenomenon that includes not only lower industrial base but also various issues such as inadequate access to public infrastructure (e.g. safe drinking water and sanitation, educational institutions, and highways), widespread poverty and corruption, and high levels of environmental pollution. I begin by reviewing the various literatures associated with the concept of development, and how it is configured through historical processes, discourse, market driven phenomenon, and policy and project prescriptions. The findings are arranged in two sections. I begin with an overview of three historical phases that have contributed to our understanding of development in the modern era. These include: a) the late 18th-century rise of industrial capitalism, b) the 1944 Bretton Woods Conference and the end of WWII, and c) the breakdown of the Bretton Woods control in early 1970s on capital movements and the subsequent rise of neoliberalism. The second section of the chapter draws on various theories related to broader market forces that help to illuminate the varying ways development has emerged as a modern discourse that influences countries like Bangladesh. In particular, I focus on dependency and world-systems theories, as well as discuss how these theories integrate countries through trade, finance, and investments, as well as shed light on neoliberalism and economic globalization. Analyzing the reasons behind these structural changes better position me to approach poverty and underdevelopment, as well as to analyze critiques on post-development and alternatives to development.
2.1 Development in Context: Historical Processes and Contested Categories

As Edelman and Haugerud write, much of the debate surrounding development in the twenty-first century focuses on whether or not:

most societies follow the same trajectory towards greater accumulation and well-being or, alternatively, whether wealth in some places or among certain social groups is causally related to poverty in other places or among other groups. Similarly, the notion of a single development trajectory implies that history, rather than reflecting the outcomes of struggles between contending social groups — including at times very localized struggles — is simply a *deux ex machina*, in which culture and political process play no role. (Edelman and Haugerud 2005, 2)

The expanding global socio-economic gap in the early twenty-first century raises important questions about development’s legacy in many parts of the world (OXFAM 2017, 2019). Conventionally, development is about achieving economic growth. However, alternative definitions of development have been proposed that emphasize access to freedom and well-being. As an alternative, “development” broadly refers to expanding the real form of freedom that people can access and enjoy by altering their economic and social arrangements to make advances in well-being, living standards, and greater life prospects (Cooper and Packard 1997; Sen 2000). In the words of Amartya Sen,
Development requires the removal of major sources of unfreedom: poverty as well as tyranny, poor economic opportunities as well as systematic social deprivation, neglect of public facilities as well as intolerance or overactivity of repressive states. Despite unprecedented increases in overall opulence, the contemporary world denies elementary freedoms to vast numbers—perhaps even the majority of people. (Sen 2000, 3–4)

According to the conventional term of development, which is also closely aligned with processes of industrialization and economic growth, is often equated with modernization and globalization by integrating countries through trade, finance, and investment. Some examples that are often cited as advances in “development” are the transformation from “traditional” agricultural economies into technology based industrial production, and the shift from subsistence based living into capital accumulation and mass consumption. As a result, in the twentieth century, development has become “a legitimizing strategy for states, and its ambiguity lends itself to discourses of citizen entitlement, as well as state control” (Edelman and Haugerud 2005, 2).

However, my focus in this study is to critique the conventional approach to development as it is unfolding in Bangladesh because the ideology becomes distorted in the hands of the development industry.

While some scholars see development as an integral part of the modernization teleos, critical scholars like Arturo Escobar (2012 [1995], 4) view “development” as an insidious and destructive myth that can be considered a failed episode of Western modernity. Influenced by Foucault’s analysis of power and knowledge, Escobar treats development processes as “a
destructive and self-serving discourse propagated by bureaucrats and aid professionals that permanently entraps the poor in a vicious circle of passivity and misery” (Escobar 1991, 675; Edelman and Haugerud 2005, 2). It is for these reasons Escobar relies on Marxist scholar Andre Gunder Frank, who equates development with the production of underdevelopment through rendering dependency (Frank 1967, 3). Thus, as a contested concept, in this dissertation I argue that is important to understand how development has emerged as a historical and modern social construct, as well as how it has become embedded in certain state governments like Bangladesh.

2.2 The Late 18th-Century Rise of Industrial Capitalism

The rise of the Industrial Revolution in the late-18th-century is often associated with the ideology of development because it was the first time Europeans made significant material progress on the world stage. There are two main precursors in this period that include the rise of capitalism, which was construed and expanded through the colonization of Asia, Africa, and Americas by a few dominant European countries (e.g. England, France, Portugal, and Spain) in the 15th and 16th centuries. The other precursor in the first stage of development was the struggle that commoner Europeans faced with monarchy, religious and class conflicts that resulted in poverty, massive unemployment, alongside rapid urbanization (Cowen and Shenton 1996, 5). In this rapidly changing social landscape the work of Scottish Philosopher and political-economist Adam Smith provides some valuable insight.

According to economic historian Skinner (1999, 5─6), in 1759 Smith published The Theory of Moral Sentiments, in which he acknowledged that “all people had the capacity to care about others,” however, according to Smith, “people often act in their self-interest, especially in economic matters and self-seeking individuals are ‘led by an invisible hand’ that causes them to unintentionally act in ways that still benefited society” (Skinner 1999, 6). With that, Adam Smith
coined the term “national wealth” and proposed that the “wealth of a nation” is made of both farm output, as well as manufactured goods including the labour input required to produce them. In order to increase national wealth, Smith suggested, a country needs to increase its economic production through a specialized workforce. Smith reasoned that the makers of products would exchange their goods in a money-market (free-market) with workers or producers of other products. According to Smith, the development of these free-markets this can lead to natural liberty because such a system considers everyone in a society including landowners, factory owners, and workers (Skinner 1999, 6).

Adam Smith formed his theoretical arguments about free-market by expressing reservations about mercantilist trade practices that “imposed high import duties, gave subsidies to favoured companies, and granted monopolies to powerful special interests like the East India Company” (Skinner 1999, 7–8). Smith also showcased how such preferential practices limited competition, kept prices high, and made a small class of privileged manufacturers and merchants very wealthy. Highlighting the measures of the British colonial empire such as the trade restrictions imposed on the so called British colonies in North and South America, Smith remarked, “these restrictions benefited British special interests but [were] hurtful to the general interest of society” (Skinner 1999, 6). Finally, Smith suggested that instead of helping the rich, a government needs to leave the economy alone and let the “natural course” of free-markets and free trade emerge. The role of the state in this context is to develop a robust infrastructure to enhance the free flow of people and capital, improving social conditions by educating the country’s youth, avoiding larger public debt, and setting tax rates based on an individual’s earnings (Skinner 1999, 8). He also adds that a state needs strong military protections in case of invasion. By making these suggestions, Smith introduced the ideal notion of economic liberalism
— *laissez faire* (to leave alone) economics.

Historically, economic liberalism went hand in hand to facilitate a reformed political conscience (philosophical liberalism) in Europe that favoured the representation of intellectuals and regular working class people in governmental or administrative decision-making. The conceptualization and narration of a “universal history” that was expressed in larger philosophical currents from the Enlightenment, illuminating human intellect, such as Marxist and Hegelian thought (Edelman and Haugerud 2005, 6), can be seen as examples achieved by the first phase of development. These intellectual traditions remain emblematic as achievements related to development.

Overall, both economic and philosophical liberalism provided impetus for the Industrial Revolution in Europe, which in turn also helped to facilitate scientific advances. Using and building upon advancements in science and technology helped to give colonizing, Western European states burgeoning industrial capabilities to exploit raw materials collected from the rest of the world, such as cotton from India and wool from New Zealand and Australia. At the same time, the deindustrialization of the industries in India by the British colonials provided the supply of raw materials for the European markets, especially British industries (Tharoor 2015b, 337). These outcomes created new markets for British products in India, and elsewhere. As a result, since the late 18th century Western Europe and its allies, such as the United States experienced rapid economic development and infrastructural growth (Hudelson 1999, 37).

The first historical phase of development took place in Europe through the Industrial revolution during the late-18th-century up until the early 20th century. A rapidly changing social landscape caused by the interconnected rise of capitalism and colonization, as well as common European resentment towards monarchy, religion and class conflicts buttressed the Industrial
Revolution. The introduction of the free-market concept by Adam Smith accommodating the working people’s rights and political reform strengthened the accomplishments made by the first stage of development. In the following section I explain the second phase of development.

2.3 The 1944 Bretton Woods Conference and the end of WWII

Economic expansion continued beyond the first phase of development, and after the end of WWII, particularly in the 1950s, the US emerged as the world’s biggest economic power and led the economic transformation of former colonized countries (Leys 1996). Such emergence of the United States as a global super economic power defines the second phase of development, which I explain in this section.

Development in the 20th century moved towards globalization that integrated world economies through trade, finance, and investment. It began with decolonization after the end of WWII in 1945, when most of the colonized countries in Asia, Africa and Americas emerged as newly independent states. However, the harsh impact of colonization left these countries struggling with various social-economic barriers that included high unemployment, illiteracy, and widespread poverty. Therefore, in the second phase of development, the economic transformation of the colonies of British, French, Portuguese, and other European powers that comprised 28 percent of the world’s population, was increasingly problematized (Leys 1996, 5).

A precursor to this development phase was the establishment of Bretton Woods financial institutions—the World Bank and the International Monetary Fund (IMF)—in 1944 that established the price of gold to develop a system of fixed currency exchange. The World Bank and IMF primarily advised and assisted the post-war European countries with loans to limit their capital movement across national border, as well as to develop national economic plans to foster growth. As a result, many European countries built mega-infrastructure, such as highways,
modern seaports, irrigation schemes, and hydroelectric plants (Edelman and Haugerud 2005, 6). While the World Bank and IMF assisted the European countries, in 1949 US President Harry Truman pledged to apply US scientific and technological expertise to reduce global poverty. These ideas supporting poverty alleviation and development were strongly influenced by the works of John Maynard Keynes, the main British delegate to the Bretton Woods conference in 1944, who advocated in favour of government spending as a powerhouse of economic growth, as well as an important source to generate employment (Edelman and Haugerud 2005, 6).

The causes and outcomes of the Great Depression also worked as a key precursor and provided legitimacy to state intervention in the economy and to ensure there was a distribution of resources to those who needed it most. For Keynes, he believed when states intervene at the national level and generate positive outcomes, the benefits would trickle up at the international level (Keynes 1936, 372–75; Urmetzer 2003, 75–76). He forcefully argued that the key assumptions about the free market made by Adam Smith—*laissez faire* economics—were indeed assumptions. Keynes also differed quite significantly from his predecessors that challenged capitalism including Pierre Joseph Proudhon, Charles Fourier, Robert Own, Karl Marx, and Friedrich Engels. These critiques aimed to displace capitalism, while Keynes advocated reforming its “out-of-control” character that emerges without the oversight of a robust state system (Urmetzer 2003, 74).

During the Depression, Keynes observed lower wages of workers led to overall lower consumption that resulted in stock overflow and consequently led to lower manufacturing production. That process generated an overall reduced aggregate demand for goods and supplies, as well as led to stagnation in the economy. Through these observations, Keynes strongly opposed the traditional assumption of economists that workers would be hired when wages fall
to a point, and the wages of workers would eventually increase leading them to prosperity. Instead of relying on that promise of the long term, Keynes was concerned about the consumers and market in the short term.

Building upon these real life economic issues, Keynes carefully negotiated with his intellectual free market opponents and successfully bridged rival ideologies—capitalism and socialism—to offer a “middle way” or mixed economy that included legitimized state monitoring and intervention when needed. Presently, it is worth highlighting that there is not a single Western country that upholds a completely “free market.” Also, all industrial economies continue to practice alternative forms of mixed economy. For example, these “developed countries” provide subsidies to public schools, as well as construct roads and bridges and provide security to citizens instead of relying on private sources for support. Particularly in Canada, the government provides family allowances based on the number of young children in families. However, Urmetzer (2003) argues that although there have been cuts in the growth of the social programs, terms such as decentralization and reversal do not refer to the same meaning. In his own words, “we have not experienced a watershed change in the way that economies have been run in the past half century. The most accurate description of government spending is that it has plateaued” (Urmetzer 2003, 77). I interpret this “plateau” as caused by the fact that while Western governments advocate for free trade, because of various political pressures these governments are forced to practice Keynesian principles to some extent.

Such mixed economic practices facilitated a new form of economic liberalism that emerged and flourished between the 1930s and 1970s, which Peck refers to as a “social market economy” (Peck 2008, 3). Despite its structural advantages that enable a country to invest on its national economic infrastructure, as well as to control the mobility of its currency across its
international border, there remain some criticisms about the development approaches taken during this period. An example of such reservation includes the measures of the Western technocrats that overlooked the causes of poverty as they approached the economic transformation of the newly independent countries (‘Third World’). Instead of explaining poverty as an impact of the “self-regulating process of economic growth or social change” (Cooper and Packard 1997, 1), the developed Western countries and Bretton Woods financial institutions cast poverty and development related issues “in apolitical, ahistorical, technomanagerial terms — disguising the profound political questions at stake in common interventions in agriculture, health or education programs” (Ferguson 1994, 66). Apthorpe (2011, 210–14) agrees with Ferguson to add, “[development] is peculiarly innocent of history or subject to self-serving pseudo-history.” Expanding on this statement, he also argues that ‘development’ “tend[sic] to live in an eternal present” (Apthorpe 2011, 214).

Despite all these criticisms about development being ahistorical, apolitical, and technomanagerial, the Bretton Woods institutions and their technocrats assumed the development process should fit a pre-existing design and ‘encouraged’ the newly independent countries to cooperate with Western aid agencies and the Bretton Woods financial institutions. These functions transformed the meaning of development between the 1930s and 1970s as structural changes made in this period led to broader global economic, political, and social changes. For example, these structural changes helped the Western countries, particularly the USA and Britain, to counter the expansion of communistic ideas in the ‘Third World’ developing countries sponsored by the former Soviet Union (USSR). The tensions between these two political blocks led to increasing military expenditure on both sides, as well as facilitated a new phase in politics of development, which I explain in the following section.
2.4 The Breakdown of the Bretton Woods control in early 1970s: Capital Movements and Beyond

A third phase of understanding the politics of development began in the 1970s when the Bretton Woods financial institutions imposed structural changes in the modern era that ultimately changed the meaning of development, especially for those countries trapped by these new arrangements. For example, the Bretton Woods financial institutions removed the control of the state on capital that consequently weakened the capacity of a state to promote national economic growth. At the same time, the United States replaced gold with the US dollar as the fixed measure of currency exchange. In order to implement these changes worldwide, the US led a series of market oriented, global policy changes through the Bretton Woods financial institutions. These changing policies and the heightened movement of global capital across borders are frequently defined as neoliberalism.

According to Venugopal (2015, 165), neoliberal economic phenomenon encompasses “two very clear and distinct periods, marked by a structural break.” They include: a) the “social market economy” influenced by Keynesianism from the 1930s and early 1970s, which I explained in the previous section—the second phase of development; and b) since the mid-1970s until present. As a result of the structural changes made during the latter stage, particularly towards the beginning of the 1970s by the Bretton Woods financial institutions and the US, the latest form of neoliberalism emerged as a “great reversal” (Palley 2005, 20) of the economic theories of John Maynard Keynes (1936), one that values the market over the state to deal with economic and social problems (Edelman and Haugerud 2005, 7; Farmer 2003, 5).

I argue that neoliberalism, which is not just a rejuvenated version of liberalism, changed the meaning of development because it values profit above all else and treats society as subordinate to the economy. As Karl Polanyi (2008 [1944], 23–24) argues, the entire tradition of
modern economic thought is based on the concept of the economy as an inter-locking system of markets that automatically adjust supply and demand through the price mechanism. He points out that before economists invented the free market system, the human economy, since the dawn of time, was always embedded in society. Polanyi argues that the system of self-regulating markets has subordinated society to the “logic” of the market. As a result, the self-defined “developed” [neoliberal] world now runs society “as an adjunct to the market, where instead of the economy being embedded in social relations, social relations are embedded in the economic system” (Karl Polanyi 2008 [1944], 24).

Additionally, neoliberalism directives turned money into a stateless object, as well as facilitated the subsequent deregulation of the state power in the name of globalization that generated immense political disruptions, rising socio-economic tensions, and operationalized resistance to neoliberal policies and establishments in the developing countries. For example, between the mid-1970s and early 1980s, the World Bank led by former American military general and former CEO of Ford Corporation, Robert McNamara, changed the institutional focus from helping the European countries to assisting the non-European developing countries (Habib 2011, 559—561). During this period the World Bank and IMF started to advise and ‘assist’ developing countries to limit state authority and monopolies (deregulation), generate ownership of private enterprises (privatization), and outsource government responsibilities. The World Bank and IMF also made developing countries abandon domestic industries that functioned as import substitutes and increase imports through integrating a global market framework based on trade, finance, and investment (Chang 2003, 3).

Previously, some developing countries, such as Argentina, Brazil, and Mexico, among others, successfully showed signs of “progress” through increased economic development and
self-sufficiency based on creating strong nationalized domestic markets and providing subsidies to important industries including agriculture, as well as by increasing taxation and sustaining protectionist trade policies. However, the changing form of development—neoliberal directives—favouring private ownership was complemented by the Central Intelligence Agency (CIA) induced coups in various parts of the Asian, African, and Latin American world. Most of these measures toppled or overthrew the democratically nationalist governments in developing countries with either authoritarian or military regimes (Chang 2003; Chossudovsky 2003; Reinert 2007).

Chang (2003) and Reinert (2007) argue that the manner through which Western countries aspired to develop the ‘Third World’ countries contradicts the development history of the industrialized West. For example, these authors highlight the establishment of protectionist US economic policies made by Alexander Hamilton (1755–1804), who aimed to promote strong domestic industries in order to reduce foreign imports. An outcome of that process was the establishment of USA’s first central bank in 1791. Chang and Reinert argue that every major economically rich and technically advanced developed country, including the USA and England practiced economic policies that protected their national companies during the process of industrial development. Once these countries had reached a level of industrial development to compete in the global market, they adopted free market approaches (Chang 2003, 51; Reinert 2007, 22–3).

For example, whereas the World Bank and IMF continue to ‘advise’ developing countries to deregulate state authority, as well as to cease state sponsored/subsidized industries, the USA still subsidizes and protects varieties of American products and industries, ranging from agriculture to high-tech industries (Reinert 2007, 22–23). He also shows that the US federal
government located in Washington DC spends more than USD 20 billion every year as loans and guarantees to support private US companies. However, located in the same city, institutions such as the World Bank and IMF prescribe “loan conditionalities” to “developing” countries but refrain from setting up similar practices.

Building upon that contradiction, I infer from these examples that most of the developing countries prematurely entered into the free market economy before reaching a level of industrial development at which they could successfully compete in such a market environment. Highlighting the duplicity of the neoliberal Bretton Woods institutions as led by the US, Reinert (2007, 23) humourously quotes the 1820s American maxim, “Don’t do as the English tell you to do, do as the English did,” as well as paraphrases that remark, “Don’t do as the Americans tell you to do, do as the Americans did.”

Another important factor is the military strength of the industrially developed states because having a strong military force not only offers protection but also ensures that other countries respect their commitments and relevant rules of business. Therefore, the strong military capacity of the industrially developed countries complemented the expansion of neoliberalism through the Bretton Woods institutions (Harvey 2005, 2):

The role of the state is to create and preserve an institutional framework appropriate to such practices. The state has to guarantee, for example, the quality and integrity of money. It must also set up those military, defence, police and legal structures and functions required to secure private property rights and to guarantee, by force if need be, the proper functioning of markets. Furthermore, if markets do not exist (in areas such as land, water,
education, health care, social security, or environmental pollution) then they must be created, by state action if necessary. But beyond these tasks the state should not venture. State interventions in markets (once created) must be kept to a bare minimum because, according to the theory, the state cannot possibly possess enough information to second-guess market signals (prices) and because powerful interest groups will inevitably distort and bias state interventions (particularly in democracies) for their own benefit” (Harvey 2005, 2).

Harvey emphasises that neoliberalism is “a theory of political economic practices” rather than a “complete” political ideology because while some advocates of neoliberalism, such as the economists Hayek and Friedman and conservative politicians including Reagan and Thatcher, endorse some aspects of political liberalism, others do not, such as autocrats Deng Xiaoping and Augusto Pinochet.

These mentioned decision-makers remain known for being connected to their respective country’s national politics and holding supreme authority vis-à-vis allocating government and non-government funding to national development projects. Mostly, the direct beneficiaries of such funds are the interest groups and businesses that remain closely aligned with the values and objectives of neoliberal decision makers. For example, allocation of public funds for advertisement and education are spent through corporate outlets that are owned by and/or closely associated with government decision-makers (Quadir 2015, 10).

Overall, this pattern of rule and disbursement of public resources through an unregulated banking system, lower taxes for the wealthy, and deregulated labour industry in the name of
privatization deliberately empower the market, degrade the environment, and intensify capitalism. At the same time, such a process facilitates capital accumulation by a powerful few instead of allowing public resources to trickle down to all social groups within a country (Harvey 2005; Stiglitz 2008). Consequently, such neoliberal activities make the rich and powerful wealthier, as well as increase the gap between the rich and poor. Since even basic healthcare and education services must be purchased under neoliberalism, social mobility for the underprivileged and impoverished becomes even more difficult to achieve (Harvey 2005; Quadir 2015; Stiglitz 2008).

Regardless of these long term outcomes, since the 1980s the World Bank made development aid and loans to less developed countries conditional upon those countries meeting neoliberal policy aims. Presently, these are common practices of ‘development’ in most developing countries. As the 1980s came to a close while the size of government in developing countries shrank, various non-governmental organizations (NGOs) mushroomed to carry on the public sector work in many developing countries. These NGOs practised the guidelines provided by neoliberal directives as they received funds from Bretton Woods institutions, Western governmental sources, as well as from individuals and private foundations. As a result, along with ‘development’ service provisions, NGOs branched into new spheres of work, such as advocacy. According to Edelman and Haugerud (2005),

NGOs are not necessarily more dependable and often are not as separate from state interests and personnel as the ideal type implies. Many European donor NGOs, for example, obtain most of their funding from their respective governments or the European Union, which hardly makes them “non-governmental.” …They [NGOs]
provide new avenues of economic mobility for some, at times contributing to inequalities of power and wealth. (Edelman and Haugerud 2005, 27)

Despite this criticism of NGOs, these institutions and their patrons—the Bretton Woods institutions and Western donors—have brought poverty to the international stage and its relationship to development aid has become central to much academic work (Easterly 2005; Mosse 2005; Mosse and Lewis 2005). The mainstream Euro-American donors made commitments to attack poverty by setting up The Millennium Development Goals (MGDs), which once again pushed poverty alleviation to the top of the global aid agenda. However, the events that took place on September 11, 2001 affected aid mechanisms that resulted in making aid once again highly political and increasingly tied to militarization. For example, “security” has emerged as a new product for aid providers and has brought defense contractors into the development aid industry (US Aid 2016; Husain 2017, 342).

Despite mainstreaming the operation of neoliberal directives in development, poverty continues to remain widespread in the twenty-first century and alternatives to development continue to be elusive. Most practitioners and analysts acknowledge that a large number of development projects end up as failures (Apthorpe 2011; Escobar 2012; Mosse 2005; Ferguson 1994; Riddell; Venugopal 2018). Additionally, the vast and expanding socio-economics realities illustrate disillusionment about the agents—the World Bank and IMF, bi-lateral or multi-later aid agencies, and governments, among others—that promised to replace poverty with prosperity.

I argue that neoliberalism as a phenomenon has intensified over the past couple of decades, and has become more deeply and thoroughly embedded in the economic lives of people around the world and is central to globalization, through which peoples, corporations, and
governments now interact and integrate across national boundaries. Although there are several different definitions and meanings around the concept of globalization, I argue that the pace and intensity of globalization is strengthened by the hand of neoliberalism. In fact, one could argue that neoliberalism and globalization are interlinked or mutually constitutive phenomenon. According to Peck (2010, 7), when neoliberal directives are implemented in different cultural contexts through ‘globalization,’ the generated outcomes become significantly different versions from what the ideal free market template predicted. Labelling such outcomes as “messy hybrids,” Peck emphasizes that neoliberal directives encompass narrow perspectives—“cookie-cutter, context-blind, and politically naïve”—that operate with a limited set of instruments, such as free trade, privatization, and import substitution (Peck 2010, 7). Peck further adds that these instruments fail to understand the economic structures of developing countries.

2.5 Theoretical Perspectives

In this section, I examine the importance of dependency and world-systems theories in understanding development, as well as unpack some of the main concepts such as neoliberalism and economic globalization that are central to this dissertation. By drawing on these theoretical perspectives I aim to show how the international development industry in Bangladesh is not disconnected from wider economic global changes.

Dependency and world-systems theories provide basic foundations to analyze the central debates around development: a) whether all countries or societies follow the same economic trajectory towards greater well-being through wealth accumulation; and b) alternatively, if wealth accumulation in a few societies and among certain social groups are causally linked to the construction of poverty in other societies or among other social groups (Edelman and Haugerud 2005, 2). I begin with explaining dependency theory and then move on to the world-systems
2.6 Dependency Theory

Dependency theory problematizes the flow of resources, such as raw materials and labour input from a “periphery” or impoverished state to a “core” or wealthy state. Key factors that draw distinction between a “periphery” and “core” state include industrial capacity, as well as Human Development Index (HDI), which is compiled statistical information based on life expectancy, education, and per capita income of citizens in a country (HDI 2018). A “core” country has higher industrial base and higher HDI ranking compared to a “periphery” state. For example, out of 189 countries included in 2018 HDI index Norway secured the highest ranking, while Bangladesh was in 136th position. Dependency theory’s central argument is the flow of resources from a poor to a wealthy country consequently enriches the latter at the expense of the former.

Analyzing power disparity in capitalism induced class relations, as well as various historical influences, processes, and conditions of international trade, dependency theory rejects the concept of modernization that suggests a poor country can become developed and wealthy by receiving investment and technology from an industrially developed, rich country (Cypher 2014). Causally linking the process of ‘modernization’ to underdevelopment, dependency theory suggests a poor country can pave a self-sustaining way towards development by increasing its industrial base, developing skilled human capital, and at the same time lowering the country’s reliance on foreign imports. In the following section, I illustrate the works of various theorists that explain dependency theory.

Marxist scholar Andre Gunder Frank (1967, 3) is a key figure in dependency theory and argues that “international capitalism” constructs dependency relations between rich and
impoverished countries by enforcing “a rigid international division of labour.” In his own words,

Historical research demonstrates that contemporary under-development is in large part the historical product of past and continuing economic and other relations between the satellite underdeveloped and the now developed metropolitan countries. Furthermore, these relations are an essential part of the capitalist system on a world scale as a whole. (Frank 1967, 3)

Building upon these historical economic relations, Chilean economist Osvaldo Sunkel (1972, 517) supports the idea that generating national development policies (e.g. economic) based on external influences (e.g. Bretton Woods financial institutions) create dependency. While Sunkel emphasizes the influence of external forces in shaping national development trajectories, Brazilian social scientist Theotonio Dos Santos (1971, 226, 231) critically analyzes the historical conditions, as cited by Frank (1967), that undergrid dependency between countries today. Santos remarks:

[Dependency is] … a historical condition, which shapes a certain structure of the world economy such that it favours some countries to the detriment of others and limits the development possibilities of the subordinate economics … By dependency we mean a situation in which the economy of certain countries is conditioned by the development and expansion of another economy to which the former is subjected. The relation of inter-dependency between two or more economies, and between these and world trade, assumes the form of dependency when some countries (the
dominant ones) can expand and can be self-sustaining, while other
countries (the dependent ones) can do this only as a reflection of
that expansion, which can have either a positive or a negative effect
on their immediate development. (Santos 1971, 226 and 231)

Central to the work of Frank (1967, 3–4), Santos (1971), and Sunkel (1972) are the ways
in which dependent countries provide cheap mineral resources, agricultural commodities, and
labour in the global economy. At the same time, these dependent countries remain destinations of
surplus capital, obsolete technologies, and manufactured products from the developed countries.
In all, these functions premise the economies of the dependent states toward the developed
countries because while resources including capitals, goods, and services do flow into the
dependent states, dominant states decide the allocation of such resources based on their
economic interests. Frank (1967) adds that the cost of labour in the dependent states remains a
substantial factor in the dominant state’s determination of allocation of resources in the
dependent states, and such divisions of labour contribute to a “doctrine of comparative
advantage” that helps to explain the rise of poverty in a dependent country.

When discussing the diversion of resources over time sustained between the brokers of
dominant states and the local elites in the dependent states, Frank (1967, 4) writes, “The elites in
a dependent state are consciously betraying the interests of their poor … these elites sincerely
believe that the key to economic development lies in following the prescriptions of liberal
economic doctrine.” Frank bases his observation by drawing from the works of US Marxist
economist Paul Baran (1957), who placed capital accumulation (surplus) at the center of his
dependency analysis.

For example, Baran (1957, 4, 23) observed two main types of economic activities in
dependent countries. Referring to plantation agriculture during European colonial times, he saw most of the surplus going to the landowners, who used that to match the consumption patterns of rich landlords in Europe. As a result, the plantation owner spent most of the surplus on purchasing foreign-manufactured luxury items such as automobiles, while he reinvested little surplus in the development of his plantation and the people that lived on it.

Baran’s second type of observation came from specific tariff protected industrial activities located in “periphery” states, where the head of the manufacturing operation was a foreigner that functioned in collaboration with the local elites. The surplus from such industrial production was usually split into two parts: the majority went to the international shareholders as net profit, while the other part went to the local elites, who consequently illustrated a similar consumption pattern to the plantation aristocracy. Similar to the first example, the following practices reinvested little for the development of their communities in the “periphery” state. Seeing that pattern of the flow of surplus from “periphery” states to wealthy ones, Baran (1957, 23–24) argues that only political revolutions can break such a pattern of underdevelopment. He also emphasized the need to develop workers’ rights and skilled manpower to reduce class difference, as well as promoting the industrial base of a “periphery” country. Marxist scholar Andre Frank (1967) also endorses Baran’s notions suggesting the development of protectionist economic policies.

However, free-market economists, for example Peter Bauer and Robert Allen criticize protectionist economic policies that are influenced by dependency theory. Particularly, development economist Bauer argues that while dependency theory grimaces over international trade and foreign imports, it ignores the fact that industries that live off government subsidies are likely to have less incentives to become competitive (Williams 2014, 44). Particularly,
subsidized industries are less motivated to improve their products and services, as well as remain less keen on enhancement through research and innovation.

Additionally, economic historian Robert Allen (2011, 127) considers the claims made by dependency theory—construction of underdevelopment through international division of labour—debatable. He cites the examples of Latin American countries that implemented protectionist economic policies ended up failing because the small size of their national markets was unable to compete internationally. For Allen (2011, 129) he paints the example of India and the country’s economic success which derived from switching state-controlled (protectionist) economy to free-market trade. Particularly, India's information technology (IT) outsourcing industry, which achieved its success through the movement of capital contradicts the claims made by dependency theorists—flow of resources from a poor to rich country creates dependency and underdevelopment.

Based on the claims made by the free-market economists, I argue that they appear to ignore the historical and cultural factors offering a generalized version of development based on certain assumptions of the market. As social market economist John Keynes argued, the free-market assumptions—market should run itself and governments should cease to intervene—were mere assumptions. If we return to the case of India, before joining the free-trade economy in the early 1990s, India developed its industrial base for the previous thirty years through effective higher education and technological innovation to develop its industrial base and skilled manpower, both of which are now successfully able to compete in the free-market economy. Similar arguments can be made about the growth of Chinese economy that is presently the biggest economy in the world. In other words, one could argue that India and China learned from the industrial and development practices as implemented by USA and UK during the early stages
of their industrial development. Additionally, neither country literally followed the economic prescriptions preached by USA and UK through the Bretton Woods institutions, such as the World Bank (Chang 2003). Reinert (2007, 118) adds that the countries that followed free-market advice, such as Russia, produced disastrous economic consequences. Therefore, instead of contradicting claims made by dependency theory, India and China’s economic success rather supports the arguments made by many dependency theorists.

In all, understanding dependency theory is significant for my research because it illustrates the importance of building a strong industrial base and skilled human capital for a developing country while it remains part of the external global economic network through trade, finance, and investment. Dependency theory also showcases the causal link between wealth creation in a society or among certain social groups and the construction of underdevelopment and poverty in another society or among other social groups. World-systems theory, as outlined in the following section, further unpacks these unequal relations between dominant/dependent states.

2.7 World-Systems Theory

Similar to dependency theory, world-systems theory is a macro-level approach to investigate global economic history vis-à-vis social changes in various ‘modern’ states. The central analytical approach of world-systems theory is that the diffusion (or, spreading) of global capitalism can be divided into three categories—core, semi-periphery, and periphery states—that correlate with an international division of labour.

Immanuel Wallerstein defines the world-systems as “a unit with a single division of labour and multiple cultural systems” (Wallerstein 1974b, 390). He explains that the capitalist world economy constructs a single world-system based on the capitalist mode of production and
that such a system includes both developed and developing countries. This system has been in existence since the fifteenth century with the inception of European colonization. He argues that socialist systems also function in a capitalist manner and/or re-produce capitalism because a communist state is, “merely a collective capitalist firm as long as it remains as a participant in the market of the capitalist world economy” (Wallerstein 1974a, 13, 269–71). Whereas many dependency theories refer to an economic system based on “center/periphery” model, Wallerstein suggests instead a “tri-model” based on “core,” “semi-periphery,” and “periphery” where the roles of semi-peripheral states are dynamic and inter-changeable. He adds:

What is peculiar to the modern world is the stabilization of a particular structure, a world economy, a social division of labour whose boundaries are greater than those of any political entity.

Political structures do not contain “economies,” quite the contrary:
the “world-economy” contains political structures, or states.

(Wallerstein 1974a, 13)

He explains that the “core, semi-periphery and periphery” countries have their respective economic roles in the capitalist world-system. Core states appear to be economically rich, militarily powerful, and politically dominating in the international stage. These countries are former colonial powers and presently function as empires in the modern global financial markets, such as United Kingdom (UK) and the United States (US). Due to various technical, financial, and intellectual resources that are available to these core countries, they remain as the leading authorities in scientific innovation and expertise, as well as possess significant influence on formerly colonized, developing and non-core states (Wallerstein 1974b).

The non-core countries can be divided into semi-periphery and periphery states. Semi-
periphery countries are less industrially developed compared to core economies and do not have nearly the same amount of influence or dominance that the core countries in international trade and politics, such as South Africa and India. In terms of influence on the capitalist world economy, semi-periphery states stand midway between the core and periphery states. However, these semi-periphery states strive to attain a more dominant role as a core state (Wallerstein 1974b). Given the dynamic, evolving nature of global economic history, several countries, such as China, were able to earn greater economic and political influence in the world, and consequently became a core country.

Finally, periphery states are the least industrially and economically developed countries, such as Bangladesh. As a result of being colonized for centuries, these countries have not been able to develop the same level of technical sophistication and industrial capacities in comparison to the core states. These periphery states also have higher percentages of unskilled and uneducated populations that consequently remain an important source of cheap labour for the industrialized nations in the core states. Due to relatively weak governance and various other problems including environmental pollution and higher levels of socio-economic inequality, periphery states are susceptible to greater economic and political influence (or, exploitation) by core and/or semi-periphery states.

For these reasons, Wallerstein (1976) explains that the relationship between the core and periphery remains one of “unequal exchanges” because core countries possess high-technology, create high-profit products, and demand high-wages while the periphery countries deal with low-technology, low-wage, and low-profit products. Wallerstein also argues that the division of labour helps to create profit margins and further reinforces unequal exchanges in a capitalist world economy. In his words:
Semi peripheral states play a particular role in the capitalist world-economy, based on the double antinomy of class (bourgeois-proletariat) and function in the division of labour (core-periphery).

... In part they [semi-peripheral states] act as a peripheral zone for core countries and in part they act as a core country for some peripheral areas. (Wallerstein 1976, 462)

The main drawback of world-systems theory includes its central macro-economic emphasis on the nation-state while overlooking culture, as well as the theory’s inability to accommodate the rise of globalization (Robinson 2011, 723). Instead of countering that criticism, Wallerstein stays tuned to his central nation-state concept and builds upon his original concept. In his own words,

We are now living in a world-system in which there are emerging eight to ten centers of relative geopolitical autonomy . . . The four strongest such centers are located in what is sometimes called the global North. They are in my opinion the United States (which continues of course to be an extremely strong power center, if far less powerful than previously), Western Europe (based on the critical France-Germany tandem), and Russia. The fourth such center is Northeast Asia, by which I mean China, Korea, and Japan.

(Wallerstein 2010, 192)

He explains that each of these geopolitical regions maintains and improves its respective cultural, economic and political relations with other centres while simultaneously trying to deal with internal divisions, as well as finds ways to augment comparative standing in the ‘world-
In that context, Bangladesh’s positioning in the global capitalism network, as explained and illustrated in chapter five, can be critically analyzed by drawing on both dependency and world-systems theories. Building on these important theoretical perspectives, in the next section I show the linkages between them and the international development industry.

2.8 International Development

Although international development preceded the rise of neoliberalism, presently, it has become a critical social construct that is re-modeled upon neoliberal directives and the outcomes of the measures of the development industry can be explained through dependency and world-systems theories. I begin this section by discussing the structures of the international aid industry. There are various types of development institutions such as bilateral and multilateral international development agencies, non-governmental organizations (NGOs), and think tanks, among others. For my research and analysis, I focus primarily on the World Bank and its working model to reduce global poverty and show its connections to neoliberalism and economic globalization.

The World Bank is a leading institution in the development aid industry. It is neither a bank nor an NGO in the ordinary sense. The World Bank is a unique partnership of two main institutions that work together with the goal of reducing global poverty and supporting development in various parts of the world (The World Bank 2017a). These two institutions include the International Bank for Reconstruction and Development (IBRD) and the International Development Association (IDA). While the IBRD aims to reduce poverty in middle-income and credit-worthy poorer countries, the IDA focuses exclusively on the world’s poorest countries. In addition to IBRD and IDA, there are three other institutions including the
International Finance Corporation (IFC), the Multilateral Investment Guarantee Agency (MIGA), and the International Centre for the Settlement of Investment Disputes (ICSID). These five agencies jointly form the World Bank Group. Each of these agencies functions as an individual corporation (World Bank 2017a).

It is critical to understand how the funding cycle and inner nuances of development aid unfold in a developing space because these institutions deal with taxpayers’ contributions (Figure: 2.1, next page). Based on its business model, the World Bank does not assist individual entrepreneurs; instead, the World Bank works with the government of a developing country to reach out to local entrepreneurs through their affiliated associations and business chambers in various sectors—e.g., agri-business, readymade garment industry, heavy and light machinery—that have potential for business growth and generating additional revenues and employment. This applied business model means one needs to be in the “business” network (free-market system) to have access to the aid potential. Since impoverished countries, such as Bangladesh, lack heavy industries, top economists inside the World Bank envisage that it is possible for a developing country, such as Bangladesh to do better in the global economy if its government focuses on strengthening the capacity or skills of local small and medium enterprises (SMEs). Ideally, when such organizations grow, they hire additional semi-skilled labourers. As more SMEs develop with extensive semi-skilled labour force, the better it becomes for the future of economic growth and development in countries such as Bangladesh, for example.
To better allocate funding, the World Bank (2017a) divides its 188 member countries and 214 economies into three categories based on per capita gross national income. These categories are the development industry’s paradigms for loan or grant disbursements. These categories include:

1) Low income countries with USD 1,025 or less individual per capita annual income;
2) Lower middle income countries with USD 1,026 to USD 4,035 individual per capita annual income; upper middle-income economies with USD 4,036 to USD 12,475; and,
3) High income economies, USD 12,476 or more individual per capita annual income.

Despite its efforts to encourage global development and poverty reduction, the measures of the World Bank is often criticized due to expanding global socio-economic inequalities caused by the World Bank’s failure to mitigate the challenges of democracy and redistribution (Leftwich 2005, 597─9). Urmetzer (2003, 77) analyzes the failure of the Bretton Woods financial institutions (e.g. the World Bank) and observes a dichotomy between roles played by the World Bank in promoting mixed economic tenets, as envisioned by its architect, John Keynes. Urmetzer explains, “It is somewhat hypocritical that …the World Bank to demand that Third World countries practice laissez-faire while there is so much state intervention in the First World” (Urmetzer 2003, 77). Urmetzer unpacks the World Bank’s advisory and business model to argue that its practices contradict how Keynes envisioned the institution. Citing the Treaty of Versailles that enforced reparation payments of Germany by the Western Allies after the end of WWI, Urmetzer (2003, 81) remarks that as a result, Germany became overburdened with debt, which consequently provided a breeding ground for nationalism and militarism in the country. At the same time, Germany was unable to adequately engage in the international economy. Drawing a parallel to what happened in Germany after the WWI to contemporary Third World debt, Urmetzer writes that much of what is enforced by the IMF and World Bank, “is likely to produce similar outcomes” (2003, 87). Urmetzer’s critiques serve as supporting arguments to how dependency creates underdevelopment.

Unlike some of the critical perspectives on the international aid industry above, Venugopal (2018, 239) takes a more balanced approach remarking that, “The constructed nature of development failure does not mean that evaluations are all fiction, that careful measurements are impossible, or that rigorous evaluations should be cast aside. It does however, [sic] mean that
there is more to failure than failure.” He shares two versions behind the failure of the development aid industry. Firstly, he cites various World Bank reports showing how the World Bank attributes the failure of development aid as “an implementation problem: that is, the failure of its borrowers (developing country governments) to implement the agreed conditionalities … in terms of a lack of ownership, weak capacity, poor governance, or political instability.”

Venugopal (2018, 240) also argues that instead of the borrowers, the lenders are to be blamed because most development aid projects are essentially echo narrow “cookie-cutter” visions of neoliberalism. He concludes his first observation by critiquing the development industry and remarks, aid projects remain,

so deeply flawed that it caused negative developmental consequences, ranging variously from poverty to de-industrialisation. … flawed structural adjustment programmes [neoliberalism] were the cause, not the consequence, of political instability and poor governance [in developing countries].

Venugopal (2018, 240)

Secondly, Venugopal (2018, 214) explains the failure of development aid, particularly, World Bank’s structural adjustment (neoliberalism) “as the product of a hidden agenda to promote the predatory economic ambition of wealthy domestic and international elites.” Citing David Harvey’s (2005, 64) distinction between neoliberalism in theory versus practice he argues that “the technocratic promise of a market utopia” is essentially a political project for the restoration and perpetual sustenance of capitalist class rule. Harvey’s critiques support Wallerstein’s (1974) original argument that world-systems encompasses both rich and poor countries and this arrangement allows rich countries extending capitalist modes of production,
while impoverished countries remain supplier of cheaper human capital and markets for finished products or services, such as technology, commodity, and knowledge.

Considering the politics of development, Adam Fejerskov (2016, 366) also reveals that evaluation outcome of aid projects are essentially a “negotiated truth” because the evaluation reports generated by development aid agencies echo their own interpretation of actions and events instead of tangible connection to measurable results. Similarly, Mosse (2013, 230; 2005, 158) emphasizes on the aid industry’s constructed term of ‘success,’ and argues that the success of a development project is influenced by particular interpretations made solely by the aid bureaucrats, as well as sustained by the other members of development industry including aid consultants.

In all, these critics argue that as a result of disseminating development assistance, aid donors and policy makers have more or less failed to learn from their past mistakes. For example, resisting realistic solutions such as lack of beneficiary driven decisions not only perpetuates the cycle of aid industry’s failure but also made development further uneven by increasing the wealth gap between the developed and developing countries (Hart 2001, 650). For example, Bangladeshi critics of development aid such as Sobhan (1984, 26, 58, and 146) argues that aid industry’s “structural adjustment” (neoliberalism) policies did not help Bangladesh to get out of poverty; rather, they consequently put the country more in debt.

In this chapter I reviewed and discussed various historical phases around development, as well as scholarship associated with important theories that shed light on the international development industry such as dependency and world-systems theories. Such discussions are essential to investigate the external, international, and historical forces of development—aid, privatization, and neoliberalism—interact with internal social groups in Bangladesh. The content
of this chapter sets the path to analyze the impacts of development aid and economic globalization in Bangladesh.

In the following chapter, I provide details of my research methodology including pursuing an interdisciplinary approach for literature review, as well as the techniques and strategies employed during the fieldwork component of my research.
Chapter 3: Methodology

In this chapter, I begin with an overview of my interdisciplinary research approach and how that has been influenced by a range of disciplines, such as history, economics, political science, anthropology, and sociology. Following this broad overview of my methodological framework, including the importance of pragmatism as a philosophical approach to social science research, I discuss the fieldwork component of my study and how my positionality has shaped my data collection. As an expat Bangladeshi living in Canada, I had to constantly navigate back and forth between insider and outsider positions during my fieldwork in Bangladesh, and my research approach necessarily reflected this dual identity. After detailing my methodology, I describe the challenges associated with my identity in the field, and I then discuss the specific set of methods I employed during fieldwork to gather information. In the concluding section to this chapter I provide a chronology of my fieldwork activities.

3.1 Interdisciplinary Research

This research is based on interdisciplinary research and my methodology had been influenced by different disciplines with an emphasis on qualitative approaches. According to the National Science Foundation (NSF),

Interdisciplinary research is a mode of research by teams or individuals that integrates information, data, techniques, tools, perspectives, concepts, and/or theories from two or more disciplines or bodies of specialized knowledge to advance fundamental understanding or to solve problems whose solutions
are beyond the scope of a single discipline or area of research practic. (NSF 2004, 2)

Not only is my graduate degree at UBC housed in an interdisciplinary program but I approach development as a complex modern discourse, which is shaped by diverse disciplines such as history, sociology, economics, political science, and anthropology. I believe that interpreting development solely through an economic lens provides an incomplete view of the broad social compass of development and its local and global connections. I also believe drawing on an interdisciplinary methodology provides a necessary lens to understand the multi-faceted concept of poverty, which is one of the most challenging problems today.

For example, by drawing on historical content, I was able to contextualize ‘development’ historically, as well as analyze and interpret that content from a non-Western perspective. Banerjee (2018) cites Cooper (2005) to remark that the Western discussion of development oversimplifies or overlooks the reality of development, poverty, and growth in the Third World. Banerjee (2018, 34) argues that exploring the history of development from a “Western” perspective does not offer alternative justifications of development that are “self-consciously distinct and independent of colonial connotations,” as well as liberated from leading development aid agency rhetoric. Thus, drawing on historical documents and secondary sources I investigate the various colonial regimes in Bengal, particularly the period of the British East India Company in South Asia between early 1600 until 1947. Although my analysis around much of this builds on secondary literature and provides limited historiography, they do provide an important context for critical engagements with alternative viewpoints of development.

Additionally, within political science, over the last two decades in particular, several persuasive critiques aim to look beyond the state-centric approach to broaden the discussion on
international aid and cooperation. These approaches attempt to add other non-state actors—NGOs and private sector—that can influence the authority and decisions of the state (Almehairbi 2018, 14). One crucial objective of these approaches is to generate a greater economic and social impact of aid resources. I explored if NGOs and/or the private sector in Bangladesh were in a position to diminish the state’s authority or complement the state in maintaining its status-quo.

Besides history and political science, I gave anthropology special significance due to its holistic nature as well as due to the fact that anthropology can be interpreted as a “discipline between disciplines” (Wolf 1964, x as cited in Clifford 1997, 192). Building upon that, my interdisciplinary research project seeks to answer the following three questions: 1) are aid resources actually reaching their intended recipients in Bangladesh, or are the elites capturing or diverting them; 2) how much influence do the members of various Bangladeshi social groups have in the design of development projects in the country; and, 3) how aware are the members of each of the country’s social groups of the effects of development projects in general? I designed my fieldwork to focus on the network of relationships around these questions, as well as on individuals within each social group.

3.2 Data Collection Methodology

Various methodological approaches informed my choice of methods for data collection with pragmatism providing the philosophical foundation. I employed pragmatism research because it “recognize[s] that there are many different ways of interpreting the world and undertaking research, that no single point of view can ever give the entire picture and that there may be multiple realities” (Saunders and Thornhill 2012, 3). Pragmatism integrates multiple research approaches within the same study, including mixed methods approaches that combine qualitative and quantitative data collection (Collis and Hussey 2014). However, my
interpretation of pragmatism differs somewhat from those who equate it with mixed methods approaches.

Morgan (2014) utilizes “pragmatism” based on the works of Dewey (2008[1920, 2008[1925], who emphasized subjective experience and inquiry to argue that our ability to interpret reality depends on our experience, as well as on our beliefs and ideas. Morgan (2014, 1045-6) remarks a “narrow” epistemic approach based on objective scientific method reduces pragmatism to “practical” knowledge construction. Here Morgan defines “practicality” as “workable approaches to problem solving” and argues such an approach focuses on “procedures” and is not adequate to understand a specific social issue because it only emphasizes the how to aspects of research which only captures parts of the “pragmatism” paradigm. Morgan thus argues that the value of “pragmatism” in social research needs to go beyond the emphasis on “practicality.” In order to derive a comprehensive “pragmatism” approach, Morgan (2014) cites Denzin (2010, 420) to argue that we need to put more emphasis on the why to aspects of conducting social research so that we are better able to address the political concerns that directly connect pragmatism and social justice (Morgan 2014, 1045–46). Such an approach slightly differs from reflexivity of an informant within a social group because philosophical pragmatism precedes the process of reflexivity through which one becomes self-aware, as well as accommodates an individual’s interpretation of reality as it is.

I chose pragmatism for the philosophical foundation of my methodology because the subjective experiences of the various social groups which were part of my research inquiry were directly impacted by the economic globalization in Bangladesh. The members of these social groups interpret their reality based on their roots in their respective histories and cultures. Although the philosophy of pragmatism encompasses mixed methods, employing it primarily as
a qualitative methodology broadened and enriched my data collection by leading me to the sources of my informants’ beliefs, as well as to the meanings of their actions (Morgan 2014, 1046—47). For example, the findings helped me to learn about the thoughts, beliefs, philosophies, expectations and even biases of the various social groups that I encountered in rural and urban Bangladesh. These observations and findings were also instrumental for me to contextualize that behavioral outcomes are “socially shaped” because human beings are “inherently contextual, emotional, and social” (Morgan 2014, 1047).

Lincoln (2010, 4) acknowledges that broadening the methodological tools by employing philosophy of pragmatism enlarges the knowledge and sophistication of social science research and is better equipped to understand various social processes involving oppressive social practices, such as class inequalities, homophobia, racism and sexism. He adds that by leading an inquiry to the sources of informant beliefs and the meanings of their actions, the philosophy of pragmatism substantially assists to understand the processes that construct various social problems. Therefore, employing this approach offers the beneficial effects of diversity as well as informs us of the effects of globalism, gender discrimination, and classism (Lincoln 2010, 4).

Building upon that, my investigation in Bangladesh qualitatively linked privatization and development assistance with social justice issues.

Although my interdisciplinary research and the “philosophically pragmatic” approach are primarily housed in a qualitative methodology, I have also gathered some quantitative information from government and development agency sources in favour of foreign direct investment in Bangladesh, as well as in beneficiary outreach and economic impact. However, I did not collect quantitative data from my interviewees and/or from the participants based on my observations.
In the following section, I discuss the fieldwork component of my study and how my positionality has shaped my data collection. As an expat Bangladeshi living in Canada, I had to constantly navigate back and forth between insider and outsider positions during my fieldwork in Bangladesh, and my research approach necessarily reflected this dual identity.

3.3 The Insider-Outsider Researcher

I was born in Bangladesh and spent my first 17 years in upscale urban areas of Dhaka city. After that I moved to the United States to pursue undergraduate studies. Upon graduation, I worked in the States and overseas. Prior to returning to university to undertake this research project, I worked for the World Bank for six years, from 2004 to 2010, as a Monitoring and Evaluation Manager in its private sector development arm. Poverty reduction in the Global South was the primary goal of the projects on which I worked, and these were sited in Bangladesh and several other least developed countries (LDCs). In Bangladesh these included the International Finance Corporation’s (IFC) project titled South Asia Enterprise Development Facility (SEDF), known as IFC-SEDF, which I will discuss in the fieldwork findings, particularly in chapters six and seven. This experience significantly influenced my decision to undertake this particular research project. My previous observations in the field regarding the mismatch between global development objectives and socio-economic realities on the ground created a keen interest and passion to better understand the people, their cultures, and the nuances behind development and poverty including the history of the economic forces that often define and frequently reshape people and their cultures. As a result, I returned to academia to pursue my doctoral studies in the interdisciplinary studies program at the University of British Columbia.

However, my years abroad in the United States and Canada before and after my private sector experience led many of the people I met and interacted with during my field research
periods in 2014 and 2016 to perceive me as an ‘impure desi’ (a Bangladeshi who is uninformed of Bengali customs). Also, during my second trip to Dhaka in August 2016, the entire country was under security threats\(^1\) and this severely reduced my access to informants in diverse socio-economic neighbourhoods in Dhaka. During both 2014 and 2016 research trips, I overcame these obstacles, as much as possible, by leveraging extensive kinship ties to reach out to potential interviewees for data collection.

From the outset of my research then, issues with access and trust had an effect on my data collection. I began my fieldwork as an adult male Bangladeshi-Canadian believing that I would have no difficulties accessing the culture in which I was born and lived until my teen-age years. I am fluent in Bangla and was confident in my knowledge of my Bengali culture—I can eat bhat-daal (rice lentil) using my hand, and enjoy the deep sense of satisfaction from scraping the last smears of curry sauce on my plate. But the fact that I spent my adult and professional life in North America affected the way I think, speak, write and carry myself in a social environment. Having spent so many years in North America, these embodied cultural attributes were sufficient to make me “foreign” in the eyes of my respondents. I was both an insider (Bangladeshi) and outsider (North American researcher) but at the same time, I was neither a complete Bangladeshi nor a quintessential Canadian.

As my fieldwork unfolded, I found myself sharing a similar experience to anthropologist David Mosse (2005), who remarks:

\(^1\) The terrorist attack on the Holey Artisan Bakery in Dhaka’s diplomatic quarters, killing 20, most of them foreigners, took place while I was conducting fieldwork. My access to research sites was heavily impeded as a result of this attack and further security threats all over the country.
I use[d] my part-insider/part-outsider position to engage in ‘participant deconstruction’ (Shore and Wright 1997, 16-17), trying to wrest my thinking free from prevailing models and means-ends rationality in order to offer critical insight. Here a ‘sceptical [sic] model’ applied in which competing interests and contradictory strategies came to the fore (Quarles van Ufford 1993). Setting aside the demands of problem solving or strategic negotiation, the struggle for order and coherence, I become more interested in locating pragmatic rules of project behavior than arguing over normative ones. (Mosse 2005, 13)

My experiences and struggle with identity in the field also echoes American anthropologist Kirin Narayan whose research in India was shaped by her insider/outsider negotiations as a result of her Indian father and German mother. In her own words, she writes:

…a person may have many strands of identification available, strands that may be tugged into the open or stuffed out of sight. A mixed background such as mine perhaps marks one as inauthentic for the label ‘native’ or ‘indigenous’ anthropologist; perhaps those who are not clearly ‘native’ or ‘non-native’ should be termed ‘halfies’ instead (cf. Abu-Lughod 1991). (Narayan 1993, 673)

Narayan later cited the fieldwork experience of M. N. Srinivas, who was born and raised in India and trained at Oxford, to argue that despite having common roots, Srinivas was not regarded as a "native" during his fieldwork in India. She further highlighted that growing up in the city, Srinivas had not internalized the embedded cultural/religious rules of purity and
pollution to the extent that we associate with most Brahmans. For example, Srinivas found himself reprimanded by the headman for shaving himself after a ritual bath and the villagers found these odd behaviors a rather entertaining sight (Narayan 1993, 675). I note these few ethnographic examples, because I similarly experienced a mixed set of reactions as an “oddity” and/or “halfie” during my data collection in rural Bangladesh.

Traditionally, ethnographic fieldwork meant going to a community that differs from one’s own. However, as a result of decolonizing practices and several decades of critique that opposes “natives” being used as “objects” at academic inquiry, it has now become more common that social scientists will conduct research in one’s home community (Forster 2012, 13, 16). Many have also suggested that there are advantages for researchers who conduct their work in their home communities arguing that they have a more fluid relationship with their identity, and both insider/outsider dilemma can itself be a source of insight. Furthermore, Narayan (1993) states that with such a fluid identity a “native” social scientist would forward an authentic insider's view to the profession. She remarks:

> As anthropologists, we do fieldwork whether or not we were raised close to the people whom we study. Whatever the methodologies used, the process of doing fieldwork involves getting to know a range of people and listening closely to what they say. Even if one should already be acquainted with some of these people before one starts fieldwork, the intense and sustained engagements of fieldwork will inevitably transmute these relationships. (Narayan 1993, 679)

Despite offering some advantages in terms of field practicalities, conducting social
Science research at home is equally as challenging as pursuing research elsewhere (Mughal 2015, 121). Although my research was not entirely ethnographic, conducting research in my home culture and community nonetheless helped me to learn that I needed local knowledge, especially the cultural patterns of life in my community, as well as the support of local networks of class relations to complete my research.

For example, besides the urban areas of Dhaka, with which I was familiar, I worked in several rural areas outside Dhaka city that were unfamiliar to me but had also been important in terms of development aid. Residents in these fast urbanizing rural areas were experiencing an increase in literacy rates and new opportunities as a result of economic development, while also keeping many of their traditional patterns of rural life. Working in these rural areas helped me to explore their cultures as an “outsider” while not overlooking some of the nuanced elements that a foreign scholar or tourist might otherwise overlook and take for granted. In summary, through the negotiation of these insider-outsider dynamics in Bangladesh, the traditional distinction between “field” and “home” were much more blurred (Gupta and Ferguson 1997, 13).

In subsequent sections, I explain the fieldwork component of my study. Particularly, I describe each of my fieldwork sites and locations through the multi-sited aspect of my fieldwork research. Following that, I then describe each of my research methods and indicate where and with whom each method was used.

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2 According to the World Bank (2018e), rural population refers to people living in rural areas as defined by national statistical offices. It is calculated as the difference between total population and urban population.” As of 2016, rural population in Bangladesh was estimated as 64.96% of the total population of Bangladesh.
3.4 Fieldwork site(s) and locations

During my fieldwork data collection in 2014-2016, I made Dhaka city my home base. The fieldwork component brought me into contact with a range of individuals, institutions, projects, and events. In terms of individual informants, this included aid recipients including entrepreneurs and landless labourers in commercial agriculture and the readymade garment industry; aid personnel at a donor-funded agency, government workers, clients and middlemen at the Bangladesh Transport Authority; and students and faculty at privatized higher education institutions. I was also able to engage at times with members of various social groups that were the direct and indirect targets of aid loans including homemakers and media personnel. These research informants were based in rural and urban regions of Bangladesh and my data was collected through a combination of observational studies, participant-observation, informal and semi-structured interviews, focus groups, archival and census data, and content analysis of media publications.

3.5 Multi-sited Research

I employed a multi-sited approach to data collection in order to respond to the different locations in which the aid recipients and other members of different social groups under my study were located. These sites included industrial, residential, and baazar (market) areas in the city of Dhaka (Figure 3.1). I also conducted informal interviews and observational studies in Cox’s Bazar, a popular tourist destination in Bangladesh located in the southeast area of the country (Figure 3.1). Additionally, I conducted an informal observational study to learn more about the displaced Bangladeshi-Hindu refugees in Bihar, India (Figure 3.1). The findings helped me link Bangladesh’s unregulated and politicized privatization process to the displacement of
religious and ethnic minorities in the country.

Figure 3.1: Research and observational sites. Developed by author based on templates on slidemodel.com. Permission received on 5 February, 2019.

I also worked in two rural areas of Bangladesh. The first one, Daulotpur, is a union consisting of multiple villages within Belkuchi Upazila (Sub-district) of Shirajganj District within the Rajshahi Division in Bangladesh. I mainly gathered data in the Daulotpur village. Coincidentally, Daulotpur Union has a village named Daulotpur. I also visited two other nearby villages named Dhukuria Bera and Khukni. The name of the second rural site was Shimulia village located inside Haldia Union within Louhajang Upazila (Sub-district) in Munshiganj District within the Dhaka Division. This particular trip helped to shed light on some of the ways the middle-class function in Bangladesh.
Marcus (1995, 95) acknowledges that a multi-sited approach can create limitations when it is ethnographic in focus. A classic multi-sited ethnographic research project would involve following a commodity, people or images through multiple spaces. For example, such a method applied to the Bangladeshi readymade garment products industry might involve a researcher exploring how multiple actors in numerous spaces contribute to the commodity chain through its design, manufacturing, distribution, marketing and sales phases. However, given the nature of my investigation, I was more interested in following the external neoliberal directives—aid and privatization—that interacted with various social groups in Bangladesh. Although my research was not fundamentally ethnographic, my study was subjected to “varying intensities and qualities” that are typical parts of an ethnographic research process (Marcus 1995, 100; Gupta and Ferguson 1997, 219). This was especially the case during the brief periods of participant-observation research I conducted in multiple settings.

I employed a multi-sited methodology for data collection because it enabled me to investigate a specific issue—analysis of the failure of development aid and the embedded power hierarchy in the context of Bangladesh—through multiple geographic and/or social field sites within the country. During the process of data collection, I followed the traces of aid and privatization across many places and spaces within Bangladesh. Employing multi-sited method also enabled me to find out how different people in different social and economic categories (e.g., farmer and elites, caste and class) interpret reality and produced knowledge about a commodity, or people or images. For example, a landless labourer in rural Bangladesh had a particular positive vision about the life of a garment factory worker in Dhaka. Whereas the workers in a readymade garment factory in Dhaka possessed a utopian image about the shopping outlets abroad that sold the products they stitched.
My visits to the various field sites in Dhaka, as well as in Shimulia and Daulotpur did not entail “a practice of intensive dwelling” that is common in long-term fieldwork. Rather, I made several repeat trips and commuted between the villages and urban Dhaka because my main living quarters were with family in a capital city (Clifford 1997, 188; Figure 5.1; Table 5.1). In 2016, during my second fieldwork trip, I was part of another research trip in Bihar, India, during which I came across specific information through a secondary source that was directly relevant to my primary fieldwork research in neighbouring Bangladesh. A multi-sited research approach can challenge and limit the feasibility of the research by allowing a researcher to spend shorter periods at each site. However, each of my field-trips was inspired by what Renato Rosaldo (1994) has referred to as “deep hangouts”. I executed such “deep hangouts” through conversations, discussions, and collaborations with various social groups such as impoverished farmers and labourers, small-scale farmers, small and medium entrepreneurs, wealthy entrepreneurs, students and faculty, homemakers, media personnel, and development aid professionals. This is why I felt I was not “merely passing through” each field site (Gupta and Ferguson 1997, 219; Rosaldo 1994).

3.6 Research Methods during Fieldwork

3.6.1 Semi-structured Interviews

Interviews were my primary method of data collection in most settings and with most groups. Instead of a formalized list of questions, I used a semi-structured interview method and

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3 On 18th April 1994, Renato Rosaldo made this comment at the “Anthropology and the Field” conference while discussing the absence of extended fieldwork duration and how to fill the gap by guarantying interactive “depth” (Gupta and Ferguson 1997, 219).
collected data by asking a number of open-ended questions. I was able to access a wide range of people that were influenced by development aid except for the political and military elites and the heads of several international aid agencies. I had hoped to interview high level members of the main three political parties including the secularist Awami League (AL), nationalist Bangladesh Nationalist Party (BNP), and the Islamist political party – Bangladesh Jamat-e-Islami (BJI). However, due to issues I faced with access and trust, I could not meet any of the key decision makers responsible for sustaining the flow of development aid into the country since independence in 1971 and for supporting the introduction of neo-liberal practices in Bangladesh in the 1990s. I also wanted to interview the heads of several international aid agencies operating in Bangladesh including the World Bank and International Finance Corporation (IFC). However, despite repeated phone requests, I was unable to gain permission to interview any of these individuals.

These drawbacks and challenges in ethnographic research are similar to Laura Nader’s understanding of power and responsibility in the United States (1972, 284). Citing Wolf (1969) she argues that it is important for citizens to learn about power and inequality by understanding the people behind the “facelessness of a bureaucratic society” that control institutional structures and influence our behaviors (Nader 1972, 284-5, 288-9). She remarks, “if, in reinventing anthropology, we are principally studying the most powerful strata of the urban society, our view of the ghetto might be largely in terms of those relationships larger than the ghetto” (Nader 1972, 302). Nader believes our present ability in deconstructing those relationships will shape the quality of our future lives. With an objective to raise accountability, responsibility, and self-regulation, she investigates how the victims of an exploitative system can portray their victimization more visibly. She calls her research approach “studying up” because it inquires
about the people “on top” by asking why some people are so affluent instead of inquiring about the conditions of the poor. She acknowledged that the biggest impediment in studying the rich is “access” because the powerful people “don’t want to be studied” (Nader 1972, 302).

Nader’s observations are compatible with Mosse’s (2005) observation on the development aid industry. He remarks that aid agencies function with “a nexus of evaluation and external funding” (Mosse 2005, 12) and are prone to filter and regulate the flow of information and representation to survive. For example, he shares his observation that “information is a private good rather than a public asset” in the aid industry. He cites Kaufmann (1997) to substantiate his observation that the junior aid officers withholding or concealing poor performance and revealing information strategically for keeping institutional reputations intact while the senior aid bureaucrats hiding behind business models and policy jargons, and “anonysizing [sic] remarks and distancing outsider” (Kaufmann 1997, 112; Mosse 2005, 12). Mosse also shares that development aid agencies lack tolerance towards any inquiry that falls beyond the official and endorsed design framework. These organizations also frequently face criticisms and questions about their measures and claims. Therefore, Mosse argues the heads of such organizations try their best to avoid critics in order to “exclude themselves from the realm of the discussable” (Mosse 2005, 12; Cooper and Packard 1997, 5). Although Nader’s ethnographic research focuses on the rich in the United States and Mosse bases his critiques on his involvement in the aid industry in India and beyond, I was able to draw a common ground with the insights of these researchers within Bangladesh. Consistent with their arguments, the heads of aid agencies as well as most of the Bangladesh’s economic and political elites declined my repeated requests for interviews and thus impeded my access to desired facts and information.
In all, I interviewed 46 people in the different field sites located in Dhaka city and the two villages in Daulotpur and Shimulia. For every interviewee, I collected their demographic data including age, marital status, education, number of children, and profession. Out of 17 interviewees in Daulotpur and Shimulia, there were 13 males and 4 females. In Dhaka city I interviewed 29 people including 21 males and 8 females. Five of these interviews were phone interviews. All of the respondents were between 20 and 70 years of age. With assistance from peer researchers and community gatekeepers, I reached out in their respective communities and expressed willingness to speak to men and women with prior experience with development aid and privatizations projects. I scheduled all the interviews in advance based on the convenience of the interviewees.

I used the Bengali language and its various regional dialects—Gramer Bhasha (a village dialect), Kutti (an Old Dhaka dialect), and North Bengal Tone, a dialect from the northern region on Bangladesh—to conduct most of the interviews. Due to my fluency in Bengali and the various dialects, I did not have to use the assistance of a translator. During several interviews in urban Dhaka that took place with private university students, faculty members, as well as with retired academics, former aid professionals, and media personnel, I frequently switched between Bengali and English languages.

Except for four interviews conducted at the Bangladesh Road Transport Authority (BRTA), all 17 interviewees in rural areas and 29 interviews in urban areas took place in an environment based on the convenience of the respondents including factory floors, tea stalls, coffee shops, university campuses, and in urban areas at the residences of my interviewees. In rural areas — Daulotpur and Shimulia — I was able to interact with male interviewees at the mosque, tea stalls at the bazar and/or bus station, farmhouse, and cricket or soccer ground. Given
the more conservative nature of rural Bangladeshi culture, Riffat, my female peer researcher accompanied me while I spoke with women interviewees in rural sites, particularly in their homes or courtyards.

Additionally, except for three interviewees, including the former head of the National Human Rights Commission (NHRC), Professor Mizanur Rahman, Shahriar Kabir, a Bangladeshi human rights activist and former President of *Forum for Secular Bangladesh*, and Brigadier General Shakhawat Hossain, the former Chief Election Commissioner in Bangladesh, all interviewees and informants requested anonymity. The respondents requested anonymity because their answers suggested the local elites and senior aid bureaucrats worked together to secure vested interests from the aid projects. Revealing the identity of my respondents, who mainly worked for these same local elites or studied at a private university owned by the elites, or worked as a mid-level project officer at an aid agency, could have put their lives into danger. Thus, each interviewee has been assigned a pseudonym.

I observed the frequent presence of corrupt practices in public institutions, where paying cash would expedite matters (“greasing the palm”). I sensed the general public was aware of these corrupt measures and I was extremely sensitive in approaching these issues of local bureaucratic mismanagement and corruption in aid projects. People were initially insecure about discussing these issues, but were more forthcoming as the interview proceeded.

In one instance while interviewing people at BRTA, the respondent was initially unwilling to sign the consent form and grabbed the form and tried to tear it up. When I asked why he had reacted like this, he said his life would be in danger if his identity was disclosed. I realized it was risky for him to share his personal experience on such a sensitive topic as corruption. I invited him to join me at a tea-stall outside BRTA. While having tea, he asked me about the purpose of
the research, as well as if I was working for the political opponents of the ruling party, or was a newspaper reporter. He also asked if I had a camera on me. Once he understood that my intention was the honest promotion of academic knowledge and learning, he gave me his oral consent to respond to my questions and signed the consent form. Considering the danger my respondents could suffer if their identities were known, I promptly assigned each of my respondents a pseudonym.

Overall, I found using a semi-structured method was more appropriate to my data collection because I was interested in learning my research participants’ informal elaborations on topics, including how their subjectivity had been shaped by interconnected processes tied to globalization, development aid, and privatization. Since both Fife (2005, 94-96) and Robson (2011, 282) had alerted me to the importance of interview structure and cadence, I developed a script made up of a set of key issues I wanted to pursue. This preparation ensured we kept on topic while permitting the interviewees to freely explain and elaborate on their stories. As the interviews progressed, I asked shorter questions and listened more because I did not want to interrupt their narratives and wanted to gather as much information as possible. Thus, the flexibility of open-ended questions permits probing for depth or for the respondent to elaborate or add material in their responses (Bryman 2008).

My interviews had two parts. After collecting basic demographic information, I inquired about each respondent’s understanding of privatization and development aid processes and, if applicable, the individual’s involvement as an aid-recipient. International aid agencies only dealt with government and private sector elites so if the person was involved as an aid recipient I also inquired how he or she got to be involved in aid projects.
3.6.2 Focus Groups

I conducted six focus group discussions at six different private universities in urban Dhaka. On average, each of the student focus group discussions had four to five students; the only faculty focus group discussion included three part-time teaching staff. Employing this method allowed me to gather pre-selected male and female private university students and faculty members, who volunteered to participate in my planned discussion to learn their opinions about privatized higher education, as well as their experiences about existing higher education systems and institutions in Bangladesh. For example, I wanted to find out about the owners of these private universities, the resources and opportunities available to the students and faculty of these universities in terms of conducting research and finding job placements, and the changing nature of the business space around the privately-owned university campuses. The findings would illustrate the process of privatization, a core method of development and foreign aid, in urban Dhaka.

These focus group discussions allowed the participants and me to interact in a collegial environment during which we considered each other’s ideas and perspectives. During each focus group discussion, I also moderated the session informally in Bengali and English languages but maintained a professional manner so that each of the participants felt respected, valued, and welcomed. As a moderator, my purpose was neither to reach a consensus nor decide what to do about the student or faculty issues identified. As the participants went on with discussions, I took notes of their statements.

Similar to informants at BRTA, I also observed concerns about personal safety and threat to livelihood from the four interviewee part-time faculty members employed at different private universities in Dhaka city. As a result, I designed and conducted a specific focus group
discussion with faculty members, who not only requested to remain anonymous but also did not want to speak in front of the students.

### 3.6.3 Participant Observation

The only explicitly ethnographic method I applied during my research was participant observation. Applying this method helped to compliment the interviews and focus group discussions by observing and participating in my research participants everyday lives and routines (Gupta and Ferguson 1997, 8). During my fieldwork I took written notes at the various locations and typed up my reflections concerning commonalities and differences between locations and the individuals involved. In all, my field-notes helped to anchor my field experience, chart basic and raw documentation of observations and interviews, including reactions taken from conversations and discussions, and delineate significant connections between larger academic theories and development projects (Gupta and Ferguson 1997, 12; Sanjek 1990).

I was able to conduct informal observational studies at every rural and urban research site. In the rural sites, my studies included small-scale farmers and entrepreneurs, medium and large scale landlords and business owners, primary schools, village tea stalls, mosques, and soccer and cricket matches. Although mosques, as well as soccer and cricket matches were not directly linked to development, the social interaction in these places or events informed me of social hierarchy in a certain community. My familiarity with Bengali and local dialects made it easier for me to develop rapport with peer researchers, the village elderly, and my interviewees.

Despite my Bangladeshi background and familiarity with Islamic rituals, due to my North American mannerisms, frequently expressed through my verbal and non-verbal gestures, I was
humorously called *Narkel Bhai*, that is, “Brother Coconut” in the rural areas, someone who is white on the inside and brown on the outside. I learned about my bestowed identity as a “brother coconut” through members of the cricket team, all young males between 10 and 19 years of age. Although these cricket players were not part of my research study, by volunteering as a referee at village soccer games and umpire at cricket matches on Friday mornings before *Jumma* prayer, this helped to build rapport and trust within the community.

In Daulotpur and Shimulia environs, I observed that information and news travelled primarily by word of mouth because the villagers preferred to share and exchange information face-to-face in social situations. Due to the rapid introduction of technology, especially telecommunication, the villagers these days have access to mobile phones. I observed that, except for one government operated service known as TeleTalk, all the mobile phone operators in Bangladesh were privately owned corporations such as City Cell, which was owned by the former foreign minister of the country; other mobile phone operators were foreign corporations including Airtel from India, BanglaLink registered in Malta, and *Grameen*/Telenor from Norway. Broadly, these examples helped me to learn how privatization and free trade functioned in Bangladesh, as well as about their direct beneficiaries in the country.

In urban Dhaka I conducted unobtrusive observational studies at garment factories, various women-run enterprises, the Bangladesh Road Transport Authority (BRTA), several private university campuses, and the Kurmitola Golf Club. I went to visit three garment factories, all of which were owned by a family I knew through family ties. These three factories were located adjacent to each other in a place named Tongi, located on the outskirts of Dhaka city. In all, the factories employed approximately nineteen thousand workers that manufactured basic design shirts and trousers for their North American and European clients. I interviewed the
owner, who allowed me to roam around on the factory floors of all three factories he owned, under one non-negotiable condition – no camera and recording device was allowed inside the factories. A senior, mid-level manager, who was loyal to his owner, accompanied me during my factory floor visits. I encountered similar restrictions while visiting the women-run enterprises that previously received support from development agencies. Primarily, due to this enforced bureaucratic control, I was not able to directly speak to any employees on the factory floor. Additionally, cultural and religious factors impeded my direct access to the employees on the factory floors because most of them were females aged ranging 16 to 45. For both cultural and religious reasons, females, particularly rural, uneducated or semi-educated women in Bangladesh are discouraged from speaking to unknown males. I strictly followed these social norms and the conditions that provided me access to the factory floors.

The Bangladesh Road Transport Authority (BRTA) is a government run agency located in Dhaka’s Mirpur area. Its premises and vehicle testing space included a large area, approximately half a square kilometer, which held three main administrative buildings, several makeshift offices, and areas for vehicle inspection and parking. Each of the main buildings was four stories high and all together BRTA employed forty officers and 150 staff members, mostly males. The makeshift offices dealt with serving public needs, such as distributing and collecting forms, such as vehicle registration and fitness, ownership transfer, learner permits, verification of documents, and national identity cards. Customers were expected to handwrite their information on the forms and submitted them to the BRTA staff for further processing.

On one end of BRTA, inside the entrance gate in makeshift buildings, there were several pop-up bank booths with tables set up to collect government fees. The entire premises were patrolled and guarded by members of the Dhaka Metropolitan Police. Beyond the walls of
BRTA, there was a large mosque and a plethora of small businesses, such as photocopy and laminating outlets, makeshift tea stalls and restaurants, shops to notarize documents, and photo studios that serve the needs of BRTA customers. On any working day, BRTA premises and the surrounding business areas were packed with vehicles and customers. By observing participants including officials, clients, ‘middle-men’ at BRTA, I learned about an organized disorder that derived from the patron-client relationships, which dominated its internal networks of systemic corruption and intrinsic power inequalities.

I observed students and faculty at six privately owned universities in Dhaka, four of them located in Banani area, which had transformed into new Dhaka’s university hub. I walked by classrooms and other common areas inside these campuses and conducted observations at several cafés located next to these campuses and frequented by students for food, supplies, and socialization.

The Kurmitola Golf Club (KGC) remained a favourite refuge within the city of Dhaka for my family and friends. The aesthetics of the KGC is a reminder for many Bangladeshi of the British colonial history, which the Dhaka city’s local elites adored and the expat foreign visitors treated as an “oasis.” Due to my family ties in Bangladesh and previous associations with the World Bank and other experiences abroad, this gave me access to observe the elite local members and visitors, such as the senior consultants and donor agency executives at the KGC who likely considered me as a peer. At KGC, I observed that the high-ranking military officers and the few newly rich local families in Dhaka dictated the policies inside the KGC while letting the army assume it still ran the show. Meanwhile, most Dhaka dwellers remained oblivious to the existence of a lavish golf course in the city center. From my perspective, observing both extremes at adjacent distances opened my eyes to the ground realities and economic contrasts in
Bangladesh.

I also conducted informal observational studies in Cox’s Bazar and interviewed five Bangladeshi families who were visiting as local tourists. I observed the rapid high-rise hotels and restaurant constructions by the seaside that blocked the views of the local homeowners, who appeared to interpret the issue as ‘eye-sores.’ I informally spoke to a few home and restaurants owners as well as to several local tourists and fishermen and discussed recent changes in their lives and routines. Finally, as briefly shared earlier, I also conducted an informal observational study to learn about the Bangladeshi-Hindu refugees in Bihar, India. The land grabbing and corrupt Bangladeshi politicians and officials first exploited and then displaced these Bangladeshi religious minorities. Learning about such an injustice enabled me to learn about the radical, capitalist, and militant Islamism that functioned under political patronage.

3.6.4 Use of Peer Researchers

Since I was a non-resident Bangladeshi, I needed local help to initiate and carry on with my investigation. Prior to commencing data collection, I also realized the importance of having local guide(s) with the experience and capacity to provide quality feedback to modify data collection plans as needed. Thus, the opportunity to respectively work with a friend and a relative, who offered pro bono support as ‘peer’ researchers, substantially facilitated my data collection. They included Amit, a 35-year-old male, who was a part-time lecturer at Dhaka University and worked as the head of a music program on a private television channel. The second peer-researcher was Riffat, a woman aged 55, who was a practicing aesthetician and physician. It was hard to imagine a fully trained physician also working as a high-end beautician, but Riffat explained to me that most wives of the high-ranking military officers in Dhaka
preferred to consult a female physician. Riffat’s primary expertise was in community health and she volunteered at village community clinics in the rural areas where I collected data. She also attended and gave talks at various international conferences worldwide.

I refer to Amit and Riffat as peer researchers since they both come from middle-class backgrounds similar to my own and both are university educated. As research assistants, they had access to the communities I wanted to study. For example, Riffat conducted quantitative research for a development agency that worked in health and preventive medicine in Daulotpur and Shimulia, where I aimed to conduct my data collection. Although Riffat’s socio-economic class was different than that of the women in the rural areas, as a doctor, her familiarity and work with rural families helped to facilitate access to potential interviewees, especially with women. In rural Bangladesh, gender roles and interactions associated with Muslim beliefs impeded my access to women respondents in these areas. Muslim law and custom, as practiced in rural Bangladesh, requires the separation of men and boys from women and girls in many different social settings. The embedded social roles of Muslim women in rural areas, especially aged 18-45, required them to remain at home and forbade them speaking to any men they did not know. I wanted to ask these women if they received any money from the aid agencies. I also inquired if their husbands or other marital relatives made decisions regarding that money. However, the local women did not want to divulge such private information to me.

My kinship with Riffat helped the women to overcome their reluctance to speak with me and eventually I managed to speak to some women when I was accompanied by Riffat. The presence of peer-researchers made the bureaucratic and/or gender boundaries more permeable, thus giving me greater range of data (Ryan, Kofman, and Aaron 2011, 51). Additionally, Riffat went to these sites in her chauffeur driven vehicle and she kindly offered me to ride with her on
many occasions. As we made day trips to Daulotpur and Shimulia, we discussed various topics that complemented and supplemented my research.

Amit was a part-time faculty member at Dhaka University, and knew the university’s library personnel first-hand. Earlier, in order to learn more of the historical land and tax records of Bangladesh, I needed to access government reports and archives stored both at the Dhaka University Library and at the Public Library in Dhaka, which was also located adjacent to Dhaka University. When I first arrived in Dhaka, my phone call requests to undertake archival research in these libraries went unanswered. Since these libraries did not have a functional email system, there was no way for me to contact library personnel online. With his personal network in Dhaka University, Amit facilitated meetings with personnel at these libraries so I could gain access to the archival materials.

With the support of Amit I explained my research objectives and plans to the librarian and shared my academic credentials by producing my University of British Columbia identification card and a copy of the research ethics approval obtained from the university. Consequently, I was given access to records of census data, as well as images, deeds, and tax records archived at the library. Such information was helpful in learning about the Pakistani military regime’s measures in Bangladesh and to learn about the economic situation of the country before 1991, when privatization became an integral part of government’s economic policy. Although I was not allowed to take pictures of the documents and images, I was able to read various documents and take notes.  

Amit also had a motorbike and often gave me rides to various places in Dhaka, where I went to conduct my data collection. This friendship and support was very helpful in navigating Dhaka’s notorious bumper-to-bumper traffic. In addition to working with my peer-researchers, I formally interviewed both Amit and Riffat about their own engagements with the issues at hand and frequently discussed my interview materials and observations with them. These ongoing communications were helpful in narrowing my research and shaping my findings.

3.6.5 Research Ethics

When conducting interviews I followed a similar process for all interview groups. Prior to beginning the interview, I briefly described my research project and objectives and read the consent form. Additionally, I emphasized that the data to be gathered from the interviewees was important both for me to conduct academic research and potentially for them as that research might lead to positive changes in aid and privatization practices. I did not offer them any financial remuneration for their time with me (Alsaawi 2014, 149; Dörnyei 2007).

Given the nature of my inquiries, while all the 46 interviewees provided oral and/or written consent, only five interviewees allowed me to audio record their voices. Initially, I asked for permission from each of my interviewees to record the interview, but it became clear that many were uncomfortable with the added level of documentation. However, the ones that declined my request for audio recording permitted me to write notes.

Additionally, except for three interviewees, who instead of requesting anonymity specifically requested that I used their real names, including the former head of the National Human Rights Commission (NHRC), Professor Mizanur Rahman, Shahriar Kabir, a Bangladeshi

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human rights activist and former President of *Forum for Secular Bangladesh*, and Brigadier General Shakhawat Hossain, the former Chief Election Commissioner in Bangladesh, all interviewees and informants requested anonymity. The respondents requested anonymity because their answers suggested the local elites and senior aid bureaucrats worked together to secure vested interests from the aid projects. Revealing the identity of my respondents, who mainly worked for these same local elites or studied at a private university owned by the elites, or worked as a mid-level project officer at an aid agency, could have put their lives in danger. Thus, all interviewees except the three noted above have been assigned a pseudonym.

I observed the frequent presence of corrupt practices in public institutions, where paying cash would expedite matters (“greasing the palm”). I sensed the general public was aware of these corrupt measures and I was extremely sensitive in approaching these issues of local bureaucratic mismanagement and corruption in aid projects. People were initially insecure about discussing these issues, but were more forthcoming as the interview proceeded.

In one instance while interviewing people at BRTA, the respondent was initially unwilling to sign the consent form and grabbed the form and tried to tear it up. When I asked why he had reacted like this, he said his life would be in danger if his identity was disclosed. I realized it was risky for him to share his personal experience on such a sensitive topic as corruption. I invited him to join me at a tea-stall outside BRTA. While having tea, he asked me about the purpose of the research, as well as if I was working for the political opponents of the ruling party, or was a newspaper reporter. He also asked if I had a camera on me. Once he understood that my intention was the honest promotion of academic knowledge and learning, he gave me his oral consent to respond to my questions and signed the consent form. Considering the danger my respondents could suffer if their identities were known, I promptly assigned each of my
respondents a pseudonym.

Similar to informants at BRTA, I also observed concerns about personal safety and threat to livelihood from the four interviewee part-time faculty members employed at different private universities in Dhaka city. As a result, I designed and conducted a specific focus group discussion with faculty members, who not only requested to remain anonymous but also did not want to speak in front of the students.

My observational studies were unobtrusive in nature and took place at public spaces. In the process I did not intrude on anyone’s privacy and confidentiality. In my dissertation, I report only unobtrusive observational data because I did not have ethics approval for obtrusive observational studies and did not obtain consent from any research subjects for gathering observational data in their home or workplace. For example, on one occasion at BRTA, a public institution, when accompanied by an employee, I was walking from point A to point B when I overheard a phone conversation of a senior BRTA executive, whose office door was open. Since the executive spoke in a high pitched voice, the content of the conversation was loud and clear. I gathered that the son or daughter of that particular senior executive attended college or university somewhere at a Western institution and the executive spoke about wiring his or her tuition fees within the next few business days. At that point, the employee accompanying me assured me that the children of almost all the senior and mid-level BRTA executives attended private universities in Dhaka, if not at a Western country. I also made unobtrusive observations at various rural and urban data collection sites. Although it is not always easy to draw the line between obtrusive and non-obtrusive observations, I remained vigilant and paid very close attention to this issue.
3.6.6 “Gray” Literature and Archival Data

I collected various types of printed and electronic documents produced by governments, academics, businesses, and NGOs, as well as archival materials stored both at Dhaka University Library and the Public Library. For example, I came across some statistical data on emigration of Bangladeshis in 1991, 2001, and 2011 that helped immensely to contextualize my findings on expanding socio-economic inequality in the country. Furthermore, the 2011 Census Data for Bangladesh showed quite clearly the trends toward displacement of ethnic and religious minorities in Bangladesh. This quantitative, demographic data showed that emigration from Bangladesh between 1990 and 2010 increased 750 percent. During a few interviews, aid workers directed me to locate and access donor agency reports on the Bangladeshi economy. Often available from on-line sources and published by NGOs, donor agencies, and media outlets, these “gray” literatures were not stored and catalogued in major sources such as prominent databases or indexes. However, they have collectively contributed to my analysis of development assistance and the privatization process in Bangladesh. Additionally, I obtained IFC-SEDF’s Impact Assessment report, as discussed in chapter six, from one of the interviewees. The respondent gave this document to me to highlight the details of measured impact of a World Bank run entrepreneurship development and poverty reduction aid project in Bangladesh. The findings of the IFC-SEDF’s Impact Assessment report, among other sources have helped to provide insights that inform my analysis of class relations in Bangladesh.

3.6.7 Content Analysis of Media Articles

I conducted an observational study of the electronic and print media in Bangladesh on topics relevant to my research such as development aid, privatization, and globalization. As of
2016 in Bangladesh, there were 41 Bengali language daily newspapers and seven English language daily newspapers (All Bangla Newspapers List 2017). Including the Bengali and English daily news outlets stated above, there were 105 online daily newspapers, as well as forty local daily newspapers that represented local news from the country’s eight major administrative regions and sixty-four zilas (districts) (All Bangla Newspapers List 2017). Additionally, there were forty-one private television channels, and twenty-five privately-owned radio channels (Bangladesh Telecommunication Regulatory Commission 2017). I prioritized analyzing privately owned Bangladeshi newspapers over the country’s electronic media including information from the privately owned television and radio channels. I did not pick the privatized electronic media because I assumed that each was owned by the country’s economic and political elites and were likely to impede any critique of privatization.

Based on online searches and observations made at my research sites in both urban and rural Bangladeshi settings, I frequently came across the names of several Bengali newspapers. Based solely on circulation frequency, I selected two Bengali newspapers, *Doinik Prothom Alo* and *Kaler Kantho*, and two English newspapers, *The Daily Star* and *The Daily Sun* for my media study. These privately-owned newspapers provided important background and content to understand the country’s “hegemonic mindset” because both *Doinik Prothom Alo* and *The Daily Star* were owned by the same person’s business conglomerate, Transcom Group. In addition to the media industry, the individual and his family had ongoing business ventures in areas including beverage, electronics, food products, pharmaceuticals, and radio channel. This family respectively hired an engineer turned popular fiction writer as the editor of the Bengali newspaper *Doinik Prothom Alo* and a local elite who also was a former United Nations (UN) staff as the English Editor for *The Daily Star*. Similarly, both *Kaler Kantho* and *Daily Sun* were
owned by Bangladesh’s largest family conglomerate, Bashundhara Group, which in addition to media, has nineteen other business concerns in areas including real estate, cement, food and beverage, steel, and liquefied petroleum gas. Interestingly, emerging Bengali and English dailies including Daily Ajker Kagoj and Dhaka Tribune were also owned by a family conglomerate named Gemcon Group. Although I did not follow the content of these two newspapers, from their websites I came to learn that Gemcon Group had active ties to the ruling government in Bangladesh.

These four newspapers were available online and through regular subscriptions. While the two stated Bengali newspapers were available in every urban household and office, as well as in rural tea stalls that I visited, I observed the English newspapers were available only in a few middleclass and some elite households, as well as in places including the Golf Club, airports, street newspaper vendors, international NGOs, development agencies, and embassies.

3.6.8 Chronology of Field Research

I collected data in Bangladesh twice — first in 2014 from May 29 to August 31 for three months, and finally in 2016 from June 8 to August 22 for another two and a half months. I list a full chronology of my research movements in Table 3.1 below. Over the duration of my research I made Dhaka city my home base. The first weeks during both trips went by meeting and re-meeting peer researchers, obtaining permissions to access various types of government and non-government information, as well as setting-up interviews. I selected my interviewees through a combination of convenience, snowball, and purposive sampling. I was seeking multiple perspectives from my informants and my first three interviewees were people that were available through various contacts (convenience sampling) and the following four were selected based on
informant recommendations (snowball sampling).

Table 3.1: Chronology of activities and movements during the fieldwork component of my research.

<table>
<thead>
<tr>
<th>No.</th>
<th>Location</th>
<th>Duration</th>
<th>Methods used at each site, activities and number of completed interviews.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Online</td>
<td>1(^{st})–28(^{th}) May</td>
<td>Conducted web analysis on Bangladeshi media reports. For example, reviewed World Bank documents, as well as media reports. My analysis revealed Bangladesh Road Transport Authority (BRTA) was a direct beneficiary of the World Bank grant/advice. Also, the World Bank advised the Bangladesh Government to enact the Private University Act of 1992. Therefore, the private universities in Bangladesh were direct outputs of the World Bank advice. I cited such specific literature respectively in chapters eight and nine. Also, by employing my urban contacts in Dhaka, I made cold calls and tried to book potential interviewees in Dhaka, Daulotpur, and Shimulia, as well as tried to set-up interviews. In several cases, I spoke to interviewees at length. However, when I asked them about poverty projects in their areas or villages, as well as about the tangible beneficiaries of those projects, my informants requested for in-person meetings. I did follow-up with these informants and continued our conversations later on in-person.</td>
</tr>
<tr>
<td>2.</td>
<td>Dhaka</td>
<td>29(^{th}) May</td>
<td>Arrived in Dhaka, Bangladesh at 8:40 am.</td>
</tr>
<tr>
<td>3.</td>
<td>Dhaka</td>
<td>29(^{th}) May – 3(^{rd}) June</td>
<td>Observed participants at the Golf Club and D.O.H.S. (home-base), as well as various surroundings in the Dhaka city including Gulshan-I Market, Mohakhali Bazaar, Bangladesh Road Transport Authority (BRTA), and Dhaka University campus. I also went to Arjatpara, Korail, and Rasulbag, three bastees (shanti type temporary settlements) located in between Mohakhali and Gulshan-I. The majority of the people that lived in these bastees worked as domestic workers in upscale neighbourhoods, such as DOHS and Gulshan-I. Dhaka University and BRTA were located within five kilometers from my home-base. The Golf Club, as well as Arjatpara, Korail and Rasulbag were located within three kilometer radius from my home-base. Visiting all these places stated above gave me first-hand exposures to the socio-economic contractions in urban Dhaka.</td>
</tr>
<tr>
<td>4.</td>
<td>Daulotpur village</td>
<td>4(^{th})–7(^{th}) June until 10 am</td>
<td>Observed participants at the agriculture farms, tea-stalls, mosques, soccer/cricket-fields. Met with my local guide Zamal, who was a rickshaw-puller. I had several potential informants but they decided not to speak to me until two, male, and elder people of the village spoke to me. I managed to conduct two interviews — with a village land-owner and a school headmaster. On 5(^{th}) June, Riffat, while on her way to Bogra, spent three hours in Daulotpur.</td>
</tr>
<tr>
<td>5.</td>
<td>Dhaka</td>
<td>7(^{th}) June afternoon – 8(^{th}) June</td>
<td>Returned to Dhaka in 7(^{th}) June early afternoon. Went to BRTA in the late-afternoon. Observed people at BRTA customers and spoke to two customers. One of the two gave me oral consent (Ref: BRTA notes).</td>
</tr>
<tr>
<td>6.</td>
<td>Spain and Online</td>
<td>9(^{th})–16th June</td>
<td>Went to Spain to present a conference paper on Bangladesh (Ref: Spain Itinerary 2014). I shared some of my latest observations. While travelling, I made initiatives to reach out to wealthy Bangladeshis and subtly inquired about the nature of their access, background, and networks. During my short stay in Madrid, I observed Bangladeshi migrant workers that functioned as illegal and ad-hoc street vendors on various tourist-friendly spots in Madrid. On my way</td>
</tr>
</tbody>
</table>
back to Bangladesh, on board from my flight to Istanbul to Dhaka. I conducted an informal interview on board with a readymade garments owner. He invited me to visit his factory. I followed-up with him and interviewed him at his factory later on.

<table>
<thead>
<tr>
<th></th>
<th>Dhaka</th>
<th>17th June evening — 18th June</th>
<th>Scheduled an interview with a prospective interviewee (BRTA middle-man) via Skype. Went to BRTA (for the third time) during after working hours late in the evening, conducted interviews of two BRTA middle-men (Ref. BRTA notes).</th>
</tr>
</thead>
<tbody>
<tr>
<td>8.</td>
<td>Cox’s Bazar</td>
<td>19th–21st June</td>
<td>I went to Cox’s Bazar with Amit, my peer-researcher. In Cox’s Bazar, I conducted observational studies on local Hindu minority community. I also conducted two informal interviews with female members of Bangladeshi middle-class. The husband of one of the female interviewees joined us during the conversation. He also gave me his oral consent.</td>
</tr>
<tr>
<td>10.</td>
<td>Daulotpur village</td>
<td>23rd–30th June</td>
<td>Built rapport with participants at agriculture farms, tea-stalls, mosques, soccer/cricket-fields. I conducted interviews with four farmers and a village elderly. Only one of the four farmers owned moderate piece of land and was relatively better-off than the other three farmers. While I was in Daulotpur, had a phone interview with an informant on 26th June evening.</td>
</tr>
<tr>
<td>11.</td>
<td>Dhaka</td>
<td>1st–21st July</td>
<td>Unobtrusive observational study at BRTA. Interviewed one BRTA staff in-person. Spoke to three Bangladeshi industrialists from garments and real estate sectors. Also, conducted information conversations with a former World Bank colleague, as well as with a photographer.</td>
</tr>
<tr>
<td>12.</td>
<td>India and Online</td>
<td>21st–27th July</td>
<td>I visited museums in Kolkata, Delhi, and Amritsar in India. I also conducted informal observations. This exposure was helpful to learn about the history of the Indian sub-continent, particularly the Partition of 1947 and aftermath. Although I talked to several people, I considered only one of them for a formal interview because of relevance to my research (ref. Arjun Kumar Bose, 28th July, 2014). While I was in India, I used Skype to make phone calls, followed up with prospective interviewees in Shimulia, and tried to set-up interviews upon my return to Dhaka.</td>
</tr>
<tr>
<td>13.</td>
<td>Dhaka</td>
<td>28th July</td>
<td>Returned to Dhaka. In the late afternoon, made an hour long trip to Shimulia.</td>
</tr>
<tr>
<td>14.</td>
<td>Shimulia village</td>
<td>29th July–1st August</td>
<td>Observed participants at government offices, agriculture farms, tea-stalls, mosques, soccer/cricket-fields. Met with my local guide Munir, who was a rickshaw-puller. Also, conducted one interview with a local land-owner and political leader, as well as two interviews with small-scale, village entrepreneurs. On my way back to Dhaka, I met up with Riffat, who helped to interview one female small-scale entrepreneur On Kotowali located in Greater Dhaka.</td>
</tr>
<tr>
<td>15.</td>
<td>Dhaka</td>
<td>2nd–5th August</td>
<td>Moderated two focus group discussions at two private university campuses and observed students on and off campus by the cafes. Also, went to BRTA on an observation trip. Went to Tongi near Dhaka with Riffat to speak to a small-scale female entrepreneur.</td>
</tr>
<tr>
<td>16.</td>
<td>Shimulia village (morning time) and Dhaka (later)</td>
<td>6th–10th August</td>
<td>In Shimulia, I observed participants at bazaar and tea-stalls Shimulia trip ended on 10th August afternoon and returned to Dhaka on 10th late afternoon. In Dhaka, on 6th, 7th, 8th, and 10th August early evenings, I moderated four</td>
</tr>
<tr>
<td>No.</td>
<td>Location</td>
<td>Duration</td>
<td>Methods used at each site, activities and number of completed interviews</td>
</tr>
<tr>
<td>-----</td>
<td>----------------------------------</td>
<td>-------------------</td>
<td>-------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>1.</td>
<td>Online</td>
<td>8th June—9th July</td>
<td>Re-connected with peer-researchers to set-up more interviews, reviewed gray literature, and analyzed content of media reports. Had phone conversations with five informants interviewed in 2014.</td>
</tr>
<tr>
<td>2.</td>
<td>Dhaka and Shimulia village</td>
<td>10th—23rd July</td>
<td>Movement was limited due to a terrorist attack in Dhaka’s diplomatic area. Conducted observation trips to various urban clusters in Dhaka and in Shimulia. Had phone conversation with two female entrepreneurs (Halima and Roshi) interviewed in 2014. Also, met up with four existing informants (Arjun, Nargis, Moinul, and Muqueet) and spoke to three new informants in urban Dhaka.</td>
</tr>
<tr>
<td>3.</td>
<td>Bihar and Kolkata, India</td>
<td>24th July—14th Aug</td>
<td>Research trip with Dr. David Geary. Also, conducted informal observational study to learn about the displaced Bangladeshi-Hindu refugees in Bihar.</td>
</tr>
</tbody>
</table>

Consequently, my interviewee selection method, informed by Bryman (2008) was

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7 This three-week pilot project examined the role Asian Buddhist monasteries played in mediating transnational connections and ties in North India. Although this research was not part of my doctoral studies, some of the findings from the research in India helped me to learn about the displacement of Hindu minorities in Bangladesh.
purposive because, especially in the case of urban interviewees, I chose them from a group of available people. I selected the interviewees based on their level of orientation and exposure to the development aid and privatization processes that were of interest to my project. Therefore, employing purposive sampling in rural and urban areas from a larger population provided critiques about development aid data that did not vary or differ from one interviewee to another (Guest, Bunce and Johnson 2006, 59; Seidman 2012, 56).

During the process of data collection, as evidenced from Table: 3.1, I often moved around different sites. For example, initially I travelled in the morning to the villages and returned to home base again in Dhaka in the evenings. I did so because access to specific participants and the interviewers were restricted. Also, often interviewees either cancelled at the very last minute or were not always available at the scheduled time, or wished to schedule later without providing a specific day or time. As a result, I had to make constant adjustments to my intended plan of data collection. Eventually, once I earned some buy-in from the village gatekeepers, I stayed several days at a time both in Daulotpur and Shimulia villages for data collection.

Due to the occurrences of unforeseen events such as unavailability of desired interviewees, as well as frequent cancellations of scheduled interviews without prior notices, I felt frustrated. Hardly anything worked as I had envisioned during my fieldwork in Bangladesh. For example, the owners of large or medium businesses such as a garment factory or a real estate firm appeared to juggle an infinite number of tasks during their long working hours to deal with unforeseen factory floor accidents, bureaucratic red-tape and thus to manage associated travels. As a result, quite often I would show up at a business for a scheduled interview to discover the owner was stuck somewhere else. In such a context, I neither received a prior notice nor was
allowed to speak to an alternate source of information. Therefore, I had to make frequent adjustments to my travels plans to make room for rescheduled visits.

Such inconsistency prepared me to keep an open eye and search for meaningful, supporting evidence to answer my research questions. For example, when I went to BRTA for the first time, it was for renewing the registration and road fitness documents for the automobile owned by my mother. During the process of walking from A to B at BRTA, I came across the information technology room that had a small plaque by its entrance, “Sponsored by the World Bank.” I started to inquire as a result, which led to finding a World Bank project report explaining its Technical Assistance (TA) to BRTA. This project included the donations of new computers, network systems, and internet connectivity to support efficient public service at BRTA, as well as training the BRTA officials to operate and maintain the sponsored devices and gazettes (The World Bank 2003). This report demonstrated one of the ways in which aid moves into the public as well as private sectors in Bangladesh and was thus directly relevant to my research questions. Likewise, at the beginning of my fieldwork, I was not aware of the fact that the private universities in Bangladesh were established because the World Bank had pressured the Bangladeshi government to spend less on public universities. I met a gentleman at a social gathering, who worked at one of the private universities in Dhaka. He was not an interviewee, but shared inside information with me about higher tuition fees, lack of student resources, high faculty turnover, and wealthy university owners. This led me to look further into the issues he pointed out and to include the privatization of universities in my study.

I also came across occasional luck, for example, an interviewee, a former development aid professional in Bangladesh, gave me an unpublished World Bank Report. This particular report assessed the impacts of a development project named IFC-SEDF in Bangladesh. I was
also involved in that project’s development result measurement section. Parts of this report claimed to benefit approximately 450,000 impoverished farmers and small scale rural retailers and dealers. However, given the landlessness of these farmers and anonymity in the report, I could not track down any such farmers. Moreover, given the fluid and precarious nature of small scale entrepreneurs in Bangladesh, they could easily go bankrupt and start a new entrepreneurial venture without filing any official registration related paperwork. Such lack of formality also impeded my ability to track down small scale rural retailers or dealers targeted as aid recipients in the places of my visits.

Therefore, I attempted to make the best of my observational studies, participant-observation, informal and semi-structured interviews, and focus groups. When I did not have access to transportation provided by Riffat and Amit, I either walked, or took rickshaws or relied on other modes of transportations such as a local bus. Making constant adjustments in terms of time and relevant resources such as food, accommodation, and fare costs added up over time. Consequently, I also faced a constraint with availability of funds which limited the original scope of research.

In this chapter, I have discussed my approaches to data collection methodology and the methods I employed during the multi-sited fieldwork component of my research in Bangladesh.

Having discussed my theoretical and methodological aims, in the next chapter I analyze the long and turbulent history of state-building in Bangladesh since the Indo-Aryan period and the consequent re-shaping of class structures during the Islamic, Mughal, British, and Pakistani periods until Bangladesh’s independence in 1971. This historical overview of class structures is important for understanding the reconfigurations of class and inequality in present-day Bangladesh which is the focus of chapter five. In that chapter, I demonstrate that the power
vacuum that emerged at the end of the Pakistani period, facilitated the emergence of a new elite class in Bangladesh that achieved hegemonic status through alliance with the international aid/development industry. That pattern of hegemony in turn creates greater inequalities and ever more entrenched patterns of poverty and migration in contemporary Bangladesh.
Chapter 4: History of Class Relations to Bangladesh’s Independence

In order to illustrate Bangladesh’s complex political and economic environment, this chapter focuses on the history of class relations in the Bengal region and the Indian sub-continent in general, beginning with the emergence of the caste system during the Indo-Aryan period and continuing through its modification but persistence during the Muslim and Mughal periods. I then highlight the transformation of the Mughal Empire’s centralized tribute system into a capitalist economy during the British colonial period and the re-shaping of class structures in the service of the British Empire. This period saw the deindustrialization of Indian industries, including Bengali industries (e.g. textiles), in favour of British industries, the hardening of religious and class divisions, the creation of a new bureaucratic class drawn from the Brahmin caste, and the installation of a British education system in India. I then conclude by examining the restructuring of class relations in Bangladesh during the Pakistani period (1947—1971).

By limiting my analysis to these select periods from Bangladesh’s vast and expansive history until its Independence in 1971, I am able to look back, as well as forward to interpret the application of a capitalist economy through privatization in contemporary post-colonial Bangladesh. Although one runs the risk of over-simplifying complex historical processes, I argue that this background information is important to understand the current trajectory of development in the country and how this long and turbulent history of state-building continues to shape class configurations in Bangladesh and the application of privatization processes as facilitated by international development aid. Also, I will demonstrate that analysing the outcomes of such a process substantiates my reasoning in regard to the construction of Bangladeshi bourgeois elites and the way in which they apply power and control techniques to maintain and enhance their
privilege, to control economic and political resources (e.g. religion), and to manage subservient classes (e.g. public funds).

4.1 Pre-Muslim Period (pre-thirteenth century)

Bangladesh’s ethnic and linguistic histories date back more than four thousand years. Bhadradwaj (2003, 3) suggests the precise derivation of the word “Bangla” or “Bengal” is from an indigenous Dravidian language, which traveled through the migration streams to Bengal region through the sea and by land from the southern Dravidian Indian sub-continent. The indigenous Bengalis and the Dravidians traditionally maintained close ties through kinship and trading. Such engagements were facilitated by common weather patterns, such as tropical monsoon, cyclones, and seasonal winds between Bengal and the Indian South (Bhadradwaj 2003, 3; Amrith 2015, 5). Given the abundance of rivers and water resources, early Bengali indigenous societies lived by the coast, as well as on the banks of the all the major rivers in the area, including the Padma, Meghna, and Jamuna. Consequently, as population increased and food economies and social organizational features became more complex, early indigenous Bengali societies emerged from the gana-sangha scale of organization (communities and villages) to the janapad scale (state level formations). As interrelated economic, environmental, and population transitions continued to occur, competition over resources and redistribution of wealth became important issues. As these agricultural and pastoral societies experienced more specialization of labour this led to surpluses and the establishment of bureaucracy, including an early state system of governance that likely also contributed to new forms of social inequality.

According to David Anthony (2007, 408), since 1,800 BCE, after the invention of the war chariot, the Aryans—a diverse Indo-European-speaking ethno-linguistic group—migrated down to north India mainly from central Asia. Anthony adds, before the development of their Indo
identity, the Aryans were a genetically diverse group of people comprised of different physical and cultural features compared to the Indian indigenous peoples, the Dravidians. Despite their diversity, the Aryans were united by shared cultural norms ─ patriarchy, nomadic nature, warrior traits, and the use of cattle as a form of wealth. Moreover, the Aryans also had a common, influential and distinctive set of languages that derived from Sanskrit, Greek, and Latin. When the Aryans migrated and settled in north India their civilization developed through client-patron relations with other groups and/or cultures in India based on the manufacturing and trading of chariots, agricultural tools, and weapons (Anthony 2007).

After migrating and settling in north India, some Indo-Aryans moved east closer to the Bengal region. During the process of intra-India migration and settlement, the Indo-Aryans picked up new revenue generating skills including commercial agriculture and trade in copper, iron ore, and minerals (Anthony 2007, 409─10). As the Indo-Aryan economic networks expanded as a result of interacting with various indigenous and social groups in India, they employed religion as “a cultural tool of domination” to set up a hegemonic social structure in India (Dirks 2003, 3). For example, the Indo-Aryans worshipped various gods and recognized the *Vedas* as their most valued religious text. However, over time, it has been argued that they also incorporated some of indigenous Dravidian gods such as *Shiva* into their Vedic religious pantheon (Kumar 1991, 4). Not surprisingly, over time the original inhabitants of India were greatly influenced by the settler Aryan practices and their ability to absorb local deities into their religious worldview. For example, Tharoor (2018, 21) suggests that Hanuman, a monkey-god, which served Lord Rama in the Vedic epic *Ramayana*, was an example how the Aryans accommodated *Adivasi* (indigenous) Indians. Thus, the Aryans adapted well to Indian society
developing alliances with many such indigenous groups as well as influencing and imposing new social structures of rule.

According to Wolpret (1999, 575), “Hinduism is the fruit that emerged from the complex mixing of the Dravidian culture and the Aryan culture.” He adds the Aryans sculpted Hinduism by leveraging Aryan epics, texts and religious ideologies. At the same time, underlying cultural and physical differences persisted with the fair-skinned Aryans stamping the dark-skinned Dravidians as “non-believers” and labeling them as “phallus worshippers” (Kumar 1991, 4).

Building upon these differences, the Aryans aimed to secure a higher position of authority and influence with the creation of the *varna* (social classes) system, also known as the caste system in Hinduism

<table>
<thead>
<tr>
<th>Sequence of Hierarchy</th>
<th>Name of Caste</th>
<th>Assigned Roles</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td><em>Brahmins</em></td>
<td>priests, teachers, and scholars</td>
</tr>
<tr>
<td>2.</td>
<td><em>Kshatriyas</em></td>
<td>warriors and rulers</td>
</tr>
<tr>
<td>3.</td>
<td><em>Vaishyas</em></td>
<td>farmers, merchants, and traders</td>
</tr>
<tr>
<td>4.</td>
<td><em>Shudras</em></td>
<td>workers, artisans, and servants</td>
</tr>
</tbody>
</table>

It has been argued by Wolpret (1999, 575) that the Aryans introduced this top-down, hierarchical caste system because it placed them in a position of ideological influence over other social groups in India (Wolpret 1999, 575). It was through this action that the Aryans became

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8 According to anthropologist Robert Deliège (2011, 48), in the past caste system was also referred as *jati* that meant something similar to “species.”
known as the Brahmins, the top of the caste system. The three other main castes that comprise the varna system, were the Ksatriyas, the Vaisyas and the Sudras (Kosambi 1996, 15). The Brahmins, formerly the Indo-Aryan people, held authority over other castes retaining control of religious authority, bureaucratic decision-making, and technical knowledge. Sharma (2005) explains the role of these four castes:

The Brahmins consisted of the priestly class who were responsible for the prayers, sacrifices and the people who have a connection with the gods. The Ksatriyas were the warriors and they were responsible for the protection of the communities. The Vaisy [Vaisyas] were the traders and normal commoners. The Sudras were the conquered dark skinned people who were considered the lowest class and given servant like duties such as cleaning, repairs and janitorial works. (Sharma 2005, 865)

Through the development of the caste system, the Brahmins not only gave a powerful social structure to Indian society but also brought a large area of the subcontinent under its bureaucratic control and influence (Anthony 2007, 408; Thapar 2002, 3, 76).

Although caste is not mentioned in the Rig Veda and first appears in the Purusha Sukta verse, a later interpolation that describes the sacrifice by the gods of Purusha (Tharoor 2018, 69), this religious mythologization helped to legitimize caste discrimination as a widespread social practice placing the peasant, indigenous Bengali populations in a relatively lower caste position compared to the priests, ruling, and warrior classes. As mentioned previously, because of common kinship and trading ties, Bengali indigenous communities looked similar to the Dravidians, and they were placed in the same caste despite their differences. Thus, the Brahmins
in Bengal became the first informal zamindars (landlords) in the region, acquiring vast amounts of land through religious authority and bureaucratic decision-making, while the vast majority of the indigenous Bengalis functioned as low caste Hindus and perpetually suffered from its unequal impositions.

As the Aryans connected most of north, central, and east India through the Sanskrit language and Brahmin bureaucracy, as well as through trading and agricultural surplus, the Bengal region and its seaports to the south became part of a greater economic structure. Over 1,300 rivers around Bengal’s fertile region complemented and supported a heavy migration inflow, which resulted in an increase in Bengal’s population (Eaton 1993; Rahman 2014). Although this migration was a function of various complex factors, the Brahmin priests in the Indo-Aryan hierarchical societies, who were experts on climate patterns and irrigation systems, decided on the design and outcome of such migration (Thapar 2002, 37).

Although the Hindu caste system is often described as a comprehensive hegemonic system that has been in place for thousands of years, several scholars have also shown that it was much more fluid than previously thought and the varna system was far from rigid (Tharoor 2016, Kaviraj 1992). For example, Kaviraj (1992, 26) suggests that communities and their social identities in pre-colonial India had “fuzzy” boundaries due to the absence of a collective identity based on territory. Part of this fuzziness, according to Kaviraj (1992) was because traditional communities, unlike modern ones, were not enumerated (Table 4.2, next page).

As a result, throughout the pre-Muslim period, there were some opportunities for social mobility within the caste system. For example, Kshatriya kings were never in practical terms subordinate to Brahmins, whom they employed, paid, patronized, heeded or dismissed as they found appropriate at different times. Prior to British rule, the Shudra could also leave the

<table>
<thead>
<tr>
<th>Time range</th>
<th>Dominant Rulers</th>
<th>Nature of the Society, Religion, Economy, and Politics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Before 2000 BCE</td>
<td>Indigenous</td>
<td>Agriculture based societies, some specialization of labour</td>
</tr>
<tr>
<td>2000 BCE- early 3rd century CE</td>
<td>Indo-Aryans</td>
<td>Agriculture based societies, more specialization of labour based on surplus, emergence of bureaucracies, fluid caste system</td>
</tr>
<tr>
<td>4th-6th Century CE</td>
<td>Hindu Empire Gupta</td>
<td>Increasing specialization of labour based on increasing agricultural surpluses and trade products created by an increasing labour class and merchants. <strong>Informal mercantile economy.</strong> Emergence of Hindu landlords. Equality aspect of Buddhism became popular due to some tensions created by the caste hierarchy</td>
</tr>
<tr>
<td>Dawn of 6th - 625 CE</td>
<td>Hindu King Shashanka off Gupta Empire</td>
<td>Tensions between Hinduism and Buddhism expand; caste inequalities maintained with the power of sword</td>
</tr>
<tr>
<td>8th-12th century</td>
<td>Buddhist Pala dynasty</td>
<td><strong>Emergence of Muslim traders and landlords. Village communities functioning as self-governing republics</strong> but linked to wider pre-colonial global markets under the landlords</td>
</tr>
<tr>
<td>Early 16th - early 18th century</td>
<td>Mughal period</td>
<td>Dissolver of Bengal’s independence as Bengal became 12th Mughal province. Appointments of Hindus and Muslims as generals and senior bureaucrats consolidated the tribute system, reduced influence of the landlords, cultural tolerance, increasing economic surplus.</td>
</tr>
<tr>
<td>1497</td>
<td>The Europeans (Dutch, English, French, Portuguese) started to arrive by sea</td>
<td></td>
</tr>
<tr>
<td>16th Aug. 1947 - Dec. 1971</td>
<td>West Pakistan</td>
<td>Islam with remnants of enumerated caste practices. Acute poverty and famine, ethnic divide between the West Pakistanis and Bengalis, Urdu as administrative language, rising resentment towards West Pakistani ruling in Bengal, Killing of Bengali intellectuals</td>
</tr>
</tbody>
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9 In 1582, Mughal emperor Akbar developed this syncretic religion. It was composed of the best elements of the religions of his empire and attempted to reconcile the differences that divided his subjects
confines of the village and seek livelihood opportunities in a different princely state where his caste identity would have a muted impact (Tharoor 2016, 128). Although these examples could be multiplied, what is important to note is that this simplistic categorization of caste could not have reasonably organized the entire social strata of the Indian subcontinent and some forms of mobility and variation existed and flourished in different parts of the country (Tharoor 2016, 125). Kaviraj (2009, 3) adds that the most significant disorder in early Indian history involved challenges “to the religious organization of society through reform movements of Buddhism and Jainism against ritualistic Brahminism in ancient India.” This also includes the rise of the Bhakti Cults that challenged the orthodoxy of Brahminical Hinduism during the middle ages. Such diverse religious sensibilities and divisions within Hindu communities created a path for the Muslims invaders from western Asia including Turkey and Persia to seize political power.

Muslim dominance in the Bangla region, as in India as a whole, began in eleventh century, when a Muslim general of Turkish ancestry and his forces attacked the ruling Hindu Sena king (Table 4.2, previous page). It has been argued that the economic richness of Bengal as narrated by the Arab traders, who frequented Bengal through its seaports, partially facilitated such military invasion (Eaton 1993). Subsequently, the Sultans (Muslim rulers) largely based themselves in north India and allowed the Hindu Sena dynasty to continue to rule the Bengal region under a tribute system, which meant the Sena King would keep paying an annual tax in return for the Sultans’ military protection (Eaton 1993, 17–19). This arrangement facilitated the
continuation of the relatively fluid caste system in Bengal during the Muslim period. In the following section, I explain the state building in Bengal during the Muslim and Mughal periods.

4.2 The Muslim and Mughal Periods (1350s–1756)

Although Muslim preachers and traders first arrived in India in the eighth century, Bengal remained primarily a Buddhist and Hindu majority region until much later (Table 2.1). It was not until the mid-fourteenth-century that Bengal became Shahi Bangla (the independent Sultanate of Bengal), after the Persian-Muslim governors of the Delhi Sultanate granted Bengal independence. As an absolute monarchy, the Sultanate of Bengal and its successors accumulated wealth from sea trade, along with sales and tax revenues from agricultural produce and trade with other regions. During the period of Shahi Bangla, Sonar Gaon (“village of gold”), located at the center of Ganges delta in Bengal, became the main administrative, commercial, and maritime city in the region (Eaton 1993, 131). The Sultanate of Bengal had also commissioned the mainstreaming of a Persian-based Muslim society in Bengal. As a result, the strong Sufi influences under Sultan’s patronage promoted Islam in the Bengal region and encouraged Hindu Bengalis, mainly the low-caste peasants to convert to Islam. In this context, Peter Hardy (1979) argues that if Islamization in India, especially in Bengal, had ever been a function of military or political force, there would be tangible signs of this enforcement. For example, the regions that were exposed to intense Muslim rule over the longest period would have produced the greatest

After India’s independence in 1947, Indian sociologists, for example Oberoi et al. (2007) assumed the influence of caste would disappear as the country embraced social and economic changes. However, after 70 years of independence, while India transformed herself as one of the economic powers of global market economy in the twenty-first century, caste continues to play an important role in various aspects of Indian social life, particularly in marriage. Deliège (2011, 48) adds that ‘caste’ has been able to adjust to India’s mainstream political democracy and economic development, as well as to remain as a “potent force” in India’s economic and social modernization.
number of Muslims in the population in India. However, according to Hardy (1979, 78), the opposite is the reality.

Reflecting on the demography of eastern Bengal and the western areas of Punjab (present-day Pakistan), where the most spectacular Islamization occurred within Muslim colonial India, Hardy (1979, 78) argues that these two regions were on the outskirts of Indo-Muslim rule and the Muslim military presence there was minimal. Considering the main Muslim administrative centers were located in the upper Gangetic Plain, such as in Delhi and Agra, Hardy explains that the Muslim population constituted approximately 70 percent to 90 percent of the total population in Bengal and Punjab respectively, whereas, at the epicenter of the Muslim regime in South Asia, the Muslim population ranged from only 10 percent to 15 percent (Hardy 1979). Therefore, there exists an inverse relationship between the degree of Muslim political and military penetration and the degree of Islamization. In the context of Bengal, this inversion indicates that there were likely other influences, such as the spread of Sufism, that may have encouraged low caste Hindus to embrace the tenants of Islam in order to be liberated from the exploitations caused by the caste system.

Building on Hardy’s thesis, historian Richard Eaton (1993, 116) adds that the Indians who presented themselves as new Muslim converts to the Muslim Sultans in the darbars (courts) of Delhi and Agra, were in turn rewarded with robes of honour according to their social rank within Indian society. The symbol of the robes indicates that the Muslim colonizers likely respected the social hierarchy and were reluctant to interfere with social norms that had prevailed in India and elsewhere, including the Bengal region. Eaton (1993) highlights that this administrative exercise of Muslim rulers in India was a pivotal method to establish and maintain pluralistic religious practices in the region.
Additional factors and cultural practices may have also played instrumental roles in popularizing Islam in India and, later, in Bengal. These include the spread and melding of Hindu classical music in northern and north-western India among Muslim singers inspired by followers of Chistia, Qadiriya, and Suhrawardiyah tarika of Sufism; the role of Muslim performers in developing North Indian classical dance; and the spirit of tolerance and coexistence with other groups that enabled Islam to gain a foothold in Bengal and elsewhere (Eaton 1993, 144; Rahim 2007, 557). The appearance of Vaishnava faith and the folk music of Fakir Lalon Shah and their followers, further amplified this storehouse of epics, myths, and religious motifs that testified to a civilizational bond that extended well beyond the Bengal region (Kabir 2007, 8-9; Khilnani 1997).

In 1576, the Mughal rulers of Mongol-Persian-Turkish ancestry, who had sacked the Delhi Sultanate, dissolved Shahi Bangla ('the independent Sultanate of Bengal') and established Bengal Subah — a subdivision of the Mughal Empire. The Mughals acknowledged the fertile nature of the land in Bengal and ordered the clearing of vast swathes of forest in order to increase the amount of farmland. The Mughals encouraged settlers, including farmers and leasers of farmlands to populate the lower Gangetic delta in Bengal and commissioned the Sufis as the chieftains of villages. These Sufi leaders combined Islamic and Bengali cultural practices to develop the first Bengali Muslim society and promoted Sufi leaders and Muslims traders as landlords (Eaton 1993).

Although the Mughals’ navy was relatively weak, they had a strong cavalry and infantry. With these forces they were able to control major portions of the trade routes in the Indian northwest and beyond. Once they had control of Bengal they formally connected Bengal with the Silk Routes, which consequently provided access to Bengal’s textile products from markets in
China, Persia, West Asia, and Southern Europe. In order to secure trade and revenue collection in the Bengal sub-division of the Empire, the Mughals established a centralized tribute system by taking control of the tax collection process and by actively monitoring the existing zamindars’ tax collection from the peasants. Although a number of the existing zamindars, such as the *Baro-Bhuiyans* (twelve zamindars) that included Isa Khan, Protapaditya, among others tried to resist the Mughal desire to develop a centralized tribute system they could not compete with the military strength of the Mughals (Eaton 1993, 129–131). Under the modified tax collection system, closely watched by the Mughal military officers, the zamindars levied taxes on the peasants, portions of which they paid the Mughals. Thus, under the Mughal watch, the previously independent Bengal zamindars became tax intermediaries.

In addition to consolidating the tax system, the Mughals secured their authority over the Indian subcontinent and also developed a common language called Urdu that combined Sanskrit, Farsi, Arabic, and other indigenous languages (Dirks 2003). Although different ethnic groups in India spoke their own languages, the establishment of Urdu as an administrative language complemented the maintenance of a centralized Mughal bureaucracy. As a result of deploying this comprehensive tax system wedded to Urdu bureaucracy the Mughals brought the Ganges plain and delta directly into their area of power, as well as approximately 80 percent of India under the Empire (Hodgson 1974, 63).

Based in Bengal’s biggest city Dhaka, the Mughal Empire oversaw one of the world’s dominant manufacturing industries in textile and shipbuilding (Indrajit 2011). Bengal was also an exporter of desired products including silk, cotton, textile, spices, steel, salt and agricultural products. In all, Bengal was arguably the Empire's wealthiest region that generated 50 percent of the Mughal Gross Domestic Product (GDP), as well as 12 percent of the world’s
GDP (Alam 2016, 32). Dhaka continued to be the Mughal Empire’s commercial emporium during the seventeenth century, when the Mughal rulers renamed the city as Jahangir Nagar (Mansfield 2011, 2). During the Mughal period, the importance of Sonar Gaon grew as a thriving port and trading hub that became formally connected with the Silk Route. Esposito (2004, 190) and Tong (2016, 151) cite that in the 1700s Dhaka city housed approximately eighty thousand skilled textile weavers and the city had a population of over a million. Elaborate architectural designs and buildings were also integrated into the changing the urban fabric of contemporary Dhaka.

The Mughal-inspired manufacturing of goods and trading with the other parts of the world brought new people, mainly trade facilitators and operations managers, into the Bengal region. The Muslim Nawabs and Hindu landlords of Bengal ruled under the Mughal’s consolidated tribute system as a quasi-independent state. Tharoor (2016, 49) remarks that village communities during pre-colonial Indian era functioned as “self-governing republics” and were linked to “wider pre-colonial global markets.” In addition to spreading Islam as a faith and Muslim (particularly Persian) arts and culture, the Mughals commissioned projects to demonstrate how accommodating they were to Hindu, Buddhist, Christian, and other religious values—generating periods of great religious tolerance (Thapar 2002; Tharoor 2016). With the migration of people, global links, and a multi-religious cultural ethos that brought security and wealth to the Bengal region, more Indian subjects were drawn to the adoption of Islam (Eaton 1996, 159–60).

According to Kabir (2007), despite emerging as a Muslim kingdom, the Hindus, Buddhists and Muslims in Bengal shared the same social universe in the villages of Bengal during the pre-British colonial era. He highlights that Hindus visited the shrines of Muslim saints
and presented their offerings, and Muslims sought refuge in the many gods and goddesses among the Hindu pantheon during their hard times. For example, a Hindu god Sattaya Narayan was worshipped by Bengali Muslims as Sattya Pir. In 80 Punthis, a book of poems from medieval Bengal on Sattaya Narayan, a few lines are as follows:

The gods of Hindus become the saints of Muslims,
Appearing before both they are served by each.
I am Mecca’s Rahim, I am Ayodhya’s Rama,
I, Sattaya-Narayan, am the symbol of Unity
In today’s world. (Kabir 2007, 16)

Additionally, during the time of pre-modern medical advancements, when epidemics such as chicken pox ravaged villages, the Hindu priests prayed to various goddesses, such as Olai-Chandi and Shitola-Chandi, while the Muslims prayed to Olai-Bibi and Shitola-Bibi (Kabir 2007, 10). In this context, Sufism played an instrumental role in popularizing the new religion of Islam as it melded with the culture of Bengalis and supported an ethic of religious pluralism and cultural syncretism. For example, Bengalis celebrate Pohela Boishakh, which is the First Day of Bengali New Year, like they celebrated Eid, the main religious festivals after Ramadan for the Muslims, which some have argued has roots in indigenous-animistic practices, Hinduism, and Buddhism (Tasnim 2012, 111). They also observed Halkhata and Baisakh or Nobanno Uthshob (festivals marking a new fiscal account for traders and a new harvest for farmers, respectively) and welcomed the changing seasons with distinctive rituals and beliefs. Such religious syncretism in Bengal continued well into the Mughal period that began in the early sixteenth

11 Sattaya means truth and Narayan is another name for Vishnu, is the supreme absolute being in Hinduism. Pir means either saint or guide or elder.
This picture of religious confluence and co-existence in the Bengal region is a far cry from the power struggles that took place between Hindu and Muslims in early centuries, especially since 712 CE, when an Arab warrior named Muhammad bin Qasim destroyed the Hindu Kingdom of Sindh (Eaton 1994, Talbot 1995). It is frequently cited, especially by those followers of Hindutva, that at least sixty thousand Hindu temples were razed to the ground by the Muslim invaders, and were replaced with over three thousand mosques (Talbot 1995, 718). However, based on their work in two different parts of India, both Eaton (1994) and Talbot (1995, 718), view the desecration of Hindu temples by the Muslim conquerors as part of “a phenomenon of advancing frontier.” Talbot (1995, 718) adds, “The portrayal of Muslims as Islamist fanatics and idol breakers to destroy the Hindu temples is far from truth.” Expanding on these views, Tharoor (2016) explains:

A royal temple symbolized the king’s power in Hindu political thought, and so destroying it signified that king’s utter humiliation. …invaders’ attacks on temples were politically, rather than religiously, motivated. …the Muslims who stayed in India attacked temples not to destroy them, but because they valued them and understood their importance. …there are far more numerous examples of harmony and co-existence. (Tharoor 2016, 136)

This interchange and influence across religious divisions was also the case for many Generals and high level bureaucrats who held important positions of authority in the Mughal courts. For example, Gyanendra Pandey (1990) provides examples of high level Hindu and Muslim bureaucrats in Sikh ruler Ranjit Singh’s palace, Muslims serving in the Marathi Hindu
king Shivaji’s army, and Hindu warriors fighting for Mughal king Aurangzeb. Tharoor (2016) also remarks that all the generals in Muslim King Tipu Sultan’s army were Hindus and Tipu Sultan commissioned the building of more Hindu temples than he destroyed. In all, these examples highlight that Hindu-Muslims were working together in pre-British colonial times and often transcended religious, economic, social, and linguistic differences.

Despite its successes in social stability and economic surplus, the Mughals and their Delhi based empire began to shrink from the mid-seventeenth century onwards. Due to fragmentation and power struggles raised by the emperor’s sons, cousins, and relatives the empire became increasingly fragile. The increasing economic and military dominance of the British East India Company in India also threatened the supremacy of the Mughals. Although the Mughals granted the British and other European enterprises the right to trade in India, the British eventually dominated over other European traders and successfully established a foothold in India, particularly in the Bengal region. Eventually, through their deployment of various tactful economic and political alliances, the British were able to defeat the Mughals and emerge as the dominant ruler in India for the next three hundred years. During this time, India, which had been one of the richest countries in the world, became one of the poorest. In the following section, I explain how the British managed to seize political and economic authority in India and what that meant for changing class structures in the Bengal region.

4.3 The British Period (1600—1947)

In early 1600, when the British merchants began trading in India, they pursued a type of mercantilism capitalism. However, with the decline of Mughal Empire and its eventual collapse in the eighteenth century, the British East India Company seized political power in India and formally established a capitalist economy in the region. The Company ruled India from 1757
until 1858; a period that coincided with the industrial revolution back in England. Following the Indian Rebellion in 1857 India was placed under the Crown of the British Empire on November 1, 1858. Such an enactment allowed the Crown to appoint a Governor-General and other administrative hierarchy within the Indian subcontinent. This reconfiguration of power was not only a response to the widespread Indian uprising but it was also due to the massive corruption and looting under the East India Company with the Crown vowing to establish order by inaugurating an Indian Civil Service under the control of the British Secretary of State (Tharoor 2016). Despite these changes, as a result of the policies of both the Company and the Crown, the Indian economy continued to struggle.

According to Indian historian Rajat Datta (2003, 261), “The fiscal bases of the state in medieval India lay in a highly commercialised economy, these connections were continued and intensified by the early-colonial intervention with significantly different results.” He explains while the Mughals developed new industries and reinvested the tax revenue to develop India, the British deindustrialized India instead to grow new industries in England (Datta 2003, 261–263; Tharoor 2016). The British also made the Indian economy, people, and society a function of its algorithm for revenue generation and profit making, which created class conflicts, vast economic and social inequality, and likely contributed to multiple famines in India.

Many of these rapacious measures began in 1600 when Queen Elizabeth I granted a charter to the company for an exclusive trading right mainly in cotton, silk, indigo dye, salt, tea and opium. The queen and her counsel at that time had a two-fold objective: i) to generate profit for three straight years; and ii) to outcompete rival Dutch and Portuguese traders in India (Tunzelmann 2007, 13). The Company started off with thirty-five permanent staff in London and became a heavily militarized corporation. By 1800 the British East India Company
employed twice as many military personnel then the British State (Darymple and Anand 2017, 2–3). Under its corporate rule, within three hundred years India went into considerable economic decline in comparison to previous centuries.

Tharoor (2016) explains how this mega-corporation turned into a colonial enterprise and started to rule from 1757 onward after the Battle of Plassey. Tharoor remarks:

In the years after 1757, the British astutely fomented cleavages among the Indian princes, and steadily consolidated their dominion through a policy of ‘divide and rule’ that came to be dubbed, after 1858, ‘divide et impera.’ At this time it was a purely political ploy, and the divisions the Company sought to encourage were entirely based on greed and the desire for self-advancement rather than religion or social group. …often it was merely a question of who could pay more to the British. Loyalties were purchasable, sometimes more than once. Thus in 1757, as we have seen, Clive installed Mir Jafar on the throne of Bengal for a handsome sum, as a reward for having betrayed the previous nawab, Siraj-ud-Daula, at Plassey; Clive’s successors deposed Mir Jafar and put Mir Kasim in his place for somewhat less (for the money went to them, after all, and not to Clive); three years later, they restored Mir Jafar, since he now paid them two and a half times more than Mir Kasim did; and two years after that, they took money from Najim-ud-Daula to depose Mir Jafar yet again. That sort of ‘bribe, suborn and rule’ system was comprehensible in terms of the crass
motives that animated The East India Company in India. But it would be a forerunner of a more insidious divide-and-rule policy from the late nineteenth century, which instigated Indian against Indian on the basis of divisions that would do far more lasting damage. (2016, 48)

In 1766, The East India Company obtained *Diwani* (the right to collect tax) from the weakened Mughal Emperor Shah Alam in Bengal (Robins 2012, 12). In 1773, in order to promote efficiency in tax collection in Bengal, the Company further modified the zamindari system, which allowed a Bengali Hindu or Muslim landlord lifetime tenure to fix tax rates as well as collect tax from peoples of his feudal estate, which ranged from about fifteen to sixty villages (Datta 2003, 263). Although the British claimed to abolish the tribute system by enacting changes to the zamindar system, it remained very much intact with many local elites and British authorities continuing to reap the benefits. However, the fundamental difference between the Mughal tribute system in India and the zamindar system during British-India is that during the pre-British period, the Sultans and the Mughals partly reinvested the revenues back into the local economy and Indian society. However, this was not the case during British colonial rule in India, with most of the collected revenues being sent to England (Datta 2003; Tharoor 2016).

Meanwhile, the Hindu and Muslim zamindars were keen on securing the interest of the East India Company and consequently the Crown. As the British rulers moved Bengal’s capital from Dhaka to Kolkata, these zamindars sought to maintain alliances with the British monarch and helped to facilitate the architectural and economic development and urbanization of Kolkata at the expense of the massive exploitation of rural Bengal. Overall, the British rule in Bengal undermined the traditional modes of agriculture, reshaped rural productivity, and generated
rapid, acute, and systemic poverty in many areas of Bengal (Datta 2003, 263). The remnants of such “underdevelopment” are still prevalent in Bangladesh today and it is reasonable to argue that the psyche of the local Bangladeshi elites today continues to emulate and practice this zamindari form that was more explicit during the British period.

In the late eighteenth century, it has been argued that the East India Company’s senior officials, such as Governor General Warren Hastings, possessed genuine interest in understanding Indian cultures and customs (Tharoor 2016, 61). The British also began to study the Shastra, which in Hinduism means a work of scripture. The British wanted to use the messages found in the scriptures to influence their decisions in creating and developing a new set of legal principles that would ultimately help them resolve more effectively the disputes that arise in Indian civil society (Tharoor 2016, 125). However, the inability of the British personnel to read or interpret any of the ancient Sanskrit texts led Governor General Hastings to commission a formal study. He employed eleven Brahmin scholars and the output in 1776 became known as the Codes of Gentoo Law. The outcome resulted in an “Anglo-Brahminical” text that arguably involved a significant degree of reinvention in both letter and spirit: in letter because the finished product was inaccurate in reference to the originals, and in spirit because they interpreted, or rather created, “sacrosanct ‘customs’ that in fact had no Shastric authority” (Tharoor 2016, 126).

Tharoor (2016, 126) argues that prior to the construction of the Codes of Gentoo Law, “disputes in Indian Civil society were settled by Jati or Biradri,” meaning that a person’s fate was decided within their own community or clan based on the community of respective individual’s traditions and values, without needing approval from any higher caste authority. The Brahmins, instead of continuing and reflecting this widespread practice, cited doctrinal
justifications from lengthy dilapidated texts to consecrate their status as the only authority figures, and most of the British, instead of questioning them, took their word for it.

Thus, the Brahmins leveraged British patronage over other Indian castes and groups and began to work more closely under British tutelage, considering themselves above all others in the social hierarchy (Bayle 2001, 42). The result was an exceptional prevalence of Brahmins in positions of importance in the British Raj. Brahmins, who were no more than a tenth of the population, filled over 90 percent of the jobs offered to Indians in government employment (Tharoor 2016, 127). Evidently, the remaining 10 percent of the government employed jobs consisted of extremely “low-status” positions. They also dominated the non-governmental professions that were open to all Indians, especially positions involving the practice of law, medicine, journalism, and academic professions to ensure that it was their voices that were representative of the Indian population (Bayle 2001, 43; Tharoor 2016, 127).

Moreover, as a result of enacting the Gentoo Laws in 1776 CE, Brahmin also became a sought-after title equated with individual’s high social standing. For those belonging to lower castes such as the Shudra, their fate was sealed with the social hierarchy and there was limited mobility across endogamous caste groups. As a result of the enactment of the Gentoo Laws, this ultimately restricted career opportunities for Indians who were not fortunate enough to be Brahmin. This negotiated marriage between the British decision makers and the Brahmin elites was instrumental to the advancement of the Brahmins as well as the depredation of the Muslims in British administration in India. The residue of these alliances are helpful in understanding the relations between western aid decision makers and the Bangladeshi political and economic elites in contemporary Bangladesh, a topic I turn to in chapter six.

Another related development was the number of famines and their impact on rural
populations under British colonial rule. According to Amartya Sen (1982, 160), India suffered multiple famines during the British colonial period, but not due to a lack of food availability. In particular, he highlights the 1943 Bengal famine and argues that British administrators during World War II adopted a non-interventionist strategy, which consequently killed over thirty-five million Indians, most of them Bengalis. Citing Adam Smith’s (1776) *Wealth of Nation*, Sen argues that the urgent demand for goods and services should have created a surplus, however, that was not the case during 1943’s Bengal famine (Sen 1982, 160–166). Despite the fact that in Bengal they had produced bumper crops in the same year and in the years before, the people suffered greatly.

What seems evident is that the British administrators remained focused on serving their own vested interests including moving the available food to places through railways to feed the British soldiers in the overseas wars overlooking the acute local demand in Bengal (Sen 1982, 162; Satya 2008, 74–75). Overall, the assertion that British lives mattered more than Indian ones created devastating outcomes to the local Indian economy and society. Citing the British writer Digby (1901, 25), Tharoor describes how the British Secretary of State in India earned a salary that was equivalent to the average annual income of ninety thousand Indians. In his own words:

> For many Britons, imperialism was principally justified as a moral crusade to liberate Indians from ‘ignorance, idolatry, and vice’. But they were curiously reluctant to act on it. Whereas the Portuguese rapidly Christianized Goa, for instance, the British did not import their first Bishop till 1813. ‘The first, and often the only, purpose of British power in India,’ writes Jon Wilson, ‘was to defend the fact of Britain’s presence on Indian ground.’ For most
of the imperialists, India was a career, not a crusade. Changing India was not the object; making money out of India was. (Tharoor 2016, 113)

British rulers, well-to-do princely families, and prospering Brahmin bureaucrats economically and socially did very well, but the growing numbers of peasants/workers in the rural areas and urban centers were becoming impoverished.

In the years after 1757, the British astutely fomented cleavages among the Indian princes, and steadily consolidated their dominion through a policy of ‘divide and rule’ that came to be dubbed, after 1858, ‘divide et impera.’ At this time it was a purely political ploy, and the divisions the Company sought to encourage were entirely based on greed and the desire for self-advancement rather than religion or social group. (Tharoor 2016, 48)

In addition to introducing a capitalist economy as well as modifying the zamindar system, in 1835 the British made English language the *lingua franca* for the medium of trade, business, and education in India. The Indian elites, more so the Hindu elites than the Muslim ones learned to speak English, which helped them to create associations and to find opportunities in the economic and political advancements under the British Raj. However, many Muslims remained loyal to the Urdu language. Such a distinction based on language and religion had a substantial impact on the economic, political, and social class structures in British India (Figure 2.2).

Not only was language used as a cultural technology of rule (Dirks 2001) but the British replaced the existing Persian and traditional Indian educational system with an English one designed to create “a class of persons, Indians in blood and color, but English in taste, in opinion,
in morals and in intellect” (Chatterjee 1993, 9). It was Thomas Macaulay, who in 1933 declared “a single shelf of a good European library is worth the whole native literature of India and Arabia” (cited in Anderson 1991, 86). The irony, of course, is that centuries before the rise of premier British universities, such as Oxford and Cambridge, India was homes to some of the greatest educational institutions such as Nalanda University that “employed 2,000 teachers and housed 10,000 students in a remarkable campus that featured a library nine storeys [sic] tall (Tharoor 2016, 216).

Thus, as a “cultural project of control”, Dirks (2001, 3) has argued that colonial knowledge not only enabled conquest but also reconstructed and transformed cultural forms in the ruled societies. These reconfigurations of power and the social categories designed to manage the colonial subjects have also given rise to entrenched social differences within Indian society between colonizers and the colonized, the inferior and superior. For example, according to Anderson, the British “generated a pool of local clerks with bilingual skills who were later used to mediate linguistic barriers between the metropolitan nation and the colonized subjects” (Anderson 1991, 106). By contrast, the Mughals who had colonized India before the British promoted an education system premised upon the pupils' needs and cultural background (Tharoor 2016). The difference being that the British rulers wanted “to produce a carefully calibrated quantum of English-speaking Indians to serve as a politically reliable, grateful, and acculturated indigenous elite, filling the subordinate echelons of the colony’s bureaucracy and larger commercial enterprises” (Anderson 1991, 115).

Also, citing Durant (2015), Tharoor (2016, 226) adds, “In 1859-60, education in Bengal received 1,032,021 rupees from the British government, which was about the same amount spent on rebuilding army barracks that year. The funding of education continued to be a low priority
for the British throughout their rule.” As a result of lack of funding and neglect towards the Indian educational institutions, the students in India failed to excel in science and technology and consequently in innovation while the British flourished in these fields in the nineteenth and twentieth centuries. These earlier examples during British India are important to highlight because as we will see in chapter nine, the funding of education in Bangladesh today follows a similar logic, rooted in the idea that educational institutions should be organized to serve the ruling elite, not the general public.

These examples contradict the claims often made by British administrators and historians such as Thomas Macaulay (1933) that, instead of establishing the rule of British bureaucracy in India, the aim of the British administrators was to train Indians to govern and protect themselves (Chatterjee 1993, 35; Tharoor 2015a). Therefore, it is not surprising that in 1947 when the British left India, the country’s literacy rate was only 16 percent, and the female literacy rate was even less, approximately 8 percent, which means only one out of every twelve South Asian women could read and write in 1947 (Tharoor 2016, 215).

Moreover, due to the application of colonialism, racism, class violence and economic exploitation deepened in British India leaving a permanent mark on Indian life. Indian post-colonial critic Partha Chatterjee (1993, 16) suggests that the “degree of administrative rationalization during this period of bureaucratic despotism was far ahead of the country’s Brahmanic [sic] social order during the pre-British period, which knew of no rule of law in the contractual sense.” Tharoor (2016) adds:

Lord Asquith declared in 1909 that ‘if high places were given to Hindus half as unfit as the Englishmen who then occupied them in India, it would be regarded as a public scandal’. Mediocrities ruled
the roost, and they were paid far more than Indians, since they had to endure the ‘hardships’ of the Indian heat—despite the warmth of the sun offering a welcome respite, for most, from the cold and fog of grey, benighted Blighty. … They were also, as a rule, singularly smug and self-satisfied and insufferably patronizing in their attitudes to Indians (when they were not simply contemptuous).

Jawaharlal Nehru put it sharply: the Indian Civil Service, he said, was ‘neither Indian, nor civil, nor a service’. (Tharoor 2016, 60)

One response to this changing social landscape was the early nineteenth century emergence of the Babus or Bhadraloks. As representatives of the Bengali middle-class they used their position of influence as bilingual intelligentsia to challenge and resist certain forms of British rule. Islam (2017) explains:

Besides being highly educated, well read in both the local and European arts, literature and the sciences, the Bhadralok was also expected to be “modern” in attitude and, perhaps, secular in outlook. Kind of a hybrid, set between the Western, mainly English, culture and refined Hindu upper caste values. They ushered in what is often termed as the “Bengali Renaissance”.

(Islam 2017, 5)

Although the Bhadralok mainly represented the Bengali middle-class, many Babus were wealthy enough to be identified as elite or upper class (Islam 2017, 5). In all, they realized the British presence led to lower standards of education generally, and to a more utilitarian approach to education. For example, bureaucratic skills did not necessarily lead to higher learning. Thus, the
bilingual Bengali intelligentsia reacted and came to think of Bengali language as a means to
nourish their spiritual sovereignty and cultural identity. Thus, language and afterwards family
values played a substantial role among the bilingual Bengali elites to develop a sense of
nationalism in Bengal (Chatterjee 1993, 9).

Adding to this discussion, Joya Chatterji (2002, 16) focuses on the British version of
caste as well as on religious tensions between the Hindus and the Muslims in Bengal. She
highlights the dramatic reversal of measures by the Hindu Bhadraloks from the first partition of
Bengal in 1905 to the second one in the 1940s. According to her, the Hindu nationalist _babus_ or
the _bhadraloks_ had opposed the religion-based 1905 partition of East and West Bengal but later
became communalist proponents in favour of a second partition in the 1940s. Hindu elites in
Bengal opposed partition in 1905 because they thought it would give autonomous power to
Muslim leaders in East Bengal, who they were attempting to control up to that time. Therefore,
the Hindu elites opposed the British "conquer and divide" policy in order to retain their own
power (Chatterji 2002, 253, 268). Also, the Hindu Bhadraloks treated “the Muslims from East
Bengal as “Bangal” meaning rustic, more as a derogatory reference to their peasant background
and to distance them from the Bhadra culture of the Hindu middle-class” (Islam 2017, 2, 5).
However, the newly educated Muslims towards the end of the British colonial rule, especially the
government officials, picked up specific Western values and so-called refined tastes — “being on
time, having afternoon tea, or having read the classics in literature, able to communicate in
English and refined Bengali” (Islam 2017, 4) — and became similar to the Hindu Bhadralok.
After 1947 and beyond, these educated Muslims paved the way for the emergence of the Bhadra
Muslim family, which I discuss further in the next section.

Overall, the three hundred years of British rule in the Indian sub-continent can be
summarized in the words of Pankaj Mishra:

European subordination of [South] Asia was not merely economic and political and military. It was also intellectual and moral and spiritual: a completely different kind of conquest than had been witnessed before, which left its victims resentful but also envious of their conquerors and, ultimately, eager to be initiated into the mysteries of their seemingly near-magical power. (Mishra 2013, 3)

Moving from the British colonial period to the Partition of India, in the next section I focus on East Pakistan that in 1971 became Bangladesh.

4.4 Pakistani Era (1947–1971)

After draining India’s economy, the British in 1947 declared India independent. As part of the transition they also “ripped two wings off the body of India” to create a single state out of two Pakistans ─ East and West (Tunzelmann 2007, 3). Although East and West Pakistan both had Muslim majority populations, geographically and culturally these states were vastly different. In this section, my analysis focuses on East Pakistan because in 1971 it became Bangladesh, which is my geographical area of research focus. The creation of this Muslim majority state on one hand involved the exodus of Hindu Brahmins and other classes of Hindus to India, while on the other end, facilitated the arrival of Muslims from India and Burma (Feldman 1971). In all, it created somewhat of a vacuum in terms of who took over and ran industries, businesses, and government bureaucracy in newly formed East Pakistan. Constituting nearly sixty percent of the total Pakistani population it was expected that the Bengali Muslims would replace the British colonial authority in East Pakistan. However, as Islam (2017) explains:
In the pre-independence Bangladesh there really was not much of an “upper class” in Bangladesh. A handful of “moneyed families” with investments in business and industries were known but they were not treated as an “upper class” proper nor were they given the high status or honour. The highest status/honour within the country (East Pakistan then) were accorded to the top government officials and professionals. In any case, these families owned little in comparison to the wealth of the notorious “22 families” in West Pakistan, who were seen as controlling the resources as well as the state power of the country (Pakistan) then and, therefore, the “upper class”, in reality, resided in West Pakistan. (Islam 2017, 7)

In fact, similar to how the British colonizers took Bengal’s raw materials to set-up a few industrial productions partly in Kolkata and mostly in London, the Muslim West Pakistanis ─ politicians, businessmen, and military ─ drained raw materials from East Pakistan to set up new factories as well as to beautify West Pakistan (Feldman 1971).

For example, Rahman (1978, 3) highlights that through controlling tariffs, imports, industrial licensing, foreign aid budgeting, and investment allocation, the West Pakistani Central government took away approximately USD 2.6 billion from East Pakistan over the financial period of 1948–49 to 1968–69. While that created new jobs and industrial revenues in West Pakistan, the relocation of raw materials and other resources deepened social scarcity and poverty in East Pakistan. Moreover, Rao (1972, 14) showcases that since the beginning of early 1950s, economic disparity in terms of per person income between East and West Pakistanis widened increasingly. For example, in East Pakistan, while per person income increased by 0.7
percent a year, in West Pakistan, the rate of per person income increased by 2 percent, which was approximately three times higher compared to per person income increase in East Pakistan.

In terms of educational infrastructure between East and West Pakistan, similarly, Ahmed (2016) finds disparities and highlights the decline of schools in East Pakistan under West Pakistani rule. He compares the number of primary schools in East Pakistan between 1947 and 1971 and reports that East Pakistan had 902 more primary schools in 1947 compare to the number of primary schools in 1971. In comparison, during this period West Pakistan had 35,287 additional primary schools built. Asadullah (2006) cites Pakistan Government’s census reports published in 1961 to argue that disparities in economic and education infrastructure between East and West Pakistan created a lower education rate as well as in increase in child labour in East Pakistan. For example, in 1961:

Thirty-eight point two percent of children aged 10-14 years were reported in civilian labour force in East Pakistan compared to 23.3% in West Pakistan. …As a result, East Pakistan experienced a decline in the number of graduates and post-graduates. The Western unit, …not only had a head-start in terms of total number of graduates and postgraduates, it registered [in 1961] 21.3% and 68.6% growth in these numbers respectively. (Asadullah 2006, 15; Harron and Jan, 1964).

Overall, between 1947 and 1971, the West Pakistani rulers, especially the military generals continued the colonial rule over the Bengali East Pakistanis. For example, the West Pakistani military authority held the power base and implemented economic policies that ensured the entire foreign exchange earned by East Pakistan flowed into the coffers of the governing elite
in West Pakistan. The proceeds of the sales revenues realized in East Pakistan also went to West Pakistan (Table 4.3, next page).

**Table 4.1: Disbursement of Pakistan’s Budget in East and West Pakistan between 1950 and 1970. Developed by author based on the Reports of the Advisory Panels for the Fourth Five Year Plan 1970–75, Vol. 1. Planning Commissions of Pakistan.**

<table>
<thead>
<tr>
<th>Financial Year</th>
<th>Expenditure on West Pakistan (In millions of Pakistani Rupees)</th>
<th>Expenditure on East Pakistan (In millions of Pakistani Rupees)</th>
<th>Amount Spent on East as Percentage of West</th>
</tr>
</thead>
<tbody>
<tr>
<td>1950-55</td>
<td>11,290</td>
<td>5,240</td>
<td>46.4</td>
</tr>
<tr>
<td>1956-60</td>
<td>16,550</td>
<td>5,240</td>
<td>31.7</td>
</tr>
<tr>
<td>1960-65</td>
<td>33,550</td>
<td>14,040</td>
<td>41.8</td>
</tr>
<tr>
<td>1965-70</td>
<td>51,950</td>
<td>21,410</td>
<td>41.2</td>
</tr>
<tr>
<td>Total</td>
<td>113,340</td>
<td>45,930</td>
<td>40.5</td>
</tr>
</tbody>
</table>

Moreover, the West Pakistani bureaucrats and institutions considered Bengalis as an “inferior race” suitable to be clerks only, and treated as if they were part of the Hindu caste system (Alam 2015, 38─39). As of 1968, these bureaucrats, in conjunction with the twenty-two West Pakistani families that controlled approximately “two-thirds of industrial assets, 80 percent of banking, and 79 percent insurance sectors, directed the flow of development, economy and politics for Pakistan” (Haq 2017, 163). Haq also adds:

> The 22 families were a by-product of government policies and a primitive capitalistic system. The government did not have the courage to change the Company Law of 1913 under which the industrial sector of Pakistan was still being governed in 1968. This antiquated framework of capitalism permitted the industrial sector to have managing agencies, cartels, trusts, and all other antisocial practices aimed at cheating both the consumer and the government. The latter became both a conscious and an unconscious ally of the
private industrialists by giving them generous protection, excessive
tax concessions, explicit and hidden subsidies, and representation
on many decision-making forums. …In blunt terms, Pakistan’s
capitalist system is still one of the most primitive in the world.
Under it economic feudalism prevails. A handful of people,
whether landlords or industrialists or bureaucrats, make all the
basic decisions, and the system often works simply because there is
an alliance between various vested interests. (Haq 2017, 164–5)

Under these 22 families’ economic leadership, with protection by the military, Pakistan’s
economic growth rate in terms of Gross National Product (GNP) had been approximately six
percent a year for a decade during between the mid-1950s and mid-1960s (Haq 2017, 162–3).
Seeing that, the international aid donors, such as the United States applauded Pakistan, “as a
model of development.” However, both the West Pakistani elites and the western aid donors
overlooked the federal government’s allocation of funds and foreign aid in West Pakistan. They
also ignored West Pakistan’s economic disparity towards the East Pakistani Bengalis despite the
fact East Pakistan carried most of the share of Pakistan’s exports (Menon 2018). I contend that
the alliance made by the West Pakistani elites and the western aid donors echoes the Codes of the
_Gentoo Laws._

Members of the twenty-two powerful families, especially Adamjee, Ispahani, and Monno
had business interests in East Bengal, where they employed East Pakistani Bengalis as
subordinate managers and labourers, while most of the Bengalis continued to be peasants (Haq
2017; Rahim 2007; Menon 2018). Although the majority Muslim Bengalis remained subordinate
to the West Pakistani officials and families, some educated Bengali Muslims began to mobilize
and expand a Bangladeshi nationalist movement (Islam 2017, 6).

For example, despite the fact that Urdu was spoken by only five percent of the Pakistani population including the powerful families and the military hierarchy, in 1952 the West Pakistani administration attempted to impose Urdu as the official language for both Pakistanis. As a result, the educated Bengali Muslims—academics and students—led massive people’s protests and demonstrations. This movement for linguistic right was known as *Bhasha Andolan*, which marked the foundation for Bengali nationalism in East Pakistan (Alam 2015).

Initially in 1950s East Pakistan, cultural nationalists argued the Bengali language and culture were the fundamental determinants of East Pakistani identity. As a result, they sought a pan-ethnic Bengali identity with Hindu Bengalis living in India’s West Bengal region. However, for religious nationalists in East Pakistan, Muslims in East Pakistan needed to reject essence of folk Islam and strictly follow the orthodox Wahabi interpretations of Islam and its codes, as practised in Saudi Arabia (Griffiths and Hasan 2015, 232). Thus, in the late 1950s and 1960s, both cultural nationalists and religious nationalists influenced social class cleavages among the Muslim *Bangalees* (‘Bengalis’) in East Pakistan, when it struggled under West Pakistani military and business elites.

Another contributing factor behind the Bengali nationalist movement in East Pakistan was the role of its neighbour India. Although it is difficult to prove, it is widely understood that India subtly plotted to break up East and West Pakistan in order to make its political rival to the West weaker and to establish relations with East Pakistan (later Bangladesh) as a new, reliable, and trusted friend (Griffiths and Hasan 2015, 232–3). Geopolitically, in the 1950s and beyond, West Pakistan (Pakistan) was allied with the United States while Pakistan’s political rival India was a close ally to the former Soviet Socialist Republic. Beyond South Asia, United States and
Soviet Russia were engaged in the Cold War and aimed to establish their solid political and economic influences in South Asia. As United States provided free-market prescriptions and military assistance to West Pakistan, Soviet Russia economically and politically influenced India with its socialist policies. Since East Pakistani Bengalis maintained closer cultural and linguistic ties to India’s West Bengal region than West Pakistan, Indian federal government policies leveraged the tension between East and West Pakistan to convince Bengali East Pakistanis to pursue a pro-socialist and nationalist movement towards autonomy (Griffiths and Hasan 2015).

In March 1971, Bengali nationalists in East Pakistan won the majority seats in the general election, but the West Pakistani authoritarian rulers, particularly the military generals refused to hand over state power to the East Bengalis. These generals ordered Pakistani troops to suppress the Bengali nationalistic sentiments. A military massacre that followed killed between one million and two million Bengalis and raped some 200,000 girls and women (Power, 2003: 82; Uddin 2006; Sen 2006, 15). With India’s military and economic assistance, the Bangladeshi freedom fighters retaliated and defeated the West Pakistani military forces. Before the victory of independence dawned for East Pakistan, on December 14 in 1971, the Pakistani Army and its Bengali collaborators undertook a genocidal cleansing of numerous Bengali speaking intellectuals including professors, lawyers, writers, journalists, doctors, engineers, and student activists. This violent cleansing of Bengali intellectuals in the newly independent Bangladesh led to power vacuum and shortage of educated bureaucrats and skilled politicians to lead the country towards equitable development and growth. Moving from the transformation of East Pakistan into independent Bangladesh, in the next chapter I explain the state formation of the newly independent country.
In this historical chapter, I narrated the long and turbulent history of state-building in Bangladesh since the Indo-Aryan period and the consequent re-shaping of class structures during the Islamic, Mughal, British, and post-independent Bangladesh. These historical periods highlight various external and internal forces that contributed to the transformation of Bengal from one of the wealthiest regions to one of the impoverished ones. My analysis on the history of state-building also helps to explain both the continuities and discontinuities of class structure in Bangladesh, as well as how that becomes reconfigured under the development aid industry in the aftermath of independence.

Building upon that, in chapter five, I describe the radical transformation of the military and political culture in Bangladesh, and the emergence of a new economic-political elite class following the power vacuum left by West Pakistan in 1971. I also focus on the use of development aid by the new elite through privatization that is used to consolidate and maintain their power, and the emergence of a new remittance working class as one expression of growing inequality. I also examine the dual hegemony—the state and development agency—that construct economic inequality and deepens poverty in contemporary Bangladesh’s aid economy.
Chapter 5: Contemporary Bangladesh — Class Structures, Aid Economy, and Poverty

In this chapter, I explain the power void that emerged at the end of the Pakistani period which facilitated the emergence of a new Bangladeshi elite class that achieved hegemonic status through forming alliance with the Western international aid/development industry. I argue that a pattern of dual hegemony has led to greater social inequalities and ever more entrenched patterns of poverty. These changes have also inspired a greater desire for in-migration from rural to urban centers, as well as out-migration beyond the Bangladeshi national borders, especially to the Middle East.

I begin the chapter with a description of the predominant class structures in post-independent Bangladesh in conjunction with an analysis of Western development aid specifically considering how aid influences class and shapes ‘economic development’ in the country. Following this descriptive overview, I provide an analysis of the entanglements of development and politics in present-day Bangladesh, particularly, how neoliberal measures executed through dual hegemony perpetuate external dependency and expand socio-economic inequality in the country. Finally, I further explain inequality by unpacking the capitalist and non-capitalist factors that contribute to the production and persistence of poverty in Bangladesh.

5.1 Contemporary Bangladesh and Class Structures

Initiated by the leadership void following independence, in the past several decades Bangladesh has fallen prey to different types of totalitarian regimes, with some flavour of democracy in between. Presently, Bangladesh is ruled by a form of democratically elected government which has been described as a form of “kleptocratic fascism” (Quadir 2015, 10–11). Despite a rapid transformation towards upward economic development, for example, from USD
31 per capita GDP in 1971 up to USD 1,754 per capita GDP in 2017 (The World Bank 2017a), as well as double digit economic growth for most of the 1990s fueled by the readymade garment industry, economic benefits have not “trickled down” in terms of growth, empowerment, and wealth for many of the lower and middle-classes. For example, out of the country’s 170 million people, approximately, thirty-one million people (18 percent of the population) still live below the poverty level (The World Bank 2018a). Although in recent years the population growth rate has slowed to 1.2 percent per year, Bangladesh remains the seventh most populous country in the world and one of the most densely populated (The World Bank 2017). Structural changes in the rural economy caused by commercial farming have also led to increasing rural poverty and out migration to urban centers. This has consequently deepened issues of urban poverty, such as a lack of adequate housing and urban congestion (Mahmood 2017). The prevalence of child labour, rapid environmental pollution, and dangerous working conditions have only added to the downward cultural and social disempowerment of the poor in Bangladesh.

At the same time, as a result of various political, educational, and economic changes the composition and character of the middle-class has become distorted. According to Islam (2017):

The middle-class of the 1960s was suddenly at the helm of state authority. Initially the Awami League, with one foot still in the villages, and later the military, a somewhat more Westernized group in its attitude and more urban in character, with its supporting civil bureaucracy, attained control over the economy and the polity. Through a process of nationalization and then privatization of the industries and commercial enterprises that were state owned or left behind by the West Pakistanis, a portion of the
middle-class began to transform itself into a new group of
“moneyed” men discarding their middle-class past. Hence, a
section of this middle-class with access to the state power, directly
or indirectly through association, acquired resources, including
disinvested factories and businesses, to propel them to the “upper
class” in terms of wealth and control over state power. Over the
next few decades they have only consolidated their class position
further and, along with a hoard of other new entrants, are on their
way to crystallizing as an “Upper Class” proper. (Islam 2017, 6–7)

I argue that sections of the Bangladeshi middle-class and military class accessed the state
power and transformed themselves into the “upper classes” by directly or indirectly forming
alliance with the Western international aid/development industry, which prescribed the country’s
national development policies. According to Meghna Guhathakurta and Willem van Schendel
(2013):

When Bangladesh became independent in 1971, scholars and
policymakers around the world felt that this newly independent
country needed large doses of aid to survive and not only because
of the colossal damage to the infrastructure that was a legacy of the
Bangladesh Liberation War. Bangladesh was seen as suffering from
geophysical, economic and demographic conditions that were
extremely hostile to development. It was this suffering that made
Bangladesh a prime challenge to the skills of development experts.
(Guhathakurta and Schendel 2013, 413)
As one of the “testing laboratories” for an international donor consortium, according to Chossudovsky (2003, 159–160), since 1975 the CIA assisted the Bangladeshi military officers to overthrow the country’s democratic and socialist government, and establish a more free-market economy under military patronage in the country. He also adds that the US offered substantial incentives to the Bangladeshi military government to break its traditional alliances with India and Soviet Russia by offering to train Bangladeshi economists and bureaucrats in the United States. This creation of a pool of ‘Chicago Boys’—economists trained in the market driven directives of the University of Chicago—of Bangladesh helped to establish and protect the application of neoliberal directives in the country. That practice continued with an increasing flow of both US development assistance and Western foreign direct investment in Bangladesh since 1975.

Chossudovsky (2003) argues that in the mid-1980s, the military government of Bangladesh formed reservations about the growing dependency on Bretton Woods institution-based development aid. As a result, the government led by a military general attempted to cease the increasing import dependency, as well as overlooked the development advice around privatization of state owned industries. Such a government move towards overcoming import dependency gave birth to state-sponsored projects, such as Sho-nirbhor Bangladesh (self-sufficient Bangladesh). The objective of these state-sponsored programs was to develop the country’s industrial and communication infrastructure, as well as increase export earnings, while reducing dependency on aid and imports (Sobhan 1984, 202).
Table 5.1: Foreign Direct Investment Inflow to Bangladesh (1972–2015). Sourced from World Bank 2018, supplemented by IMF and UN Conference on Trade and Development.

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount (USD)</th>
<th>Governance Mandate of the Government</th>
</tr>
</thead>
<tbody>
<tr>
<td>1972</td>
<td>$90,000</td>
<td>Democratic, Secular and Equality</td>
</tr>
<tr>
<td>1975</td>
<td>$1,544,000</td>
<td>Start of aid dependency with the a Military coup</td>
</tr>
<tr>
<td>1980</td>
<td>8,510,000</td>
<td>Military rule with moderate privatization</td>
</tr>
<tr>
<td>1985</td>
<td>-6,660,000</td>
<td>Military rulers’ reservation towards aid and neoliberalism</td>
</tr>
<tr>
<td>1990</td>
<td>3,239,000</td>
<td>Inception of privatization in Bangladesh</td>
</tr>
<tr>
<td>1996</td>
<td>13,530,000</td>
<td>Pro-privatizing Right-wing governance</td>
</tr>
<tr>
<td>2000</td>
<td>280,385,000</td>
<td>Pro-privatizing Right-wing governance</td>
</tr>
<tr>
<td>2005</td>
<td>760,505,000</td>
<td>Pro-privatizing Right-wing governance</td>
</tr>
<tr>
<td>2008</td>
<td>1,328,000,000</td>
<td>Military backed interim pro-privatizing Right-wing governance</td>
</tr>
<tr>
<td>2012</td>
<td>1,584,000,000</td>
<td>Pro-privatizing Right-wing governance</td>
</tr>
<tr>
<td>2013</td>
<td>2,603,000,000</td>
<td>Pro-privatizing Right-wing governance</td>
</tr>
<tr>
<td>2015</td>
<td>2,831,000,000</td>
<td>Pro-privatizing Right-wing governance</td>
</tr>
</tbody>
</table>

However, in retaliation to the Bangladesh Government’s efforts to overcome import dependency, foreign direct investment in Bangladesh significantly plummeted in 1985 (Table 5.1). Chossudovsky (2003, 160–161) argues that the government’s move towards self-sufficiency faced an abrupt response, arguably with CIA’s assistance, and expressed through massive student protests that accused the military government of graft and corruption. The outcome presented Bangladesh its second democracy in 1991, which Chossudovsky labels as a “bogus democracy” because it brought compliant “political puppets” into the decision-making realm, where the Chicago Boys of Bangladesh worked with Chicago School doctrines and Washington prescriptions to formally establish and operationalize neoliberalism in Bangladesh. Such a change in Bangladesh’s course of development through economic and political alterations conform to the main debate in development, as explained by dependency theory—developing societies have to follow the same trajectory towards greater accumulation and well-being.
prescribed by the Bretton Woods institutions (e.g. the World Bank).

In order to legitimize their enforcements, the Bretton Woods institutions celebrate various forms of success stories. For example, according to reports commissioned by the World Bank Group, rapid growth in production of low value clothing for the western market has spurred private sector growth and employment in urban Bangladeshi areas since 1991 (The World Bank 2017b). Other areas that have seen great success in light of aid assistance according to these same reports include the deregulation of agricultural markets resulting in higher production yields, as well as the diversification of employment opportunities for rural people who are long reliant on agricultural practice (Klytchnikova and Diop 2006; Binayak Sen 2003). A World Bank policy paper proclaimed that:

The proportion of people below the poverty line has fallen sharply from close to 60 percent in 1990 to 40 percent in 2005 with a faster rate of decline since 2000. We show that the reduction in consumption poverty in Bangladesh during 2000-2005 was also mirrored by substantial improvements in living conditions— including housing characteristics, and access to sanitation facilities, electricity, and communications. (Kotikula, Narayan, and Zaman 2010, 20)

Based on these claims of success by the aid donors, the Government of Bangladesh continues to receive more and more loans from Bretton Woods institutions. Particularly, according to The World Bank (2018d), in 2018 Bangladesh was one of the largest recipients of World Bank loans. Although Bangladesh Government claims the development aid industry contributes only two percent of the country’s GDP (The Daily Star 2019), this statistic masks the
fact that the country’s overall banking, trading, and education industries are organized on the basis of the prescriptions of the World Bank and IMF. Based on this argument, while aid contributes only two percent of Bangladesh GDP, the majority of the formal economy is designed and structured based on the prescriptions of the Bretton Woods institutions. Presently, Bangladesh has received USD 15 billion as IBRD loans and IDA credits, but the interest rate for the loan amount remains undisclosed (Table 5.2). Interestingly, during 2017–18 fiscal year Bangladesh received approximately USD 3 billion in loans from the World Bank (IDA 2018). Considering the country’s USD 12 billion in loans from the World Bank over the last forty-six years, it is questionable what prompted the Government of Bangladesh and the World Bank to negotiate a USD 3 billion loan while the country was preparing for a general election later in the year in December, 2018.


<table>
<thead>
<tr>
<th>Year</th>
<th>(In US$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1971</td>
<td>$0.00</td>
</tr>
<tr>
<td>1972</td>
<td>$3,039,000</td>
</tr>
<tr>
<td>1976</td>
<td>$471,319,000</td>
</tr>
<tr>
<td>1981</td>
<td>$1,139,706,000</td>
</tr>
<tr>
<td>1986</td>
<td>$2,510,832,000</td>
</tr>
<tr>
<td>1991</td>
<td>$4,424,365,000</td>
</tr>
<tr>
<td>1996</td>
<td>$5,759,327,000</td>
</tr>
<tr>
<td>2001</td>
<td>$6,456,048,000.00</td>
</tr>
<tr>
<td>2006</td>
<td>$9,297,235,000.00</td>
</tr>
<tr>
<td>2011</td>
<td>$10,712,230,000.00</td>
</tr>
<tr>
<td>2016</td>
<td>$11,890,490,000.00</td>
</tr>
<tr>
<td>2017-18</td>
<td>~$14,800,000,000.00</td>
</tr>
</tbody>
</table>
Presently, Bangladesh’s economic elites are split into the country’s two main political parties. These elites and their sub-streams of political, military and bureaucratic surrogates control the course of development in Bangladesh, as endorsed by the Bretton Woods institutions. Bangladesh’s two main political parties represent two specific families, similar to the situation in West Pakistan where twenty-two families owned the majority of the industrial, banking, and insurance sectors in the unified Pakistan. Besides these elites, middle-class Bangladeshis mainly work for multinational corporations, financial institutions, garment factories and their outlets, tourism and related industry, in the arts and the media—both electronic and print, or as officials in the numerous NGOs and donor agencies (Islam 2017, 9—10). Islam notes that “the largest group who claim to be ‘business men’ or ‘entrepreneurs’ including many medium to large traders, shop owners and small scale industrialists identify themselves as the middle-class” (Islam 2017, 10). But, unfortunately, according to Islam, the new Bangladeshi middle-class is “no longer the torch bearers of the middle-class values” (Islam 2017, 10).

He explains that since the independence of Bangladesh, “the acquisition of state power” continues to influence economic decision making. Gaining access to state power, and hence, economic resources, is also a main aspiration for many urban and rural Bangladeshis that are motivated to “change their fortunes for the better” (Islam 2017, 10). He expounds:

> With each change in government a new group of people [connected to the ruling political party] attain access to the resources of the country and they get the opportunity to change their fate. Most, if not all, of this group are fresh from the rural areas or from the lower classes but do acquire wealth in quick pace to move to the newly forming middle and upper classes. Many change their fate
almost overnight and stories of “rags to riches” abound in the country. But hardly a few of these with access to the state power today are from the older middle-class, for the simple reason that the older middle-class is no longer residing in the country. (Islam 2017, 7)

Islam (2017, 10) places the Bangladeshi middle-class into three categories based on profession: a) middle-class of professionals—physicians, engineers, lawyers, artists, and media personalities; b) salaried middle-class—government personnel, academics, college and school teachers, executives in financial institutions, corporations, personnel in NGOs and development aid agencies, managers in factories and real estates; and c) business middle-class—entrepreneurs, retailers, traders, shop owners, and small scale industrialists. He further subdivides Bangladeshi middle-class into upper and lower middle-classes based on “income and the accumulated wealth and assets and or access to state power, for example those of the officers in the military and the police and the elected officials of all categories because of this access to power usually command greater resources” (Islam 2017, 11).

At the same time, another sub-stream of an emerging middle-class in Bangladesh is associated with the remittance class, which holds working class jobs in foreign countries. The rise of the Bangladeshi remittance class is particularly important to understanding the changing class formations and growing inequality in the country. As of 2011, over ten million Bangladeshis lived abroad; the contract labour migration of less-skilled workers to the Arab Gulf states has been especially prominent (Ratha and Shaw 2012). Given Bangladesh’s economic dependency on these labourers in the Gulf countries, from 2005 to 2015 the annual inflow of remittance increased from approximately USD 4.2 billion to nearly USD 15.31 billion in 2015
This makes remittance earning one of Bangladesh’s largest sources of foreign revenue. Presently, Bangladesh is also one of the top five emigration countries and one of the top ten remittance-receiving countries in the world (World Bank Group 2016b, 19 and 29).

Islam (2017) highlights a dichotomy between the Bangladesh’s remittance-sending migrant workers class versus its middle and upper classes. While the migrant workers leave their families, increasingly in the urban centers and send money home for maintaining the families, the opposite appears to be true of the Bangladeshi middle and upper classes. For example,

The men, mostly upper class but a section of the middle-class as well, including some government officials, stay and work in Bangladesh to earn and send huge amounts of money abroad to maintain their families there. A huge community of ‘Bangladeshi Begums’ (wives) has recently been reported residing in Toronto, Canada to facilitate a richer and safer life for their children (Islam 2017, 8).

It is striking that as the impoverished migrant workers remit money to Bangladesh, the upper class Bangladeshis “drain the country of that wealth!” (Islam 2017, 8). In the following section, I explain the mutually beneficial alliance between the new Bangladeshi elite class and the Western international aid/development industry. These findings will help to interpret how the Western development paradigm contributes to the creation of an aid-bourgeois class, as well as paves the way to deepen external dependency in Bangladesh.

5.2 Dual Hegemony and Expanding Inequality

Hegemony refers to the dominance of one group or regime within a society that exerts excessive influence over other groups. In the geopolitical context, hegemony refers to the
cultural dominance of one particular country over others, particularly when one state enjoys unparalleled resources and wealth that is bolstered by military power, control over natural and capital market resources, and competitive advantage to produce economies of scale (Bullock and Trombley 1999, 387─388; Dirks 2003; Schenoni 2018, 207). For example, we have seen that during the colonial era, the British established hegemony over many colonized Asian and African countries.

The Marxist theory of cultural hegemony, as coined and explicated by Antonio Gramsci (2010 [1971]), theorizes that the ruling-class is able to manipulate the value system of a society by winning the consent to its rule from those it subjugates. Cultural hegemony differs from authoritarian rule in the sense that in cultural hegemony those affected by it provide consent to the ruler (Laurie 2015, 13). Gramsci (2010 [1971]) argues that the democratic character of an intellectual individual is more important in a society than forming an intellectual class through education. Based on his idea that a capitalist state is made up of two overlapping spheres, a “political society” that rules through force and a “civil society” whose formal function represents the public consent, Gramsci interprets the role of civil society in a capitalist or bourgeois state as that sphere that upholds the concerns of the common people and the workers. However, a leadership backed by political power persuades others toward the bottom of the hierarchy chain to shape ideas and beliefs in cultural life according to the preferences of the leaders. This process involves influencing the media, universities, and religious institutions. The rulers are able to conserve their privileged positions when they can make the intellectuals accept the ideology of the dominant group. It is also possible that people who are not intellectuals, who think that they will get something out of supporting the rich and powerful, attain privileged positions. The latter situation is quite prevalent in post-colonial states, especially Bangladesh.
As Quadir (2015) explains, in Bangladesh the ruling political party is able to manipulate government agencies and bureaucracy to reward unquestionable loyalty of a subordinate employee or social group over an intellectual individual, as well as influence the country’s media, universities, and religious institutions. Through enforcing such hegemony, a Bangladeshi ruling party is thus able to manipulate the value system of the country’s civil society. As a result, Bangladeshi civil society becomes divisive and fragmented, as well as remains unable to represent the public consent that upholds the concerns of the common people and the workers. Quadir (2015, 10) labels such Bangladeshi practice of hegemony as “kleptocratic fascism”.

Prominent Bangladeshi economist Rehman Sobhan (1984, 202) also explains how the dominant classes in Bangladesh are not an autonomous ruling class but are dependent on external patronage provided through the Western aid regime. In his words, “Whilst this class may dominate state power [sic] they in their own right are not strong enough to sustain themselves in power in the face of the mobilized masses” (Sobhan 1984, 202).

I interpret the existence and sustenance of such a Bangladeshi hegemonic dominant class by analyzing its relationship with the Western international aid/development industry. I suggest that this gives rise to what I am describing as dual hegemony, which requires both actors—the state and aid agency—jointly functional at the same time to be effective. At the same time, the absence of one makes the other inoperable and unproductive. For example, as demonstrated earlier, the Bangladesh Government accepted USD 3 billion in loans from the World Bank during the country’s general election in December 2018. Considering the broader geo-political context, it would be naïve to think the US State Department did not have substantial influence on the World Bank’s development policies and priorities.
Although this connection between the Bangladeshi Government and the World Bank is speculative, I will argue that it also illustrates the new Bangladeshi political elite class and the importance of retaining the elective affinity between the two through forming alliances with the international aid/development industry. At the same time, a development platform enables the World Bank to generate new revenues which the World Bank could not deliver without working with the Government of Bangladesh. In addition to preserving this nexus of dual hegemony, it also indicates how the World Bank—an external force—can continue to be in a position to influence national development policies in Bangladesh (Sunkel 1972). The example of the USD 3 billion transaction also conforms to the arguments made by Santos (1971), who foregrounds historical conditions leading to the structural inequality of the global economic system that favours some countries, particularly the United States, to the detriment of developing countries such as Bangladesh and, furthermore, it is the common people such as the working class that consequently undertake the repayment of the loans back to the Bretton Woods institutions.

In addition to the Western development aid industry, Bangladesh is also economically dependent on countries such as India, China, and Saudi Arabia. Furthermore, similarly to India, Bangladesh’s economic relations to Saudi Arabia are not as linear as they are to Western countries, such as USA. Although Saudi Arabia is one of the wealthiest countries in the world due to its oil reserves, it also relies quite extensively on imported western technology to undertake resource extraction and purification of oil. Due to Saudi Arabia’s technological dependency on western countries, Saudi Arabia can be described as one of the “semi-periphery” states within Wallerstein’s World-Systems theory framework (Wallerstein 1976, 462). While Saudi Arabia is considered a semi-peripheral national at the global scale, I would suggest that in
In relation to important core countries like the USA it is ostensibly a peripheral nation but in relation to peripheral states like Bangladesh it functions as a core nation.

For example, most of Bangladesh’s USD 13.5 billion remittance income in 2016 was earned by workers employed at various construction sites in the Gulf Cooperation Council (GCC) countries including Saudi Arabia, Kuwait, United Arab Emirates (UAE), Bahrain, Oman, Qatar, and Yemen (World Bank 2018, Bangladesh – Country Profile). Whereas the contracting of labour employment is facilitated by the Bangladeshi economic and political elites that substantially influence the decisions made by the Government of Bangladesh, the GCC countries largely employ Bangladeshi workers due to their cheap rates. Acting as ostensibly core countries in relation to Bangladesh's peripheral status, allows GCC countries to impose external cultural and political pressure, such as in 2017 when Saudi Arabia “donated” approximately one billion dollars to construct 566 new Wahabi Islam centric mosques and madrasas. Despite the country’s commitment to secularism at a constitutional level, the government is reluctant to turn down “donations” that could affect Bangladesh’s labour migration to GCC countries and the remittance earnings.

Similarly, India’s military, diplomatic, and humanitarian assistance during Bangladesh’s war of independence in 1971 complemented India’s foreign policy interests in dividing East and West Pakistan, thus transforming East Pakistan into Bangladesh (Griffiths and Hasan 2015, 233; Riaz and Bastian 2011, 153). Kabir (2006, 484) remarks, “gratitude towards India for its assistance in the war of independence [of Bangladesh] was soon replaced with a sullen resentment towards its more powerful neighbour.” For example, blocking water of important rivers, particularly the Padma (Ganga in India) (Hossen 2014), and exploiting tax waivers by Indian Corporations, such as Airtel in Bangladesh (Islam 2018), keeps Bangladesh fragile in
In addition to the existing influence of India, Saudi Arabia, and the United States, China’s rise as the biggest economy in the world in 2017, as well as its success in establishing the Asian Infrastructure and Investment Bank (AIIB) threatens the traditional Western dominance in development aid (AIIB 2017). In addition to the existing multiple world-systems including the United States, Western Europe, and Russia, the emergence of China as a core country complements the capitalist model of international division of labour (Wallerstein 2010, 192). This generates new wealthy classes in developing countries associated with each of these world-systems. For example, the new political and business elites in Bangladesh are the wealthy class, while the country’s bureaucracy, media, universities, and other institutions in the meanwhile remain fragmented, fractured, and ineffective members of the middle-class or working class (Tasnim 2007, 179). According to Chatterjee (2004, 4), civil society in post-colonial developing countries “appears as the closed association of modern elite groups, sequestered from the wider popular life of the communities, walled up within enclaves of civic freedom and rational law.” Such a non-effective, divisive state of civil society add layers of impediment to the overall wealth redistribution in the country. Complemented by historical conditions and world-systems capitalistic model, the stated internal divisions expand the economic gap between the core (e.g., the US, China) and periphery countries (e.g. Bangladesh).

Building upon these examples, as well as arguments expressed by Sunkel (1972), Santos (1971), Frank (1972), Ferraro (2008), and Wallerstein (1976), it is important to emphasize that dependency and world-systems theories help to explain the present day Bangladeshi socio-economic-political landscape. The international influence of through development aid and free-trade (economic globalization and neoliberalism) continue to echo colonial relationships and
idioms. These external forces also reconfigure the course of politics in contemporary Bangladesh that consequently gives rise to an expanding cultural and social disempowerment among the impoverished that create under-development while strengthening dual hegemony among the dominant classes (Gupta 1998, 6). In the following section, I explain the various ways through which the outcomes of underdevelopment produce poverty.

5.3 The Construction of Poverty

In this section, I analyze the capitalist and non-capitalist factors that contribute to the creation of poverty because poverty is an essential part of understanding development and the application of aid to reduce socio-economic inequality. These findings help to interpret the World Bank’s poverty reduction projects in Bangladesh, as well as link the influence of capitalist world-system model (neoliberalism) to the expanding socio-economic gap in the country. These findings also suggest that poverty reduction through development is a political function with deep roots in history, despite its portrayed apolitical and ahistorical images.

According to The World Bank (2016), poverty is about not having enough resources to meet basic needs, such as food, clothing and shelter. Acknowledging that poverty is more than just not having enough money, social scientists, such as David Harvey (2005), Lakshman Yapa (1996), David Mosse (2010), and Amartya Sen (1982, 2001) provide a number of different explanations for the causes leading to poverty. For Harvey (2005), he considers capitalist and hegemonic factors, such as exploiting weak governance and high interest loans based on historical conditions as leading causes for macro-level poverty. Stiglitz (2008, 42–3) cites unregulated financial practices that operate based on the narrow objectives of free trade as another capitalist factor towards the creation of poverty. He questions the neoliberal assumption that developing countries are capable of competing in a free-market economy because it enables
the development institutions, such as the World Bank to put developing countries under robust contractual obligations. As a result, when markets fail, the developing countries become obligated to pay higher interests on their loans or are subtly forced to open up their reserves and/or resources to their foreign trading partners. Also, the outcomes can make the developing countries divert funds from social projects to pay for additional financial costs. These capitalist factors directly contribute in the construction of poverty in developing countries.

Additionally, Lakshman Yapa (1996, 707) connects wealth accumulation to poverty and provides an alternative capitalist approach to the construction of poverty. Whereas free market proponents argue that we need development to reduce poverty, Yapa (1996, 707) theorizes that the process of economic development leads to a form of socially constructed scarcity that consequently creates poverty in the developing countries. He analyzes neoliberalism and argues that it picks, chooses, and revises economic assumptions, theories, and conceptualizations that benefit the “current regime of development.” In his words,

Scarcity experienced by the poor in the so-called poverty sector is manufactured outside this sector, within a nexus of relations—technical, social, ecological, cultural, political, and academic—diffused throughout the larger society. Each relation of the nexus constitutes a site at which scarcity is constructed through an interplay of discursive and non-discursive practices. The dominant discourse on development poses an obstacle to the eradication of poverty because it contributes to the creation of scarcity and conceals how those mechanisms function, thereby disempowering the poor and misleading people of goodwill. (Yapa 1996, 707)
Moving from capitalist factors to non-capitalist factors behind the construction of poverty, David Mosse (2010, 1157) argues that poverty is consistently constructed as the relation between the controllers and the controlled thereby producing inequalities. He cites the non-economic forms of social and political “exclusion” and various forms of social “categorization” such as “caste, ethnicity, and gender” that deny the impoverished access to agency and empowerment. These exclusions employ exploitations and promote unequal dependency and magnify poverty.

In the explanations provided by Nobel laureate economist Amartya Sen, he combines capitalist, non-capitalist, and hegemonic factors in his analysis of poverty. For example, he looks at the structure of ownership and entitlement relations to understand poverty in the context of famines, such as the Great Bengal Famine in 1943, the Ethiopian famines of 1973–5 and the Bangladesh famine in 1974. In particular, he highlights the 1943 Bengal Famine arguing that the famine was not caused by a drastic shortage of available food but was due to mismanagement, corruption in food distribution channels, and price fixing (1982, 56, 79). Sen explains that the Bengal Famine deepened when British Prime Minister Churchill exploited his authority to take essential food stocks from Bengal as food reserves for British soldiers fighting on the European front during World War II (Sen 1982, 78; Tharoor 2015b, 337). Although sufficient food was available in other parts of India, as explained in the previous chapter, the British administration in India, through mismanagement of the public distribution system, failed to procure and import food for the people of Bengal.

Similarly, the 1974 Bangladesh Famine, according to Sen (1982, 148–9, 161), was not caused by the destruction of the rice grain during natural disasters, such as cyclones or floods. Rather, a group of Bangladeshi traders acted in a monopolistic manner to restrict movement of grains in order to hike up demand and prices to make extra profit. The government’s inability to
manage the situation reinforced corruption in the distribution system, which resulted in another famine in Bangladesh. Sen compares these factors to the Irish potato famine of the nineteenth century and shows that similar human made factors contributed to the tragic outcomes in Ireland. These cases are powerful examples of the ways in which mismanagement and corruption contribute to the construction of famine and poverty.

Besides mismanagement and corruption, Amartya Sen also discusses the role of geopolitics as another factor that influences the construction of poverty. For example, since its independence in 1971, Bangladesh had been receiving regular food aid from the USA. However, this aid was tied to a clause that Bangladesh could not conduct commerce with any members of Communist countries (Sen 1982, 133–6). This put Bangladesh trade relations with Cuba and Russia at stake. In 1974, the USA threatened to cut off food aid and requested Bangladesh to cease exporting jute to Cuba. As a result, Bangladesh cancelled further jute exports to Cuba and lost valuable foreign exchange and employment within the country. The US food support arrived after the Bangladesh government complied with the US conditions, however, by this time, the local famine was largely over. Therefore, when the US supply finally arrived in Bangladesh, it played almost no role in lessening the famine. This example confirms how geo-politics can influence and facilitate Euro-American hegemony through development assistance in a developing country that undermines the urgency to reduce poverty.

Based on his overall findings on the construction of poverty and famine, Amartya Sen conclusively proves that scarcity leading to famines is caused not due to a lack of food resources but due to mismanagement and corruption within distribution systems and fixing of prices for basic necessities (Sen 1982, 56, 160–6, 79). He puts a premium on “active governance,” which follows Keynesian “mixed economy,”
Market demands are not reflections of biological needs or psychological desires, but choices based on exchange entitlement relations. If one doesn’t have much to exchange, one can’t demand very much, and may thus lose out in competition with others whose needs may be a good deal less acute, but whose entitlements are stronger. (Sen 1982, 161)

Building on this, Sen also suggests that the development industry construct a comprehensive picture of poverty and its causes before incorporating business measures to reduce poverty. He adds,

The frequently used ‘policy definition’ of poverty is fundamentally flawed ... policy is a function of political organization, and depends on a variety of factors including the nature of the government, the sources of its power, and the forces exerted by other organizations. In the public policies pursued in many countries, it is in fact, hard to detect a concern with the elimination of deprivation in any obvious sense. (Sen 1982, 19, 23)

Based on all these capitalist and non-capitalist factors explained above, I theorize that poverty is a process and a product caused by the following reasons, including:

1) capitalist factors such as through the application of neoliberalism, such as imperfect market conditions—unregulated finance framework and network—leading to exploiting high interest loans and hidden fees (Harvey 20015; Stiglitz 2008, 42);

2) non-economic forms of political or social exclusion based on gender, religion, social class, and education leading to poverty and/or masking the social causes of
scarcity (Mosse 2010, 1157; Yapa 1996, 707); and,

3) unaccountable and non-transparent governance, such as corruption and mismanagement, as well as geo-politics (Sen 1982, 79, 148-9).

These findings indicate that the causes of poverty and poverty reduction through development aid are political functions with roots in modern history that cannot be separated from colonial relations. Therefore, I agree with Ferguson’s 1994 conclusive argument on development aid that it is neither apolitical nor ahistorical, as it is often portrayed. Additionally, the manner development aid claims success in reducing poverty is problematic. According to the World Bank (2019b), an individual is considered impoverished if he or she lives under US$1.90 a day, which is equivalent to BDT 161 taka. Based on such estimation, the World Bank claims presently only 18 percent of Bangladeshis live below the poverty level, whereas this number was as high as 80 percent in the past. I find such a claim incomplete because in Bangladesh, both in rural and urban areas, it is relatively easy today for an impoverished person, such as a rickshaw-puller to earn three to four hundred taka in a day. However, such a person still has to live with no access to pure drinking water, basic functioning sanitation, and no personal equity. In the eye of the World Bank’s poverty definition, such a rickshaw-puller is not considered to be living in poverty, but I argue such a definition fails to encompass reality on the ground.

The World Bank itself acknowledges that using a multidimensional approach to calculate poverty would reveal that global poverty is “a much broader, more entrenched problem” (The World Bank 2019b). They further report that the multidimensional approach to calculate poverty encompasses consumption, education, and access to basic utilities. Calculating poverty in this manner suggests it is approximately 50 percent higher than the results generated by conventional
measurements practiced by the World Bank (The World Bank 2019b). These arguments above provide an important opening to discuss development alternatives.

One alternative to the development aid in poverty reduction is the success attributed to Noble Laureate economist Dr. Muhammad Yunus’ work and his micro-finance initiatives. He started the micro-finance program that provides small loans with low interest rates to women entrepreneurs. Yunus (2012, online) problematizes the present-day market economy (neoliberalism) to argue that the ‘invisible hand’ does not take care of the working class and impoverished, and is critical of the existing system because it does not deliver a new and prosperous world. Yunus argues that existing global financial structural practices are focused largely on capital accumulation, which consequently “squeezes out all kinds of social orientation out of human life and human activities” (Yunus 2012, online). Viewing this neoliberal economic system as unsustainable, Yunus asks the educated and technically savvy young Bangladeshi to step up and work with the business sector to develop a new development concept or structure that reforms neoliberalism’s existing orientations.

From a different perspective anthropologist Lamia Karim (2008, 6) critiques the roles of NGOs in development because according to her analysis these institutions are actually representative of corporate capital interests (neoliberalism) in the name of empowering the impoverished, particularly women. Aiming her criticism towards Muhammad Yunus’ micro-finance initiative—Grameen—she argues that,

Grassroots globalization weakens the sovereignty of the patriarchal home family, and replaces it with the sovereignty of the market through NGOs, contracts, courts, juridical subjects, and the
remaking of subjects as a community police to safeguard their investments. (Karim 2008, 6)

Interestingly, Karim overlooks critiquing Grameen’s counterpart, BRAC that is considered the largest NGO in the world. I argue that BRAC functions more as a corporation than a NGO because it operates profit-driven private universities and partners with international development agencies, such as USAID, among others. While I agree with Karim (2008) that the mandate of micro-finance has a common ground with neoliberal agendas, I further support geographer Katharine Rankin’s (2001, 20) research findings that indicate micro-finance mainly supports informal activities that often have low market demand. Building upon that, Khandker (2005, 2) highlights that micro-finance is more pronounced in reducing extreme rather than moderate poverty. Since 60 to 70 percent of Bangladeshis remain moderately poor, I argue that Bangladesh needs further alternatives to development schemes like micro-finance.

Another alternative in development is the concept of social business, which addresses social issues including gender oppression and poverty. The concept of social business was also championed by Bangladeshi economist Muhammad Yunus. It inspires corporate profit to be re-invested in the enterprise on a new social cause instead of benefitting the direct stakeholders, such as the chief executive officer (CEO), board members, and shareholders (Yunus 2010). The concept of social business has been gaining increasing worldwide popularity, particularly by drawing significant traction among various social groups that object to large CEO benefit packages and increasing corporate greed. I re-emphasize that these alternatives in development, as envisioned by Muhammad Yunus, can play a far more effective role than the existing Western dominated development industry in Bangladesh.

However, by making such statements and critiques of the current development-political
nexus, Yunus has emerged as a threat to the Bangladeshi political elites, who own most of the country’s economic resources and are part of the government decision making body. For example, when Muhammad Yunus announced the formation of a political party named Nagarik Shakti (‘citizens’ power’) in 2007, Sheikh Hasina, chief of the Bangladesh Awami League and Bangladesh’s prime minister, remarked, “sudden newcomers in politics are dangerous elements and are to be viewed with suspicion” (Reuters 2007). I argue that Yunus’ arrival threatened the dual hegemony between the Bangladeshi political elites and the international development industry. For these reasons, the ruling powers politically undermined Yunus’ insights on development alternatives in Bangladesh, which eventually made Yunus decide to withdraw himself from entering politics. His departure certainly satisfied the dual hegemonic alliance, which prevails while the socio-economic gap continues to expand in Bangladesh.

In chapters six through nine the findings from fieldwork conducted in rural and urban Bangladesh illustrate how the application of development in Bangladesh through neoliberal policies can only benefit certain privileged groups in the society. At the same time, the application of neoliberal directives in Bangladesh inevitably creates a widening wealth gap in the country, in which radical groups can exploit the impoverished. The current trajectory of development in Bangladesh can only be understood by reference to this set of relationships (e.g. dual hegemony) and their neoliberalism outcomes.

In the next chapter, I describe how class relations operate today among various social groups—new political elites, military class, remittance class, emerging middleclass, underemployed youth, landless peasants, among others—in rural and urban Bangladesh.
Chapter 6: Class Relations and Politics of Development in Urban and Rural Bangladesh

In this chapter, I describe class relations in rural and urban Bangladesh based mainly on observational field research but supplemented by my own insider knowledge and experience as a Bangladeshi citizen. Particularly, I showcase two classes: a) a newly emerged economic-political elite and a closely aligned upper-middle-class in urban Dhaka who are the main beneficiaries of development; and b) the urban and rural impoverished who have no voice in the design and deployment of development in Bangladesh. I also describe how secularism and Islamization, despite their contrast, are enmeshed and mutually constitutive of class in Bangladesh. I begin with a portrayal of elite and upper-middle-class lifestyles in Dhaka.

6.1 Urban Bangladesh

I remembered reading once that when a young Ché Guevara traveling across South America on a motorcycle with his friend Alberto Granado first encountered the impoverished conditions of daily life for miners of the Chilean north wrote to his mother that he could “feel the ground beneath his feet moving” (Guevara 2003, 76). I must admit, while growing up in Dhaka, that same reality did not dawn on me the way it did when I conducted my first fieldwork in Bangladesh. Although born and raised in Bangladesh, its poverty had never registered with me before, probably because I was young and I grew up seeing it all around me. I left to attend college in the United States when I was seventeen. Despite returning home every couple of years over the span of twenty years, I often feel like a foreigner in the country of my birth. I also feel ashamed and embarrassed about the social conditions of the poor I had not seen before.

My first couple of days in Dhaka during my fieldwork period exposed me to two very different worlds as I found myself moving between two disparate classes in Bangladesh, the
wealthy or soon to be wealthy, and the impoverished. There exists a *maddhaya bitta* (middle-class) as well, but during my interview with Arjun Bose, a semi-retired civil engineer and former development professional, he remarked that along with the widespread presence of corruption, greed, and nepotism, the definition of middle-class in Dhaka seemed to be changing. What he shared was identical to how Bangladeshi sociologists have analyzed the changing trend of the middle-class in Bangladesh. In the 1960s—80s, a Bengali Muslim middle-class identity was based on the combination of income level, education, occupation, traditional values, and certain Western principles. As Islam (2017, 4) articulates, “It [the middle-class] was a combination of certain Western habits and values, learnt from the British colonial masters, like being on time, having afternoon tea, or having read the classics in literature, able to communicate in English and refined Bengali.” However, these characteristics appear to be disappearing among the present-day Bangladeshi middle-class that constitutes approximately 20 percent of the population (The Daily Star, 2015).

I remember awaking to the pleasant sounds of *Azaan*, the call to prayer, from nearby mosques when I returned to Dhaka for fieldwork. With several hundred mosques, Dhaka could become a strong contender as the capital of mosques. From a Foucauldian perspective, they operate like a form of surveillance, a panopticon that ensures everyone is always aware of their obligations (Foucault 2012 [1977]). The sound of *Azaan* from one mosque within a given geographic radius would be sufficient for this purpose but, in fact, every home is subject to the overlapping sound-scapes of multiple *Azaans*. They fill the air like competing melodies, some closer and louder, others farther away, all delicately but not always gently reminding people to
rise up for prayer, *Hayya 'ala-s-Salah*,¹² (‘rise up for prayer’), *Hayya 'ala-l-Falah*, (‘rise up for salvation’) the mosque doors were open to acknowledge *Allahu Akbar* (‘Allah is great’).

The spirit of Islamic philosophy and the Arabic language in which *Azaan* is expressed can fall short among the Bangla speaking peoples of the right-wing neighbourhood in which I grew up, and, at times, the Arabic poems from the mosques appeared to be in competition with the Hindu lyrics of hugely popular Bollywood songs. My neighbourhood, known as ‘the New D.O.H.S.’ – *Defense Officers’ Housing Society* – was created as a refuge for retired military officers; the word ‘new’ referring to the additional budget appropriated for its construction. Bangladeshi decision makers either predominantly came from the military or nurtured solid ties with the military. My father was a physician in the military so, as a child, I had access to certain privileges such as a gated community and access to a good life that many Bangladeshis did not have. As I reflect, I came to feel that instead of representing Dhaka, I was rather an example of how Dhaka dwellers have been conditioned to live with differences and vast inequalities, with the Islamic principles and values that highlight equality having very little impact on the execution of state policies. In the following sections, my portrayal of the class divide in Dhaka is demonstrated through observations made respectively of the elites who frequent the Kurmitola Golf Club (KGC), and by a domestic servant and an employed chauffeur at two upper-middle-class households.

The Kurmitola Golf Club (KGC) remains a favourite refuge within the city of Dhaka for the members of elite and upper-middle-class. I observed that my two childhood friends, who

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¹² “The word *hayya* is a verb meaning hasten and the command statement of ‘hayya ala-s-salah, haya ala-l-falah’ is a call for going to the mosque to offer prayers. This is deemed beneficial in this life and a guarantee for entering Paradise” (General Authority of Islamic Affairs, United Aran Emirates 2017).
were socio-economically well positioned in the city, had little time and few places to unwind in this crowded city. Therefore, they made the most of the KGC clubhouse whenever an opportunity arose. While they disliked golf, they enjoyed the club’s swimming pool and the view from the clubhouse of lush green trees, beautiful ponds filled with blossoming water lilies, and vast deer herds grazing over the 126-acre course. For foreigners, particularly the senior development aid agency executives, who found it painful working in the impoverished and overwhelmingly crowded Dhaka city, the KGC was their bliss oasis and salvation. Those same foreigners were surprised, shocked even, by the western standards and accoutrements at KGC, as well as the efficient service they found there.

The aesthetics of the KGC are a reminder of the British presence, especially of those manicured landscapes designed by Lancelot (Capability) Brown. In an interview Sultana Nargis informed me that after the British left in 1947, a rich Urdu-speaking Pakistani family or perhaps an Indian family of Persian descent, known as the Ispahanis, inherited this land. After independence in 1971, the Bangladesh Army took over the Kurmitola course. And now, courtesy of privatization, nepotism and corruption, the few newly rich local families who own 80 percent of the glitter in Dhaka dictate the policies inside the KGC while letting the army assume it still runs the show. Meanwhile, most Dhaka dwellers remain oblivious to the existence of a lavish golf course in the city center. As I looked into the membership fee structure, I was reminded about the extreme disparities of class relations in Dhaka.

For example, the entrance fee for a local Bangladeshi citizen is BDT 1,800,000, which is equivalent to approximately USD 22,000 (Kurmitola Golf Club 2018). With USD 1,093 per capita yearly income as of 2017 (The World Bank 2018), it is not a surprise that most Bangladeshis are not aware of the KGC located almost at the heart of the city. However, the
senior military officers and senior bureaucrats respectively pay USD 240 [BDT 20,000] and USD 5,900 [BDT 500,000] as entrance fees for their memberships at KGC, a small fee to pay for the opportunity to showcase their authoritative social standing in the country. Clearly the influence of the military in Bangladeshi administrations and political landscapes continues to be profound despite the country’s democratic trappings. While being embarrassed that I had not seen these dichotomies before, my social science perspective now opened my eyes.

One of the most notable features of the local Bangladeshi elite lifestyle was the presence of ‘domestics,’ an antiquated term applied in Bangladesh in complete accuracy of its colonial definition. Although Islam does not recognize caste, employing live-in domestics more or less functions as an unwritten caste-identifying social practice. Unlike the domestic services provided by hire in many industrialized societies, Bangladeshi ‘domestics’ are quite literally financially supported by their host families and as such lead a life of servitude complete with unwritten and unspoken rules about when they can speak and what they can do. Domestics are largely responsible for the continued daily function of the home, everything from the making of meals to cleaning to caring for the children.

It was in the household of one acquaintance who I briefly visited that I encountered the most striking (not to mention memorable) reference to domestics and class relations in urban Dhaka. Everyday a young girl would spend sunrise to sunset running the affairs of the household, while the mistress of the house slept until noon. As Shamima Bubu (sister) attended to her tasks, I inquired about her work and whereabouts. I observed that on days when Shamima Bubu was needed early, she would sleep under a thin blanket on the floor despite the presence next to her of an empty sofa large enough to serve as a bed for two people. My offer to wash my own plate seemed almost alien to her and was rejected out of hand.
The owner of the household did not quite seem to notice the existence of Shamima *Bubu*, even though they co-existed in the same small environment. I later learned that in Bangladesh more than 75 percent of the population is either landless or holds less than half an acre of land (USAID 2016); they subsist on less than two US dollars per day (The World Bank 2016a). Based on my observations I refer to this as a form of selective vision, as the upper class quite simply neither actually sees nor even feels the presence of the lower classes yet they remain an integral part of informal economy. While the domestic had no voice, the beggars were treated as ‘fire hydrants’ in that you neither want to walk into one nor park your car in front of one. Street children and stray dogs are of no note; a rickshaw-puller is more of a draft animal than a human and, after having told him your destination, no further contact is made. In all, I gathered the impoverished has no ‘voice’ in Dhaka.

On the other end of the spectrum, the upper-middle-class and elites enjoyed quite a comfortable lifestyle, much of which was through dependency on the country’s impoverished, as well as on foreign imports. For example, presently Bangladesh does not manufacture or assemble personal motor vehicles, and remains heavily dependent on imported Japanese cars. Dhaka indeed was created for a relatively small number of urban people but subsequently many more people have moved to the swelling city than can be provided for by its infrastructural capacity. Thus, Dhaka has many nicknames, the top two being “traffic land” and “Toyota land.” In my interview, Kamrul Islam, whose family holds the Toyota distribution license in Bangladesh informed me that soon after Bangladesh achieved independence, the Japanese government provided aid to construct roads and highways. In return, Japan expected full access to sell their cars in Bangladesh. There are also thirty-nine or so new private banks, all owned by relatively new businessmen or former bureaucrats that represent either of the two main political parties—
Awami League (AL) and Bangladesh Nationalist Party (BNP). These banks are willing to give auto and/or home loans to an urban Bangladeshi with a decent and secured job. Traditionally, owning a vehicle is considered a matter of prestige and urbanites in Dhaka prefer to buy reconditioned Japanese cars because of their re-sale value. However, the emerging elites exhibit commodity fetishism for imported German vehicles, such as BMW, or American ones, such as Hummer.

Rajib Ahmed, an entrepreneur with whom I came in contact, exemplified this form of commodity fetishism. He owned a few imported luxury cars and also several houses in the newly developed parts in the city. I had the opportunity to visit one of these houses with an acquaintance. Although alcohol is illegal in Bangladesh, I observed the presence of several varieties of wine and beer at a bar located between the entrance and kitchen. His gold watch that contained custom-cut-diamonds drew my attention when I met him. I later found out it cost approximately fifty thousand American dollars. I was shocked to learn the price of Rajib’s watch and did not know if I should be happy or feel terrified for him.

Feeling like an outsider in my own community, I found a trusted companion in an unlikely place: my driver, Muhammad Abdul Kalam. It was not difficult to employ a chauffeur in Bangladesh. Whoever could afford a re-conditioned car could afford to hire a driver as well; abundant, cheap labour facilitated this process. I appreciated Kalam’s presence as my companion. He brought fresh air to my new life in my old home.

Kalam and I made many trips within Dhaka city. During one such daytrip, we went to

13 All names of places and people are pseudonyms unless otherwise indicated. In a few cases, as for Rajib Ahmed, Muhammad Abdul Kalam, Shamima Bubu, Zamal, and Munir below, description and quotations were gathered through unobtrusive observational studies, not through formally scheduled semi-structured interviews.
Gulshan, Dhaka’s new business district. As Kalam drove to Gulshan we passed through Mohakhali, one of the city’s most crowded junctions. Predictably, after crossing the Mohakhali rail tracks (the rail track goes through the city), we were stuck in traffic. I watched as billboards prescribing what people should look like, what they should eat, and how they should live. The sidewalks were packed with street vendors selling *groom cha* (hot tea) and deep-fried *daal puri* (deep fried snacks). Everywhere retailers sold cigarettes, second-hand clothes and shoes, fresh produce, and “strength booster” herbs and medicines. A few stalls had bar stools in front and blue tarp covers to protect the customers from the sun’s scorch and the heavy downpours. As Kalam and I lingered in the line of stalled traffic, two traffic police sat under one of the canvases, sipping tea. They looked indifferent to the ambulance that was stuck in traffic, siren blaring, while other crammed vehicles hurled and honked to either side of them. As our vehicle idled amidst throngs of people and bumper-to-bumper grid-lock, Kalam updated me in Bangla about measures recently taken by the city to reduce traffic.

“Ever since the city banned rickshaws on VIP Road, the traffic seems like it has improved …” Kalam was interrupted by a teenage girl with a white *urna* (headscarf) wrapped around her forehead, covering her hair. She was missing an arm. Quickly interpreting the master-subordinate dialectic, she ignored Kalam and tried to catch my attention by slowly rubbing her only hand on her stomach, indicating she was hungry, and then begging for change by making hand signs. Kalam rolled down his window and loudly said, “*Maaf koro!*” (pardon us!), to the one-armed girl. His voice sounded more like an order than a request. Kalam then rolled up his window and nonchalantly introduced a new topic.

I once asked him why he came to Dhaka city. “You may not believe, *Bhai-jaan* [elder brother],” Kalam said, “My grandfather had a small piece of land but it was taken away by the
powerful local politician in my village, whose sons and nephews led that looting. First, they raped the Hindu women and children. Then they displaced Hindu and poor Muslims’ of their assets, like our farm lands.” Kalam continued his narrative in a subdued tone, “We were led to believe our land was taken away for progress and the greater good.” He paused … “I protested and spent a week in jail and was tortured because the politician ‘pocketed’ the police. When I got out, I just wanted to flee. I did not want to protest and end up being at the bottom of the river blindfolded, with a bag of bricks tied to my legs.” Kalam faltered for a moment. Then added,

With some luck, I came to Dhaka city. There were so many jobs in the garment factories where they make you work long hours, since you are desperate to receive a pay check at the end of the month. The foremen didn’t care if you owned a petty piece of land in the past or went to jail ...they didn’t care which village you came from ...as long as you can cut, iron and clean, you are hired. Something is better than nothing. I did that for a few years and eventually learned to drive. Then I used up my entire savings to go to Saudi Arabia.

“Oh that’s good you worked around Saudi Arabia, Kalam,” I said.

“Rich men travel to travel and to learn; poor one’s travel for livelihood, Bhaiya (elder brother),” Kalam said in a voice dripping with frustration. “I want to go to Italy,” Kalam continued, “fifteen or twenty men from my village made it to Italy. They send fifteen or twenty thousand taka\textsuperscript{14} to their family every month. I need to go to Italy to give my sons a better future.

\textsuperscript{14} Approximately, USD 190 – 275.
I want them to learn English and computer.”

I asked how much it cost to go to Italy from Bangladesh. We both had a common understanding that such passage taken by desperate Bangladeshi economic migrants involved a journey by plane to Pakistan or Libya followed by an intense undertaking on foot for weeks, if not months, and finally on dinghies over the ocean. Many such Bangladeshi migrant workers die before reaching their destinations. Kalam remain indifferent towards the perceived risks we knew of. “Dalals [middle-men] charge approximately ten lakh taka,”\textsuperscript{15} he replied.

“Where will you get that money from?” I asked.

“Will sell my mother’s and wife’s jewelry, whatever is left,” Kalam replied. “Money from selling jewelry may cover 15 to 20 percent cost of the journey. I will borrow the rest from whoever is willing to lend me money.”

“Such a trip is illegal, you know that, right?” I asked Kalam.

“Illegal way is the only way open to me. My life will not change without taking risks,” he replied. “Any idea what you would do in Italy, that is after you are able to reach there?” I was genuinely curious. He replied, “I will find something, Inshallah [‘Allah willing’]!”

I observed that while religion, particularly Islam and its embedded rituals remain at the core of Bangladeshi culture, most D.O.H.S. residents that permanently lived there did not follow Muslim precepts as deeply as did the people they employed, such as the chauffeurs, night-guards, and domestic helps. In my new old country, I was learning that the latter group, more or less, was bound by the will of Allah, and hence, “Inshallah” was tagged onto every other statement. As I reflected Kalam’s statements and intention about illegally migrating to Italy, I

\textsuperscript{15} One million Bangladeshi Taka. This is equivalent to approximately, USD 12,000.
began to realize his sense of helplessness and desperation. Also, from a big picture perspective, it made sense that Bangladesh has suffered from a 750 percent increase in emigration between 1990 and 2010 (Bangladesh Census 2011).

Such massive emigration rate can also be explained by Islam’s (2017) analysis on the Muslim Bangladeshi Bhadraloks:

Today, nearly all urban-educated middle-class [Muslim Bhadralok] families from the 1960s, either wholly or a substantial segment of the family, are residing in some foreign country. …residing in the USA, Canada, Australia and a host of other countries, including even in the African and Latin American countries. …This may sound like an exaggeration but the point is that the old urban educated middle-class population of the 1960s was a small one and is largely gone today and are living abroad, taking with them those values that made them the middle-class in the first place. I often feel that this exodus of the middle-class is largely responsible for the absence of a strong and fully functioning “civil society” in Bangladesh today resulting in much of the crises of the society and polity over the years. (Islam 2017, 8)

Building upon that, as I further reflected on Kalam’s words, I was able to contextualize the emergence of a new elite following the power vacuum left by West Pakistan, as well as the decrease of the Hindu minority in Bangladesh as part of the enmeshed Islamization process that went ahead in tandem with development (Calhoun et al. 2011, 14). Here, in the absence of a fully functional civil society, local politicians, law enforcement agencies and others worked in sync
and off the radar mainly to accumulate wealth. Often these groups displaced religious minorities in the name of Islam to grab their lands and valuables. In most cases, these resources were used for developing industrial farming, real estate, and mechanized factories. In all, with the subtle disappearance of the traditional Muslim Bhadraloks and their middle-class values, the emergence of the new military and political elites and their capitalist allies to consolidate and maintain their power, generated growing inequality. The emergence of a new remittance working class was one expression of that growing inequality.

Also, Kalam’s example of displacing and exploiting religious minorities with the aid of law enforcement agencies fit the construction of poverty presented by Mosse (2010), Yapa (1996), and Sen (1982) mentioned in chapter five. Particularly, targeting Hindu minorities is an example of a non-capitalist form of exclusion based on religion (Mosse 2010, 1157). Furthermore, the collaboration of the politicians and law enforcement agencies to displace the Hindus demonstrates how hegemony is constructed and maintained through systems of discrimination and corruption that marginalize Hindu Bangladeshis and lead them into abject poverty. It is no surprise that the majority of such population groups have left the country for India. During an observational study in Bihar, India in 2016, During that trip I learned from a male, middle-aged, local shop-owner that the influx of Bangladeshi Hindus has created various “social problems” relating to settlement, employment, health, and security not only in Bihar but also in neighbouring Indian provinces such as Orissa, Bihar, West Bengal, and Assam.

Several weeks into my fieldwork, Amit, a friend who assisted me with my data collection (ref. chapter three), brought his friend, Chanchal, to my place for tea. His friend — Chanchal

16 From July 24 to August 14 in 2016, I conducted informal observational study in Bihar, India to learn about the displaced Bangladeshi-Hindu refugees.
Miah — was a successful photographer who had made Bangladesh his subject. Both Amit and Chanchal became my interviewees. As we sat around a small table drinking tea, I listened to these artists speaking of Bangladesh and the troubles it faced and endured. “Our political parties function like family businesses. These parties need democracy more than the people of Bangladesh need to taste democracy through them,” remarked Chanchal. “Where you live,” Chanchal continued, referring to Canada, “it has political parties but in Bangladesh, two main political parties have a country.” Both he and Amit laughed. I could sense the frustrations hidden behind Amit and Chanchal’s laughter. They pointed fingers towards the Bangladeshi politicians’ corruption and entitlements as the root cause of the country’s contemporary issues. These statements serve as further evidence of all the interconnected external factors including colonization, dependency, world-systems, economic globalization that unfolded in Bangladesh through the application of development aid and privatization (Gupta 1998). Both Amit and Chanchal acknowledged they could do little about changing such reality in Bangladesh.

I asked Amit and Chanchal how they interpreted Bangladesh as a secular country with Islam as its national religion. “It does not make sense,” Amit replied while his photographer friend nodded in affirmation. He added, “I think it is a cruel irony based on political motivation because none of the two main political parties can get a majority of votes. They need to play the Islamic card. You will see each party is linked to other Islamic coalitions to secure votes and power.” Hearing that, I wanted to learn Chanchal’s opinion on the same topic, as well as on the future course of the country.

Chanchal felt the mindset of the Bangladeshi was a hindrance to the future of the country. According to him, such a mindset accepted corruption, the lack of any responsibility the government may owe to its citizens, and an acceptance of the gulf separating the classes. As
indicated earlier in this chapter, it would be fair to say that there was not one, but rather two countries that I came to while visiting Bangladesh: one that is wealthy and another that is impoverished. These statements and their embedded insights encompass the conditions that construct and prevail class distinctions and underdevelopment.

During a brief observation study trip to the war-ravaged province of Chittagong, in a small yet famous coastal town named Cox’s Bazaar, I met the family of Sheikh Islam, who were also tourists from Dhaka. He and his wife were kind enough to talk with me about their hopes, dreams, and hardships. Mr. Islam, a man in his forties, is an accountant and his wife is a small-scale entrepreneur. As such, they were not impoverished. Rather, they lived in a lovely little house next to a market in one of the nicer outskirts of Dhaka. Over fifteen years ago their house was located in outskirts of Dhaka city but due to rapid urbanization they are now considered within urban Dhaka. They even made enough money to put their three children through a good school in Dhaka. However, they were still far from the lavish life of the upper class and their penthouses (Sheikh Rakibul Islam, pers. comm.). My social interaction with this family helped me to start understanding the aspirations of the urban middle-class people in Dhaka.

In time, I met more Dhaka-dwelling families in Cox’s Bazaar, most of who appeared to be members of the middle-class. At a reasonably priced restaurant while having lunch, I met Mrs. Karim and Mrs. Rahima, two women in their thirties, each had two children. They were feeding their children and talking to me, while their husbands negotiated fish prices with local fishermen in front of the restaurant. We exchanged pleasantries and discussed how inflation in the economy and mismanagement in the public sectors kept making life more difficult for the middle-class in Bangladesh. Mrs. Karim talked about how excruciating their bus ride from Chittagong to Cox’s Bazar was due to the presence of infinite potholes on the highways.
Referring to a newspaper article published that morning highlighting the increase of corruption in the country, with evident frustration, Mrs. Rahima during her interview pointed out that, “we [the salaried middle-class in Bangladesh] pay tax in Bangladesh,” implying the middle-class carries the financial weight of the country, “but the number of accounts opened by Bangladeshis in Swiss Banks keeps increasing.” These interviewees, who were members of the Bangladeshi middle-class, were angry about political issues, inflation, government mismanagement and corruption, as well as the social and economic entitlements of local elites in Bangladeshi society.

“You will leave in a few months but we will [still] live here,” commented Momena Hossain, one of my urban interviewees, a seventy-three year-old mother of five, while answering questions on class relations in Bangladesh. She also commented that asking questions about class-based constructs would go nowhere because it was not she who made those rules. Another interviewee, Moinul Ahmed, a sixty-five-year-old former bureaucrat commented, “You speak like a Coconut, as if you did not see all this before!”

A coconut—brown outside and white inside—or a “brain washed deshi (local) from Canada,” such as myself it is believed, is hard pressed to truly understand the real weight of extreme poverty as it exists in a country as poor as Bangladesh. However, what I observed was enough to make the ground beneath my feet move, in a manner similar, perhaps, to that experienced by Ché Guevara in Chile. A newly emerged economic-political elite and an upper-middle-class in urban Dhaka consumed most of the resources of the country and maintained decision making authority on behalf of all Bangladeshis, and the urban impoverished, such as domestic servants and chauffeurs had no voice in the design and deployment of development in the country. In comparison, the rural parts of the country present a different social reality than urban Dhaka. The presence of rich land-owners, an emerging middle-class based on remittance
earnings, and landless impoverish people, which I illustrate in the following sections, are more heavily affected by access to land and other resources in rural settings.

6.2 Rural Bangladesh

My observational studies in rural Bangladesh were limited due to a set of issues, such as my own lack of kinship ties in the rural settings, inadequate participant availability, and the perceived threat of Islamic terrorism. Particularly, as explained in chapter three, the terrorist attack on the Holey Artisan Bakery in Dhaka’s diplomatic quarters in 2016, which took place a few weeks before my second fieldtrip in Bangladesh, escalated security alerts throughout the country, and consequently constrained my movements, as well as impeded potential participants from speaking to me because of their perceived risks. As a result, my data sources in rural Bangladesh are based on limited observations and eleven short, informal interviews. My findings indicate that land holdings function as a primary factor to constitute class difference. I also observed segregated neighbourhoods based on religious identity, such as Hindu Para (neighbourhood), as well as an emerging remittance class that worked as migrant workers in the Middle Eastern countries. With its high value placed on education for children, this remittance class has contributed to the emergence of a rural middle-class. At the same time, I observed a few land-owning rural elites owning most of the businesses in the villages. These elites remained connected to the country’s national politics and held supreme authority vis-à-vis allocating government and non-government funding to development projects. These elites also prioritized an Islamic based education system within their respective constituencies. I demonstrate these findings in the following sections.

My first rural field trip took me northwest of Dhaka to a village named Daulotpur by the Jamuna River. I spent a total of four and a half weeks in Daulotpur on three different occasions
respectively in 2014 and 2016. I spent at least a week or so at a time on each of these three visits. As shared in chapter three, Amit, one of the two peer-researchers, accompanied me to Daulotpur on two of the three field trips. Daulotpur village covers approximately a square kilometer with a population less than a thousand people. The majority of residents in Daulotpur village were Muslim, along with approximately one hundred Hindus and several Buddhists. Earlier, particularly after Bangladesh’s war of independence and until early 1980s, Daulotpur village and neighbouring communities around Daulotpur Union in Shirajganj district were known as Hindu dominated areas. However, over the last twenty years an increasing process of Islamization altered the religious demography in the region.

I also conducted research for a total of three weeks in 2014 and 2016 in Shimulia village on the bank of the Padma River located in the Mushiganj district to the south of Dhaka. Although this was the village where my father grew up before my grandparents moved to the city of Dhaka, there were few of my distant relatives still living there. Given Shimulia’s close proximity to Dhaka, I made daily trips there from Dhaka either with Amit or Lucy. On several occasions when either was not available to accompany me, I used public transportation to make my round trip to Shimulia from Dhaka.

Munshiganj was formerly known as Bikrampur, a name originally derived from a Hindu or Buddhist landlord. Although the locals converted to Islam after the Muslim colonizers arrived, the region’s Hindu name lasted until the beginning of Islamization in Bangladesh. This district was eventually renamed Munshi, an Islamic name, presumably after a local landowning Muslim family. This rural village is approximately a square kilometer in size with a population of

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17 This river is known in English as the Ganges. The location I refer here is below the confluence of the Brahmaputra and Ganges Rivers.
approximately twelve hundred people, many of whom now permanently lived in Dhaka city. Similar to Daulotpur village, the Islamization process has altered the demography in Shimulia, but the area contains many Hindu and Buddhist archaeological sites from ancient times.

In both villages, the sharp contrast between urban and rural came into stark focus. While traffic on roadside Dhaka was a graphic example of the density of all aspects of life in the urban setting, the small towns were remarkably different with their lower population density, less traffic, and the vernacular architecture that did not emphasize the use of massive concrete structures. Although most of the rural houses were now of brick, I was reliably informed in the past they were made of clay. The aluminum or tin roofs of present-day houses were in the past, made of burned clay called tali. Although most of the populations are farmers, I also noticed business and medical offices and met a small number of small-scale entrepreneurs and few school teachers. In the government run medical complexes, I learned that although three doctors were assigned for all the people that lived in the vicinity, in reality there is never more than one doctor at a time. Thus, most of the villagers are forced to go either to Dhaka or to a medical college hospital located in the nearby bigger cities to seek basic or better medical attentions.

Interestingly, in both villages I came across neighbourhoods organized on the basis of religion. For example, Muslims lived separately than the Hindus, who were religious minorities and lived in Hindu Para. While people of both religions maintained business relations, intermarriage between the members of the two religious communities was strictly forbidden. Additionally, in both villages, some of the population, particularly young men, worked as migrant workers and lived in various Middle Eastern countries. Remittance earnings sent by these men reflected in the construction of paka dalan (brick houses) as a sign of prosperity. These materials signs of “development” inspired educated or semi-educated young men to go to
the Middle East and seek employment as migrant workers. I observed that the village elderly still counted the working young male members in the Middle East as regular, living members of the village despite that fact most such men had been away for a number of years.

To explore more on the social, cultural, and economic factors in rural Bangladesh, I relied on the assistance of local informants. The mode of transportation was rickshaw vans that drove through the snaking and dusty trails between vast rice fields. In Daulotpur, my rickshaw-wala (rickshaw-puller), Zamal, who was nineteen years old, chatted with his friends on his mobile phone while driving. He and his elder brother jointly purchased the rickshaw with money borrowed from a local cooperative bank. “We both use [the] phone …you can call when you need a rickshaw next time.” Grateful to have reliable transportation, I inquired about the local bazaar. When I asked what else is new in the village, Zamal replied, “several new mosques and madrassas, lots of shops in the bazaar.”

“How about new schools?” I asked. “I told you, new madrassas, that’s school,” came Zamal’s reply. “How about government school?” I asked again. “We already have two.” He paused to breathe and changed the topic. “We have paka raasta [paved roads]. It is easier now to go to Dhaka,” a reference to the improvement in highways, which made visiting Dhaka and bringing back consumer items not easily available in the past. These items ranged from food and medicines, to color television and smart phones. Although the rickshaw-wala and the sights and surroundings revealed how eager, interested and excited the locals were about improving their life-style, they expressed reservations about the increasingly poor taste of poultry and crops produced by new hybrid or GMO seeds. For example, traditional chicken farming in the village included raising free range chickens that lived off natural food including insects and worms, as well as a variety of plants and vegetables. However, a commercial poultry farm offered narrow
and confined spaces to chickens, in which they consumed artificial and processed grains. While chickens raised in poultry farms were bigger and provided more meat compared to traditionally raised chickens, due to the daily demands from restaurants and hotels in nearby Dhaka city, the farmers and entrepreneurs in Bikrampur preferred to engage in the poultry business. At the same time, these villagers never consumed the poultry meat citing it as insipid as grass. I recollect that anthropologist Akhil Gupta (1998) came across similar findings while interviewing rice farmers in North India that used GMO seeds. I was interested to explore other avenues of rural life that were influenced by these broader economic changes.

In Daulotpur, I rented a room in a house owned by the former headmaster of the local high school. The room had a window and a functioning ceiling fan but no attached toilet. The first trips I made were to the primary and secondary schools to learn about the status of public education and how much it had changed under conditions of economic globalization. In recent years, with the efforts made by Bangladeshi government and international donors in primary education expansion, the schools in the area reached over 90 percent enrollment for primary-school aged children, as well as achieved gender parity in enrollment. However, these impressive achievements were not paired with a corresponding increase in education quality. For example, the teacher to student ratio was approximately 1:55 and only about half the children completed the primary cycle. The Head Master further shared that, due to expanding enrollment, the demand for resources was increasing but that this demand was not being fully met. He was yet to accommodate children with special needs and from marginalized communities, for instance.

I visited three schools including one fee-charging primary school, one registered non-government (but government-funded) high school, and one madrasa (Islamic school). I was informed although there was no privately funded regular schools in Daulotpur and its vicinity,
there were four privately funded Quomi madrassas in operation. I received enthusiastic permission from the town and school councils, principals, and teachers to teach the third grade class and the eighth grade class respectively at the primary and high schools, every day for an hour for a week. I also gave students (and young adults) a talk on my work. Through my visits to the schools and opportunity to teach, I gained significant insight into the day-to-day operations and resources of the schools’ administration, as well as skill-sets, the students’ competences, and the teachers’ conduct and teaching methods.

Mr. Horipod Das, the fifty-eight year-old Head Master at one of the schools, was in charge of approximately 500 students and nine teachers. Every three years his school received two new computers and a projector from the government. However, lack of electricity connection to the school, the high cost of batteries to produce electricity and concerns about the limited school budget meant the resources like the computers, which remained in their boxes, went unused. In another example of Islamization, the local madrasa or Islamic school did not face similar budget constraints because it received more donations from wealthy local patrons who considered teaching Islamic norms as a priority over learning English and Science. Despite the lack of electricity in classrooms, the eight to twelve year-old children expressed curiosity to learn about computers, and students in grades eleven and twelve were interested in the internet, Facebook, and smart phones. From these observations and interactions, it is clear that these schools would benefit from infrastructural advancement in basic amenities including paved roads, electricity, water, sanitation, and education.

The teachers and I estimated that more than half the adults, including women and elderly, owned mobile phones. There was no line rate or charge for in-coming calls, users were charged only for the calls they made. Mr. Horipod Das told me that the arrival of cell phones literally
connected the town with the world beyond Bangladesh as one in every three or four households had a family member in Dhaka city or in the Middle East. “Having a cell phone helps us to remain connected to our families.” Since recharging cell phone batteries did not require a lot of electricity, administrative functions these days depend on communicating via cell phone.

According to Horipod Das, the young adults and elderly endorsed owning cell phones as a symbol of empowerment and good life. Seeing the usage of cell phone in Daulotpur, Amit commented that:

- most of these changes [indicating cell phones] gave access to people …but the phone companies that provide service are foreign [e.g., Norwegian] companies …I wish our government improved the public infrastructure in Bangladesh.

Amit further stated that corporate tax in Bangladesh is 35 percent but one of the main telecom service providers in Bangladesh, which is from India, does not pay tax to the government of Bangladesh. “Bangladesh government waived that company’s tax because in 1971 India helped us to get independence.” Amit laughed and added, “In 1971, this telecom company did not even exist.”

I reflected on Amit’s words and realized that, in the name of privatization, many foreign telecom companies take revenues out of Bangladesh. Such examples serve to remind us of Bangladesh’s colonial past, especially Governor-General Warren Hastings’ Permanent Settlement Act of 1793. This Act provided the local Hindu landed and ruling class the right to collect tax for generations and enabled them to apply force, if necessary, to collect revenue from the local farmers. Such an entitlement made the Hindu land rulers more powerful and exploitative than they had been in the Mughal period, while the British sustained overall control.
of the finances (Karlekar 2005, 28). These examples also serve as evidences of the influence of core and semi-periphery countries over a periphery country, as explained by Wallerstein (1974a, 1976) in his World-Systems theory.

Nozrul, a twenty-four year-old farmer and father of two boys, spoke with me about the local union chairman, who was from the next village named Holudia. According to Nozrul, this chairman was in charge of allocating public funds for development in the entire district. The Muslim elites in Nozrul’s village in Shimulia, considered the chairman’s family to be non-Ashrafi (non-foreign-conqueror), who had converted to Islam from a low caste Hindu background, thus, an ajmi (inferior). Nozrul’s comment suggested a social practice based construct that people who are descended from “foreign conquerors of Muslim or Arabic origin” are socially valued more than those who might be considered indigenous to Bangladesh.

According to Nozrul, the influential families of Nozrul’s village in Shimulia, who had been landowners for generations, treated the union chairman’s family based in neighbouring Holudia village with less respect and as “new money.” Nozrul also remarked that tension arising from ownership of government contracts for development and new business deals generated mutual mistrust and enmity between the influential families from Daulotpur village and the union chairman’s Holudia village. Due to this enmity, the people of Shimulia, in his opinion, rejected development plans offered by the chairman. I later came to learn that developing infrastructure meant the land owners in Shimulia had to surrender family lands to the government to make room for new public infrastructure, such as wider roads. However, considering the low settlement values offered by the government or the chairman from Holudia village, the local influential families in Shimulia were unwilling to give up their lands.

I came across similar narratives and tension involving development in Daulotpur village
and its neighbouring one. I spoke to the union chairman in Daulotpur to learn more about the issue and how he and his council planned to solved the issue. The chairman was Abu Bakar, who was in his seventies. He claimed to be from one of the local influential Muslim families that owned substantial land and took pride in his development initiatives:

My family has been working for the people of our village for many years. With the blessings of the Father of the Nation [late father of the present prime minister Sheikh Hasina], we have employed the locals in our farmland, loaned them money when needed, built a new two stories market with 30 shops, expanded the local mosque, and set up madrasa for children.

By speaking to Abu Bakar, I came to learn any politics in Bangladesh is national politics. When he claimed the people in Daulotpur Union had democracy, I inquired how he would define the term democracy. Mr. Baker replied, “It [democracy] is what people want.” When I mentioned when the villagers are too poor to voice their opinions, Abu Bakar responded that the uneducated villagers did not know what they wanted. So he helped the villagers in his Union to figure out what was good for the villages.

Abu Bakar’s remarks, as well as my observations, made me understand the ‘voiceless’ aspect of the impoverished villagers in Daulotpur. Also, seeing Abu Baker’s hegemonic legitimacy in directing the course of development based on AL government’s prescriptions and allocated resources, I learned about the importance of political party patronage over the ownership of land and family history in a Bangladeshi village. Although relations of benefit, as well as relations of exploitation, and everything in between, were based on the pillars of land ownership and family history, political party affiliation is the new must-have vehicle for a
Bangladeshi with capital aspirations. I also observed that political leaders, who also become land owners after joining politics, if they did not have enough lands to begin with, loved to cite the word democracy but they seldom meant it in the western liberal sense of the term. These local power brokers preferred using the term to mean – “we figure out what is good for the village.” These hegemonic rulers under national political party patronage cited the religious authority of the Quran whenever possible to legitimize their vested interests and to keep the rest of the villagers in their voiceless states.

When I asked Abu Baker about the funding sources of the two new mosques in his union, he indicated that the Muslim brothers from the Prophet’s Land, Saudi Arabia, paid for the construction for one mosque, while the works for the other were paid by the Qataris. Abu Baker paid the salary of the Imams at both the mosques. He also paid for the costs to run the affiliated madrasas. I asked if he received any government subsidies or funding from the residents to run the madrasa, but Abu Baker took most of the credit and downplayed the contributions offered by the government and the neighbouring communities.

In all, the actions of the powerful in these villages provide evidence of an acute form of Islamization. I inquired about the Saudi donations at the tea stalls that worked as the hubs of local knowledge and Grassroot sources. By regularly drinking morning and afternoon tea at one specific tea stall in Daulotpur village, I came to learn that following Bangladesh’s two major political parties — Awami League (AL) and Bangladesh National Party (BNP) — Bangladesh Jamaat-e-Islami (BJI) was the third largest political presence in the country. In 2013, Bangladesh Supreme Court cancelled BJI’s registration as a political party but the present AL government’s formation of a one-party state since it came to power in 2009 has given room for the BJI to rebuild its political platform and ideological influence (The Economist 2017). One of the main
political strategies of the BJI is to target membership from the grassroots, especially in Bangladesh’s rural and border areas that located in the northern and coastal districts. Although neither Daulotpur nor Shimulia was located in Bangladesh’s northern and coastal area, in both those villages I observed the BJI providing financial support and work placement opportunities for the affected families and marginalized groups in exchange for party membership.

Mukherjee (2016) reports that such a strategy of cultivating patronage and deepening its social base in Bangladesh has profoundly strengthened BJI’s grassroots foundations in rural Bangladesh. As a result of financial, technical, and human resource assistance from the oil rich Middle-eastern countries, BJI has also founded several large economic institutions, such as Islamic banks, Islamic insurance companies, Islamic household-level micro-credit firms, as well as Quomi madrassas, mass media and information technology outlets, and non-governmental organizations that are now reaching out to a larger rural constituency (Mukherjee 2016).

According to Bangladeshi scholar Abul Barkat (2013) the net annual profit of BJI is “about US $278 million” and it has created a “state within a state” and an “economy within an economy” in Bangladesh (cited in Mukherjee 2016). When I inquired into recent developments from the owners of village tea stalls, such as Romjan in Daulotpur and Mondol in Shimulia, I came to learn that in order to gain influence in Bangladesh’s urban areas, similar to AL and BNP, BJI also has a strong student and youth organization known as the Islamic Chatra Shibir (‘Islami Students’ Solidarity’). According to Romjan and Mondol, Shibir’s base support has historically been concentrated in particular university campuses, such as public universities in Dhaka, Chittagong and Rajshahi, as well as the private North South University in Dhaka.

As a result of the earlier Bangladeshi government’s failure to provide basic social outreach and welfare assistance to the rural poor and middle-classes, this has created conditions
for the BJI to fill the development vacuum in significant ways. Moreover, as a result of successfully delivering capital and growth, BJI has been able to provide to the Bangladeshi public an alternative political pathway that now directly challenges the longstanding dominance of AL and BNP led politics in the country. Although various “secular” NGO organizations have worked in the rural areas of Bangladesh for several decades, increasingly they have also come under criticism and attack by Bangladeshi Islamists in recent years, such as the BJI, who interpret the promotion of “western human rights” and “women’s empowerment,” as well as secular education as vices for the spread of Christianity that ultimately seek to undermine the Islamic religion in the countryside (Kumar 2017, 146). In response to this, the BJI have established their own network of NGOs and trusts, such as Rabita al-Alam al-Islam, Ibne Sina, on the basis of Sharia law. As observed in both Daulotpur and Shimulia villages, by combining political activities with social development, BJI draws landless peasants and their families under the party membership and mandates. The BJI also aims to promote its own version of women’s empowerment based on fundamental Islamic values and increase female membership with the goal of reaching 33 percent of its total membership demographic by 2020 (The Economist 2017). Thus, rather than seeing BJI as a political party bent on destroying secular values it places religion firmly within the domains of economic and social development that helps to reinforce its political agenda (Molla and Habib 2017; Shafiullah Quader, pers. comm.).

On the basis of recent interviews with: 1) the former head of the National Human Rights Commission (NHRC), Professor Mizanur Rahman; 2) Bangladeshi human rights activist and former President of Forum for Secular Bangladesh, Shahriar Kabir; and 3) the former Chief Election Commissioner in Bangladesh, Brigadier General (retired) Shakhawat Hossain, I learned that they all acknowledged the positive correlations between political agenda—secular and/or
Islamic—and the economic motives that have accompanied the broader shift towards unregulated markets and increased privatization.

I interpret that these articulations of Islamization in the secular domain of development can only be understood alongside broader patterns of unregulated free-market practices (neoliberalism) in Bangladesh. In a world of uneven geopolitical development, as well as applications of power within state systems that are deeply unstable and even contradictory (Harvey 2005), Bangladesh keeps the labour cost low and often waive corporate taxes for foreign companies that “invest” in Bangladesh. As a result of these economic policies that benefit a small minority, the country misses out on much needed revenues that could be re-invested in social programs that benefit the wider population, especially in the rural areas, where the BJI is gaining a foothold. While most Bangladeshis have been shaped by diverse expressions of the Islamic religion over time, such as Wahabism, Salafism, and Sufism—the increasing influences of the Saudi factor and proliferation of Quomi madrasas, complements the BJI’s successful initiatives in gathering new members, and can also provide new grounds for potential radicalization.

Although the relation of Islam to class and political power is organized somewhat differently in rural and urban areas, Islamization is a significant factor in both settings as is the close relationship of elite groups to the country’s national political parties. In both settings, newly emerged economic-political elites consume most of the resources and exercise decision-making authority on behalf of all Bangladeshis, leaving both the urban and rural impoverished to function as subordinate groups with no voice in the design and deployment of development in the country. I acknowledge that due to various hegemonic, bureaucratic, and safety issues, I was not able to speak to enough marginalized people to be able to fairly represent their situation.
However, based on the unobtrusive observation described in this chapter, and other evidence, I was able to interpret the enforcement of power and inequality in the country. The measures of these social groups behind the facelessness of bureaucratic, neoliberal structures of development provided the necessary links to institutional structures and resources, as well as facilitating the voicelessness of the impoverished that participate in the development projects (Nader 1972, 284-5, 288-9).

In the following three chapters, I discuss specific poverty reduction and development projects in Bangladesh’s private and public sectors. First, in chapter seven, I focus on IFC-SEDF, a World Bank managed private sector development project and on a World Bank sponsored poverty reduction project. In chapter eight, I describe the impact of development aid in the public sector, specifically the Bangladesh Road Transport Authority. Finally, in chapter nine, I describe the impacts of a government supported move towards the privatization of institutions of higher education. The observations and analysis shared in these three short chapters lead to the conclusion that development opportunities, despite creating better standards of living for some in the short-run, deepen import dependency and promote economic and social inequality in the long run.
Chapter 7: IFC-SEDF, the World Bank’s Project on Poverty Reduction by Entrepreneur Development in Bangladesh

In this chapter, I consider the outcomes of the South Asia Entrepreneur Development Facility (IFC-SEDF), a major undertaking managed by the World Bank’s private sector development arm—The International Finance Corporation. This project was a multi-donor funded, USD 40.2 million aid operation designed to reduce poverty in the region by developing entrepreneurs in Bangladesh private sectors, particularly in the country’s ready-made garment industry and in agribusiness, with gender empowerment as a cross-cutting component. Within each of these specific programs to each sector, IFC-SEDF aimed to offer access to basic resources required by entrepreneurs, such as pertinent market information, bank credit, and entrance to new markets. Also, by bringing in experts from abroad, IFC-SEDF aimed to increase the capacity of the intermediaries (e.g. service providers) to better serve the production, compliance, and backward and forward linkage requirements of small and medium scale entrepreneurs (SMEs). More importantly, IFC-SEDF’s measures were based on trickle-down economics—the recipients of its project resources would consequently assist smaller entrepreneurs in the long run. Despite the hard work of the project staff, an internal evaluator found the development and poverty reduction results generated by IFC-SEDF as inconclusive and statistically insignificant (The World Bank 2008, 6–10, 13, 151–2). The only success area identified by the evaluator was the IFC-SEDF contribution to strengthening the newly privatized banks in Bangladesh. The evaluator recommended the World Bank management initiate new development approaches for generating better impacts on the ground. Here, I highlight the IFC-SEDF resources that were availed by the members of gender empowerment and readymade garments (RMG) programs.
7.1 IFC-SEDF’s Gender Empowerment Project

This project commenced by conducting a survey on the demand and supply of business services for women, with a particular focus on Women’s Business Membership Organizations (WBMOs) such as the Chittagong Women Entrepreneurs (CWE) and Women Entrepreneurs Association of Bangladesh (WEAB), among others (The World Bank 2008, 6). Nargis, a development professional I interviewed in 2014, worked as a temporary consultant at IFC-SEDF. She had reservations about how the WBMOs were formed and remains skeptical on trickle down effects of aid resources to impoverished women entrepreneurs. She explained:

Each of these WBMOs was chaired by the wife of a wealthy and well-known local businessman and included other wealthy local women on its executive board. … WBMOs also received assistance from other international donors, such as USAID [United States Agency for International Development], DFID [Department for International Development, UK], AUSAID [Australian Agency for International Development]. Due to lack to donor co-ordination, the double dipping gave more to the local rich instead of trickling funds to the people on the ground.

Despite several attempts requesting a meeting with the chair of these four WBMOs, I was unable to learn the type and nature of assistance they received from IFC-SEDF. In many ways, this did not surprise me. Laura Nader (1972, 302) acknowledges that the biggest impediment in studying the rich is “access” because the powerful “don’t want to be studied.” Riffat, one of my peer-researchers, reasoned that the chairs of WBMOs did not grant my requests for a meeting because:
The wealthy socialite owners of so-called WBMOs, simply play ‘the system’ of development aid. They perhaps help a handful within their family-managed electoral constituencies, while grasping most of the aid money for their own benefits. And all these are not news to the aid administrators either. They are in it together.

Riffat’s statement demonstrates why valuable aid resources did not reach smaller entrepreneurs. Her statement can be contextualized with Sobhan’s (1984, 202–203) observation that rich and upper class Bangladeshis constitute a special bonding with western aid providers, as well as with Apthorpe’s (2011, 212) reference to “aid bureau-bourgeoisie.” Building upon that, I analyzed IFC-SEDF’s gender empowerment budget and my findings reveal between 2002–07, the IFC-SEDF gender empowerment program incurred direct project expenses of USD 364,237 (The World Bank 2008, 210; Table 7.1). Whereas due to bureaucratic issues relating to project design and implementation failure, the budgeted amount of the gender development program remained under spent. Approximately 64 percent of the actual spent funds were allocated to new market creation for gender entrepreneurs and 36 percent to WBMOs (210). Instead of handing out money, the IFC-SEDF approach was to provide hands-on training to the local women entrepreneurs to build capacity and provide support for marketing, organizing business

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<td>Women’s Business Membership Organizations (WBMOs)</td>
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<td>Totals</td>
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fairs and, eventually, to develop local women entrepreneurs from the grass-roots level as mainstream service providers to train new female entrepreneurs. With that mandate in place, IFC-SEDF partially sponsored four wealthy women entrepreneurs to attend a food processing training program in Thailand where SEDF paid for registration, air-transportation, and food for each of the participants from Bangladesh (The World Bank 2008, 213). When one of these executives provided a training session with the members of her NGO, most members did not see any relevance. Two of my interviewees, who were small-scale entrepreneurs and CWE members—Halima, a thirty year-old mother of three, and Roshni, a fifty year-old mother of three—expressed their frustration with the content of that training session. “We would need at least 100 million *taka* to start the kind of business that they told us about, but we are poor village women, we could not get the financing,” Roshni remarked. “I forgot what I learned in that training,” Halima added. Thus, it is evident that the resources invested in the wealthy women entrepreneurs did not reach impoverished women entrepreneurs, which portrays the overall inefficacy of the SEDF gender empowerment program.

During 2003–04, IFC-SEDF facilitated CWE to organize workshops on export market readiness and agro-based marketing services and paid for two international consultants to fly to Bangladesh to conduct the workshops (The World Bank 2008, 214–5). Moreover, IFC-SEDF fully sponsored six Bangladeshi women entrepreneurs to attend international trade fairs in Sydney, Australia, and Toronto, Canada. According to Halima and Roshni, the CWE top executives who participated in these luxury trips were in the readymade garment business and had been exporting for the past ten or more years, which suggested a conflict of interest. “The management and the gender program coordinator were aware of this information,” said Mominul, Halima’s husband. The interviewees, who were small-scale rural entrepreneurs and
make handicrafts, interpreted the IFC-SEDF sending the wealthy hierarchy abroad to attend trade fairs as a waste of aid money. Also, these interviewees did not find the advice given by the international consultant to be useful. “We were asked to nod, which is what we did to everything that gora (white person) said,” Roshni remarked. Abu Bakar, who was connected to the owner of WEAB, acknowledged the communication issue between the consultant, who spoke fluent German and broken English, and the audience of rural Bangladeshis, who mainly spoke Bangla. Moinul commented that:

Someone with local knowledge would have been more helpful [than the international consultants]. … Since we cannot pay for heavy machinery, someone with a local knowledge is more beneficial and we requested for that. However, the SEDF management wanted to bring someone from Europe.

In order to measure the outcome of sponsoring the wealthy Bangladeshi women entrepreneurs to attend trade fairs in Australia and Canada in 2004, IFC-SEDF inquired if each of the women entrepreneurs earned any increment in their export sales revenue. CWE indicated that the four companies received USD 709,500 in orders and expected significant follow-up sales (The World Bank 2008, 215). However:

The participant women stated that they did not secure any orders at the trade fair. The discrepancy seems to be due to an ambiguous interpretation of the term “spot order.” While inquiries were made and potential orders may have been discussed, resulting sales were nowhere close to the stated figure. The only company that reported making sales as a result of the trade fair was Bain Textiles, which
was founded in 1965 and had been exporting since 1988. The owner indicated that she made some contacts at the Sydney fair and had subsequently exported small orders totaling AUD 4,000 to 5,000 (USD 3,700 to 4,700) through relatives and consignment shops. (The World Bank 2008, 215)

Similar results came from the June 2004 fair in Toronto, Canada, where two CWE members attended. Bain Textile also participated in the Toronto fair. Upon her return to Bangladesh, the owner of Bain Textile shipped approximately CAD 5,000 worth of merchandise to Canada through informal channels. The other participant company received inquiries but it remains unknown whether these resulted in any actual sales (The World Bank 2008, 215, 219). The same document later revealed that both Bain Textile and Rahman Enterprise also received money from USAID to attend the Toronto trade fair.

The unintended results caused by lack of donor co-ordination created a double-dip scenario instead of the valuable aid resources trickling down through the various level of Bangladeshi economy. Unfortunately, while local elite women entrepreneurs were double-dipping, other cash-starved women entrepreneurs from lower socio-economic areas struggled for basic resources to run their shops. A few applied for bank loans to attend international trade fairs but could not get the loans. Similar outcomes were generated in IFC-SEDF’s other projects.

Among development projects in sector-specific industries, such as poultry, IFC-SEDF partnered with the Women Entrepreneurs Association of Bangladesh (WEAB) for a skill development training session on financial management and the technical side of broiler production for poultry workers. IFC-SEDF brought in an international expert whose presentation was attended by twelve women and twenty men (The World Bank 2008, 220). Interestingly, the
internal auditor, who conducted IFC-SEDF’s impact assessment report, did not find any tangible impact from this one-off training program.

7.2 IFC-SEDF’s Readymade Garments (RMG) Projects

In 2016–17, the Bangladeshi RMG industry generated USD 28.14 billion that was approximately 81 percent of the total Bangladeshi export earnings and 12 percent of Bangladeshi GDP (Hossain and Latifee 2017). Although the RMG industry accounts for 45 percent of all Bangladeshi industrial employment, since the industry’s inception in mid-1980s, it has suffered from adverse working conditions and various compliance related issues (Sohel 2017). In 1985, the United States provided an important incentive to the Bangladeshi RMG industry when it offered the local companies tariff exemptions for sales in the United States, as part of a free-trade agreement between Bangladesh and the United States (Nurul 2007). This agreement was signed when General Ershad was President of Bangladesh and was sponsoring projects such as Shonirbhor Bangladesh (self-sufficient Bangladesh) intended to develop the country’s industrial infrastructure, increase export earnings, and reduce dependency on aid and imports (Sobhan 1984). However, as one of my informants, Shafiullah Quader, a high-ranking former military officer presently active in Bangladesh’s private sector pointed out, General Ershad’s Shonirbhor Bangladesh initiative was curtailed when western media identified Ershad as a dictator (Shafiullah Quader, pers. comm.). As a result, local companies that might have provided raw materials for the RMG industry, in the form of import substitutes, were not able to fully develop and the Bangladeshi RMG has been increasingly dependent on the importation of key raw materials, e.g. fabrics from abroad.

During his interview, Shamshul Islam, a Bangladeshi RMG entrepreneur, who owned three factories and employed approximately five thousand workers, stated that the production in
three garment factories with which he was familiar was heavily dependent on imported woven fabrics from neighbouring India. According to Sohel (2017), who analyzes the production capacity of the Bangladeshi cottage industry, it can produce only 15 percent of the RMG industry demand. Importing the rest of the raw materials in 2015 Bangladesh cost USD 5.1 billion. During his interview, Shamshul shared emphatically that garment production, due to import dependency, results in longer lead times, which he thought was the biggest impediment he faced as a RMG entrepreneur. He added that countries like China, India, and Turkey are becoming Bangladesh’s competitors in the RMG sector because these countries employ innovation, technology, and import substitution. Although every international development agency working in Bangladesh operates in the country’s RMG industry, none of these donors focuses on import substitution.

My findings on one such aid donor program run by IFC-SEDF reveals that it allocated resources for productivity improvement, new market development, and work place compliance by working with Bangladesh’s two main RMG industry associations—Bangladesh Garment Manufacturers and Exporters Association (BGMEA) and Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA). Although there are approximately 3,500 garments factories in Bangladesh, according to an internal World Bank report, IFC-SEDF spent USD 1.8 million as a result of directly assisting the top 30 or 40 factories (World Bank 2008, 141). I inquired about these expenses and came to learn USD 1.8 million was spent mainly on consultancy fees paid to the international experts, as well as on sending RMG executives to attend trade faires in Australia, Canada, Japan, and the USA, among others countries. When I shared my findings with my informant Shamshul, he was surprised to see the names of certain companies on the list and commented that IFC-SEDF gave money to the richest Bangladeshi
garment factory owners. He added, “These are the established factories that receive regular orders from the European and American buyers”. Based on my professional experience at the World Bank, I assume that the IFC-SEDF paid for business class airfares, five star hotel accommodations, and daily allowances to the rich garment owners, all of whom could have afforded those expenses on their own. Although the IFC-SEDF claimed the industry revenue increased as a result of its contributions, the internal World Bank report reveals that the evaluators found IFC-SEDF’s contributions statistically insignificant (World Bank 2008, 151—2).

Overall, between October 2002 and June 2007, IFC-SEDF received a total of USD 37.3 million in grants and fees and spent USD 29.3 during this time period. Based on a deconstruction of its budget, I found three types of expenses in this aid project. These were: 1) USD 12.8 million on direct projects; 2) USD 9.4 million on indirect program expenses; and, 3) USD 7 million on general and administrative expenses (World Bank 2008, 6). Unfortunately, the document did not provide detailed definitions of these expense categories but two of my interviewees, Moinul and Rouf, both former World Bank employees, were able to help me identify what would fall under each category. They explained that direct project expenses could include flying in international consultants from a Euro-American country. They remarked that both indirect project expenses and general and administrative expenses were used to finance a centralized expat technocrat hierarchy and to support their hardship allowances (a salary equivalent to the project budget, a tax free monthly payment made to the expat staff, on top of their high salary). This payment for “hardship” is made by the World Bank to compensate the expat staff for having to live and work outside their home countries. Such allowance covers most of the basic items of expense including accommodation, relocation costs, healthcare, an annual trip
home, and private education allowances for children. Moinul further added that, “after the terrorist
attacks in Dhaka, this hardship allowance went up higher. Expats are now given a chauffeur-driven
German or British made vehicle as part of their hardship allowance.” Although the budget for
IFC-SEDF’s gender empowerment initiative was relatively very small and constituted only 1.5
percent of the SEDF’s budget (The World Bank 2008, 6, 210), Moinul stated that:

USD 572,000 for the gender program still is a lot of money, though
the outputs of the gender empowerment initiatives can reflect [that] aid resources were spent on useless workshops and in strengthening relationships with entitled local elites. (Moinul Ahmed, pers. comm.)

The same internal auditor highlighted similar discrepancies in the Readymade Garments and Access to Finance components of the IFC-SEDF project (The World Bank 2008, 36, 139).

Based on this impact assessment report and my field observations, two approaches or business models dominated IFC-SEDF’s measures in Bangladesh: the Sector approach and the Lead Firm approach. In the Sector Approach, private sector elites prescribe and filter decisions about where the “aid” money will go in the local economy. As shared in chapter three, this is a classic neo-liberal approach often known as Reaganism, that puts a premium on expanding and strengthening the private business sector with the expectation that the number of new jobs will increase while the businesses expanded (Harvey 2005). In the context of IFC-SEDF, the sponsored trainings and trade fairs favoured the wealthy local elite capitalists for all-inclusive trips to Thailand, Australia, Canada, Japan, and USA, among other places, as all-inclusive vacations. As a result, the impact on the respective industries was less than minor because IFC-
SEDF budget mainly catered to the wish list of the local elite capitalists while undermining the project’s mandate, to develop grass root entrepreneurs in the country.

The second approach to developing entrepreneurs through privately owned companies in Bangladesh, the Lead Firm approach, relied on the IFC-SEDF expat management selecting a business owner’s company or farm that was already doing better than most or was the industry leader per se in a particular Bangladeshi industry. IFC-SEDF management made such decisions by holding formal or informal meetings with the higher-ups in the respective business associations, such as BGMEA, WBMO, among other examples. Rouf stated that in most cases the businesses owned by these office holders or the companies where these officers held significant influence, ended up receiving IFC-SEDF contracts. Under this business model, such a lead firm received substantial technical resources from IFC-SEDF to become an industry icon of success so it could show others the way for improvement and growth. In reality, such an approach to developing entrepreneurs in the private sector generated further income inequality instead of trickling down of resources in the Bangladeshi economy. My analysis of the IFC-SEDF document, and my observations of the women entrepreneurs and the RMG factory owners, confirm that neither knowledge nor economic resources reached down to the smaller entrepreneurs through either the sector or the lead firm approaches in a developing country such as Bangladesh.

The ideal purpose of private sector development is to trickle down wealth so the impoverished can access opportunities for employment and thus have a chance to improve their quality of life. Naila Kabeer (2008, 3) explores the gendered dimension of risk, vulnerability and insecurity and thus the need for gendered social protection. She emphasizes the need for formal measures of social protection for the entrepreneurs in the informal economy sectors because this
is where the “majority of the women and the poor are to be found” (Kabeer 2008, 3). Although the IFC-SEDF management had an incredible opportunity to implement aid programs in support of social justice and redistribution of wealth, in practice, it did not liberate people on the ground. The locally recruited IFC-SEDF aid professionals occupied placeholder and term appointment/designations, where they had no authority to decide how IFC-SEDF resources/projects needed to be designed or how the budget for a respective project would flow. The aid donors, such as the World Bank, tend to overlook the inherent corruption in a developing country since their primary objective is to tie a Euro-American corporation to the project and thus, move back the aid money to their donor countries (Mosse 2005, 23–57). As a result, it is not a surprise that aid projects can be ineffective in overcoming social injustices. Unfortunately, many members of the Bangladeshi civil society are aware of the aid industry’s murky mechanisms, but they remain helpless to voice their opinions.

Building upon these findings, I reiterate Venugopal’s (2018, 241–3) analysis, previously discussed in chapter three, that IFC-SEDF’s development measures suffer from three types of failure—implementation failure, design failure, and agenda failure. Also, IFC-SEDF projects constitute what Whyte (2010) and Apthorpe (2011) refer to as “systemic fraud” and “corruption” within the development industry. These critics of aid argue that “systemic fraud” and “corruption” are more detrimental than the so called “lack of political will” of the governments in the developing countries.

In this chapter I highlighted specific examples from Bangladesh’s private sector, most importantly one women’s entrepreneurs association and several top ready-made garment companies, which received the financial support of international donor agencies. These findings showed that failures in design, management, and program agenda, as well as a lack of quality
control sustain the influence of class in privatizing Bangladeshi industries. In the case of the women’s entrepreneurs association, my findings also demonstrate how class-based inequalities are reaffirmed and deepened through inequitable distribution of aid grants. In the following chapter, I explore how development aid resources given by a leading international development agency, The World Bank, fail to generate positive outcomes in Bangladesh’s public sector.
Chapter 8: Development Aid in the Public Sector

In this chapter, I highlight the challenges development aid donors face in the public sector in Bangladesh. Findings elucidate the importance of development assistance in improving the quality of public service and demonstrate how the lack of quality control, even within Monitoring and Evaluation (M&E) Programs, which are intended to provide oversight, can influence local values, beliefs, and subjective experiences. In the first section of the chapter, I analyze the implementation processes of the World Bank’s technical assistance (TA) in information technology (IT) initiative in the Bangladeshi public sector, using the example of the Bangladesh Road Transport Authority (BRTA). Primarily, I assess two specific aspects at BRTA: the social-reality of BRTA as a public corporation, where government officers and staff at a motor vehicle registration and inspection service turn a blind eye to corruption while their appointed Dalal (middle-men) enforcers extort “speed up” money from citizens for basic services; and, BRTA’s indifference towards quality control. I argue these practices contribute to the widening economic gap in Bangladesh by generating shifts in local social reproduction.

I focus on the question of the potential of development assistance and IT to bring efficiency to BRTA, the knowledge of aid beneficiaries regarding aid budgets, and the relative degree of influence of aid beneficiaries in designing aid projects. My observations do not generalize to the World Bank program in totality or to all public sectors in Bangladesh where the World Bank operates. Additionally, my observations do not generalize to the measures taken by the Government of Bangladesh in managing its administration.
8.1 Contemporary Bangladesh, BRTA and the World Bank

As part of institutional enhancement, the World Bank offers technical assistance (TA) to various public institutions, such as the Bangladesh Road Transport Authority (BRTA), which functions as a government-run corporation. Unfortunately, “BRTA has been famous for all the wrong reasons including corruption and inefficiency,” remarked Nilufar, a woman in her forties, who worked at a privately-owned company in urban Dhaka.

The public image of institutional disorder makes BRTA an ideal candidate to receive development assistance so that it can provide services to the public in a transparent and accountable manner. According to my respondent Moinul, a former development aid professional who also worked at the World Bank, “technical assistance can either be a grant or loan but the conditions of such [a] TA remain classified.” Moinul added that TA funds are spent on procuring knowledge, commodities or technologies from Euro-American donor countries. For BRTA, the World Bank TA included new computers, network systems, and internet connectivity to support efficient public service (The World Bank 2003). Moinul added that “TA also covers training expenses to train the local staff, be it by an international expert or local service provider.”

The disorder at BRTA, I would argue, derives from the patron-client relationship that dominates its internal networks. For example, we have seen how the local elites who constitute the political leadership in post-colonial Bangladesh are the owners of land and businesses. Political leaders, mainly business owners, tend to recruit people from their political constituencies in the rural areas, place them in their own companies and various private companies or public institutes in urban centers. BRTA is one of these. During our interview, Moinul said that the unwritten expectation of the political elites and business owner is
unquestionable loyalty from employees. “The master is their Allah and Bhagwan and the worldview of these cheap laborers is shaped by the conduct of their patrons,” he remarked. That settled, the political patrons in Dhaka and their surrogates in rural areas maintain a stable voter base in their respective political constituencies. Moinul’s statements support my contention that class relations in Bangladesh support privatization since even government institutions such as BRTA end up being run as profit-making enterprises by business and government elites.

The stated patron-client relationship above remains an important factor in neoliberal Bangladesh (Katz 2001, 14). This patron-client relationship exploits sources of cheap labor, and the entitlement of the patron can flourish through mismanagement and corruption (Sen 1982, 299–304). In the section below, I discuss this patron-client relationship and explore the undesired social consequences heavily influencing local values, beliefs, and subjective experiences in Bangladesh.

8.2 Bangladesh Road and Transport Authority (BRTA)

BRTA has the daunting task of managing motor vehicle-related documents for approximately 2.3 million owners (BRTA 2013). “Every day a few hundred new motor vehicles are registered in our office,” remarked a BRTA official, whom I will call Sohel. According to The Financial Express (2014), out of 2.3 million vehicle owners registered in 2013, only 1.43 million owners held a properly issued driving license. The report’s investigator indicated that fake licenses were issued by BRTA officials and the large volume of falsified driving papers known to exist further indicates the depth of corruption at BRTA.

In order to regulate driver licenses and motor vehicle document processing at BRTA, in 2003 the World Bank contributed USD 7 million to assist the Ministry of Communication in Bangladesh to construct websites where policy documents, application forms, and relevant
information would be accessible to the public (The World Bank 2003). In addition, the World Bank provided BRTA with the suggested number of new computers installed with software programs, and facilitated training sessions for its staff to build necessary technical capacity (The World Bank 2003). However, the well-intentioned partnership between WB and the Bangladesh Government was undermined by the on-the-ground reality at BRTA.

BRTA is located in the Mirpur area of urban Dhaka. Its premises and vehicle testing space include a large area, approximately half a square kilometer, which holds three main administrative buildings, several makeshift offices—small areas cordoned off from one another by little more than a sheet hung over a string with a table and a couple of folding chairs, as well as areas for vehicle inspection and parking. Each of the main buildings is four stories high and all together BRTA employs 40 officers and 150 staff members. The makeshift offices mentioned above deal with serving public needs, such as distributing and collecting forms, e.g. vehicle registration, ownership transfers, and learner permits. In order to facilitate the vehicle-related services, the BRTA needs to verify national identity cards. Customers are expected to handwrite their information on the forms and submit them to the BRTA staff for further processing. Most of these forms require multiple passport size photographs and notary attestations. I frequently observed dalals (middle-men) helping customers fill in BRTA forms. On one end of the BRTA, buildings designed for other uses but now repurposed as offices, such as bank booths with tables set up to collect government fees. The premises are patrolled and guarded by members of the Dhaka Metropolitan Police. Beyond the walls of the BRTA, there is a large mosque and a plethora of small businesses, such as photocopy and laminating outlets, makeshift tea stalls and restaurants, shops to notarize documents, and photo studios that serve the needs of BRTA customers. On any working day, the BRTA premises and the surrounding business areas are
packed with vehicles and customers.

BRTA is my only field site where every interviewee or respondent requested anonymity. They directly or passively admitted knowing about the “system,” which is a term frequently used at BRTA to refer to the practice of offering a bribe to officials in return for efficient service. My respondent Nilufar observed with sheer frustration that “paying bribes is more efficient than waiting in the long queues for basic services.” She defined these basic services as paying bank fees, being interviewed for license exams, or getting their vehicles inspected by BRTA officials. As she expressed her helplessness to bypass such corrupt measures, I realized Dhaka’s civil society was aware of such issues, but could do nothing to fix it. At that point, I wanted to explore how this system worked at BRTA.

Instead of keeping electronic records on the computers and cameras provided by the World Bank funds, paper records were preferred. Furthermore, whenever possible BRTA officials preferred using pencil rather than pen to write receipts, which meant the document could easily be changed if needed and traces of change were thus minimized.

I also observed Sohel and his colleagues asking for photocopies of various types of documents, such as copies of an identity card or information on the Blue Book (vehicle registration book), instead of verifying these facts on the BRTA database. Since most of the customers did not own photocopy machines or did not carry copies of such documents with them, they were forced to make a trip to the nearby photocopy stalls for such documents. This arrangement between BRTA personnel and the privately-owned photocopy stalls constituted a financial arrangement. According to Mohammad Nobi, an interview subject, when a customer learned he or she needed to submit photocopies of certain documents, which a customer did not have handy, the BRTA personnel directed the customer to “go to Asad Photocopiers across the
wall. If they are busy, tell them Shamshu sent you.” The BRTA staff person would then receive a commission from the photocopy stall operator.

While explaining how the system worked, Nilufar pointed out that BRTA staff liked to delay submission of customer applications and thus buy more manual processing time to schedule written exams for new motorists or to schedule vehicle inspections. Thus, Nilufar explained, instead of using the electronic scheduling program, BRTA staff preferred to employ manual processing so that customers would be compelled to offer ghush (bribes) to expedite their exam or motor inspection dates. A BRTA employee told me that during the few days of annual auditor inspection, the BRTA staff would use the IT programs for these applications as the World Bank intended.

These instances reminded me of Jonathan Parry’s (2000, 27) chapter on the “crisis of corruption” in India where he explores the history of the state and of the idea of democracy in post-independent India where the crippling corruption threatened to discredit India’s democracy and stability of the state. Similarly, the prevalence of corruption in Bangladesh today, as I witnessed at BRTA, was perhaps more than it was 30 years ago. In others parts of the country, ranging from village tea stalls to fancy restaurants in Dhaka, I observed people nonchalantly discussing paying bribes to conduct government business that includes obtaining utility access in a new apartment, registering land, and avoiding traffic ticket, among other things. Paul and Shah (1997) coined such corrupt measures as ‘retail’ — “low-level routine corruption of everyday experience” (Parry 2000, 29).

In order to learn more about the ‘system’ — a form of ‘retail’ corruption at BRTA, I became a potential BRTA customer and discovered that the system started with the dalal (middle-men). Although dalals are not officially part of the BRTA administration, they are found
everywhere around BRTA, in parking lots, photocopy stands, by banking counters, administrative offices, and tea stalls. There are over 200 *dalals* in BRTA parking lots during working hours, all men in their 20s to 40s with education varying from primary to secondary levels. They are able to complete official forms, written both in Bengali and English, and work for a fee to arrange documents, make copies, pay bank fees, and collect signatures at various counters and offices at BRTA. Each *dalal* carries multiple cell phones and has various office stationeries and supplies, such as paper clips, stapler, or pencils in their handbags. The seasoned *dalals*, who were in their forties or beyond, functioned as shadow bureaucrats, acting like corporate relationship managers, often seen sipping tea with labour union leaders or higher BRTA officials at various tea stalls.

Every *dalal* had access to any official or bank teller inside BRTA to expedite things for his clients. While sharing tea during non-working hours outside BRTA premises, I interviewed Abul, a *dalal*, and three of his colleagues. Having a common ancestral root in Comilla region of Bangladesh facilitated a functional alliance among us, so Abul answered most of my questions, while his colleagues nodded their agreement. “Our clients are busy people. We maintain good relations with the officials and tellers to better serve our clients. Our clients are busy and we help them. They leave BRTA happy,” remarked Abul to explain his work at BRTA. The *dalals* explained how BRTA clients bargained to negotiate a price with a *dalal* before hiring him. Bargaining is part of Bangladeshi culture and a vendor (or *dalal* in this context) always asked an inflated price before settling on a lower amount negotiated down by the client.

For example, the driving license renewal fee is BDT 1400, but a *dalal* could ask 50 to 100 percent more from a client. “This rate goes much higher in situations when a motorist urgently needs renewed vehicle papers,” remarked Nilufar. *Dalals* can demand as high as 500 to
1000 percent more money for jobs when a client needs a document within a few hours. If a customer is not willing to pay these system fees he or she may need to spend several hours at BRTA merely to determine where to collect forms and signatures, spend the following day submitting the paperwork, and then have to check back in several days about the outcome of the paperwork. Under these constructed circumstances, the system of bribing is efficient and the motorists of Dhaka adapt to the culture of bribery by constructing social relations with dalals based on cash transactions.

The presence of law enforcement personnel at BRTA makes no difference since, as Nilufar pointed out, “they receive commissions [as perquisites of being in a police uniform] from dalals, often to overlook the process.” As the ineffectiveness of policy is public knowledge, BRTA staff Sohel and dalal Abul acknowledged Nilufar’s assessment of the police presence at BRTA. Abul added that, “higher ranking officers in the force are making more money than the dalals outside for overlooking bigger matters.” Although it was possible to make a written complaint either to the nearby police station or the Office of the BRTA Chairman, a complaint can potentially generate life threatening consequences. For example, as Abul explained, if a dalal talked about another dalal or a BRTA staff, this would be considered a breach of bishwas (loyalty). If a client made complaints about a dalal or a BRTA employee to the BRTA hierarchy, the client would be asked to write a complaint letter. However, “no one will read that letter,” Abul stated nonchalantly. Perhaps due to a pre-conceived idea about mismanagement and corruption at BRTA, most clients arrive there with an understanding that going through the dalal system is the way to conduct business.

I asked Abul and his friends about their monthly earnings. Abul responded on their behalf:
I make around twenty or so deals a day; do not get to keep more than 300 taka (USD 4) in pocket from every deal though. I have to pay everyone to remain as a friend ... everyone, starting from the bank teller to the guards, clerks, vehicle inspectors and the higher up officials. The higher the designation, the higher the di-ner hissa ['daily tax'] is for the officers.

While a readymade garment worker makes about USD 37 per month, dalals, earning over USD 80 per day (or USD 1,800 per month) with limited or no formal education, are receiving very good earnings by Bangladeshi standards. Another dalal confirmed this approximate monthly income. I also asked Abul how informal money got distributed and split up within BRTA hierarchy. “The officials bribe other big people to get posted here at BRTA. It is a money-making pit,” said Abul. When asked for clarity and examples, Abul dropped names, designations, and amounts that came with those posts while he and his friends smiled. “This is public knowledge,” he added.

Each dalal has an arrangement with a bank teller who collects government fees and several private banks, such as BRAC Bangladesh Bank Limited, worked out partnership agreements with the Ministry. These banks collected government fees on behalf of the Ministry of Communication and charged a small processing fee. According to Abul, “an arrangement with a bank teller consists of paying some money up front to that teller before the start of banking hours every morning. Paying the teller earns me direct access to a specific teller at any given time of a business day to stop in and pay fees for his clients.” Abul further elaborated that each bank teller at BRTA maintained arrangements with a number of dalals through such advance payment methods. As a result, during working hours most teller windows were randomly
interrupted by walk-in *dalals*, while the waiting time for regular customers grew.

Similar arrangements prevailed elsewhere at BRTA counters, such as vehicle inspection or license renewal. “Bank tellers paid a cut to the office clerks, who eventually paid a major cut to the higher ups to turn a blind eye. Everyone is involved. BRTA staff paid large money to their big bosses [senior bureaucrats and politicians] to get posted here,” said Abul. I attempted to make an appointment with the person in charge of BRTA. After my fifth phone call in seven days, I was rudely dismissed by the assistant of the person in charge: “Sir is a busy man and is not available for meeting with a PhD student.” In a later section in this chapter I discuss the corruption within the BRTA upper hierarchy.

As I learned about the underground economy at BRTA, I became aware of the role of mobile communication that fed into corruption. *Dalals* and BRTA petty officials frequently used cell phones to send and receive text messages. Aid fund contributors, such as tax-payers in the western countries, needed to know that this was how the use of communication technology complemented the underground economy at BRTA.

I asked Nilufar if she and others knew about the World Bank TA that offered IT resources to make processing time more transparent and efficient at BRTA. “No technology can change BRTA’s culture” she responded, adding that, “our politicians and the World Bank bureaucrats know about this [BRTA’s underground economy]. They benefit from this, too. I learned from Abul that he and his colleagues, who, in fact, boasted that they could prepare any type of document for any type of motor vehicle from a “duplicate license” (fake license) to a forged engine number for an automobile. When asked what type of customers he serviced, Abul remarked that, “the young men that come to Dhaka for the first time and intend to work as drivers for private cars, are my main clients… [and] university students”. I enquired what would
happen if the authorities attempted to validate these numbers “That will never happen,” Abdul replied, laughing at my naïve question, “many lives depend on this [BRTA’s underground economy], no one can change this,” he said confidently.

When asked what could be done to improve functions at BRTA, Nilufar remarked, “I will be happy to pay additional service fee to the government if they can offer electronic services efficiently. Because the longer I wait here, the more working hours are lost. The Government loses out on revenue earning due to these leaks in the system.” She paused and said in a frustrated tone of voice: “But I do not know if anyone with power in the higher up has the intention to change anything here.” Her statements supported a similar conclusion made earlier by Abul when I asked him to explain the conduct of the people who made the most decisions at BRTA:

[There are] a few political leaders, patron labor union leaders, and local mastans ['gang members’] who keep BRTA as it is [a concert of organized corruption], while the external auditors come and go. We also want BRTA to stay as it is because our families back in the village depend on us [for remittances] ... You mentioned about aid and budget. We don’t know what that is and how that works.

Unable to make an appointment to interview the head of BRTA, I made unsuccessful attempts to speak to other BRTA executives. Despite submitting written letters explaining the purpose of my request, none of the officers agreed to speak to me. With assistance from Sohel, I tracked down the specific floor and building where most of the senior BRTA personnel worked. I managed to enter that floor while catching an open entrance door before it could close. Walking along the floor unescorted I saw, through an open office door, one senior executive speaking on
the phone. Given the close proximity and the executive’s loud voice, I could hear him making an overseas call, speaking perhaps to a son or daughter, who I assumed was attending a university overseas. The conversation indicated the other person lived somewhere in North America. I heard the senior executive state: “I will send your tuition money before the start of the semester.” Given it was early August, college tuition was due at the beginning of the academic calendar in September. If that was the case, considering it takes approximately USD 20,000 per academic year to study at a college in Canada or the United States, I wondered how a BRTA official, who made only USD 150 a month, could afford to send his son or daughter to a university in the west. My curiosity led to a follow-up conversation with Sohel, who informed me that, “most of their children”, indicating the children of the BRTA officers, “study abroad or at local private universities.”

I contacted Moinul to discuss my findings at BRTA. “These are common public knowledge,” he said instantly. He further commented that the international donor agencies were usually aware of the crippling local corruption but addressing that corruption was not necessarily within their specific project mandate. As a result, they did not interfere; thus, they could not actually support the process of reform that was intended by the aid program. This lack of oversight suggests international donors can become complacent when particular aid commodities are transferred in the aid recipient country. At the same time, such complacency, in conjunction with political patronage inside the aid recipient country, can transform ‘retail’ corruption into a “crisis of corruption” (Parry 2000, 27), as illustrated through various examples drawn from BRTA. Citing historian Morris-Jones (1964, 62–3), Parry adds,

The impersonal norms of the modern bureaucratic state apparatus are continually subverted by the particularistic obligations of
traditional kinship [client-patron relation]. Or alternatively, the
civil servant has not yet quite committed himself to the first, but
has opted out of the second, with the result that he feels free to
concentrate on the lining of this own pocket. (Parry 2000, 52)

While these instances—crisis of corruption—suggests the weakness of the state, they also
provide advantageous to certain social groups that helps to solidify the dual hegemonic alliance.

In this chapter I focused on a specific example from Bangladesh’s public sector, the
Bangladesh Road Transport Authority (BRTA), which received the financial support of the
World Bank. My findings showed that a lack of oversight sustains an underground economy at
BRTA. In the following chapter, I explore how higher education in Bangladesh has adapted to
privatization, by following the prescriptions given by a leading international development
agency, the World Bank.
Chapter 9: ‘Development’ in Privatized Higher Education

This chapter examines the development arguments that privatization of the higher education sector in Bangladesh is supportive of entrepreneurial and economic freedom (The World Bank 2005; Kabir 2010). As a low-middle-income country with a large and young population base, Bangladesh holds immense potential for market development and growth (The World Bank 2015). In 1992, considering higher education as the medium for development and progress, with facilitation from the World Bank, the Bangladesh government gave permission to open the country’s first private university. As of 2017, the official number of private universities in Bangladesh has increased to 140, with more than half of them in the capital city Dhaka (Nurunnabi 2018, 435; Islam 2017). However, the establishment and function of many of these private universities remains a topic of serious concern.

I argue that there exists a disjuncture between moral philosophy and the blind application of right-wing economic prescriptions in Bangladesh’s higher education sector. For example, here is an acute absence of basic student services on campuses, such as classrooms equipped with no technology, no standard libraries, no research facilities, and no placement opportunities. Many of the faculty are part-time employees referred to locally as “rickshaw faculty” because they ride rickshaws from one university to the next to teach, leaving no time for them to interact with students or to monitor disciplinary misconduct, such as plagiarism (Husain and Osswald 2016, 1020). My findings that indicate private university owners run their institutions with the goal of incurring profit.

Between 1971 and 1985, there were only four regular and two specialized public universities in Bangladesh (University Grants Commission, 2015). After the collapse of the Soviet Union in the late 1980s, and resulting in the formation of the European Union,
policymakers in developing countries, inspired by a free-market system, started to modify higher education practices in their respective countries. Since the early 1990s these visions started to be applied in Bangladesh. Market development strategists construed the large, young Bangladesh population as a pivotal revenue generating opportunity. Such economic motivations resulted in a dramatic shift in the country’s post-secondary education landscape (Kabir 2010, 619). These reforms also transformed several established public universities into private institutions; the same reforms led to the establishment of an increasing number of private universities in Bangladesh. In most cases, these reforms were implemented with an aim to increase institutional revenue and profit for the capitalist owners of these universities (Quddus and Rashid 2000).

9.1 Neoliberal Directives in Post-Secondary Education

Since the late 1980s and early 1990s, Bangladesh has applied the World Bank directives in various sectors of the economy, including the agricultural, banking, industrial, and higher education sectors (Nuruzzaman 2004). Building upon that, in 2005, the World Bank identified seven major ‘crises’ in the Bangladeshi education sector and allocated USD 100 million for the reformation of higher education (World Bank 2005, 122; Kabir 2010, 622), provided that Bangladesh implement key recommendations offered by the World Bank. One proviso suggested government allocation to the higher education sector be reduced and tuition and other fees be increased. This recommendation was made despite the fact Bangladesh already made a very low investment in higher education. For example, Bangladesh’s budget allocation for higher education in 2018–19 was 11.4 percent, which was 2.09 percent of the country’s GDP, while other developing countries in Asia, such as India and Malaysia during 2018–19 fiscal year respectively spent 3.87 percent and 5.74 percent of their GDP on their education sectors (The World Bank 2019a).
Center for Policy Dialogue (CPD), a think tank based in Bangladesh that aims to promote inclusive policymaking in the country, argues that Bangladesh’s government increasingly allocates a lower percentage of the national budget to the country’s higher education sector. For example, during 2015–16, the government’s plan was to spend 14.3 percent on education sector, but it lowered the education budget in 2017–18 to 12.6 percent, and further lowered it in 2018–19 to 11.4 percent (CPD 2019). Although overall spending on Bangladesh’s education sector has been increasing, but as a percentage of GDP it has been decreasing, for example, 2.18 percent of GDP in 2015–16 to 2.09 percent in 2018–19 (CPD 2019). At the same time, in comparison with other south Asian neighbours, Bangladesh spends only 2 percent of its GDP on education, while Bhutan, Maldives, and Nepal spend on average approximately 5 percent of their GDP on their education sectors (CPD 2019).

Jahan (2018) highlights that the Bangladesh Government keeps lowering allocation for education despite making a signed commitment in the Dakar declaration in 2000 to spend at least 20 percent of the national budget or 6 percent of the country’s GDP on education. She further shares that most of the government’s budgetary allocation on education is spent on paying salaries for teachers and administrators instead of complementing the much needed allocations for research and investments to improve infrastructures.

I argue that such increments in lowering the country’s public education sector facilitates the establishment of privately owned higher education institutes, while the World Bank requires the Bangladesh Government to increase university tuition fees, student loans, and various cost-recovery measures as well as income-generating measures for the public universities. Critics of neoliberalism in higher education (Kabir 2010, 622), argue the World Bank suggestions further accelerated the privatization of higher education institutions in Bangladesh. Kabir indicates that
these recommendations were made around the same time as some European countries, e.g. Germany, made public university tuition free.

Nurunnabi (2018, 437) reports that in developed countries, such as Portugal and Spain, despite the increased number of private universities in the last two decades, these universities did not emerge as a result of a new market, nor did they create a new market for more private institutions; primarily because the governments in Spain and Portugal, while supporting privatization, held a firm grip on enacting regulations of the private universities (Amaral and Teixeira 2000, 245; Ubillos 2005, 131). However, Meier (2004) argues that many developing countries face similar historical, cultural, and political situations to Bangladesh, as well as the World Bank loan conditions and prescription on privatizing higher education.

Banya (2001, 161) argues that the public higher education institutes in sub-Saharan African countries, as a result of reducing budget in public universities and increasing the number of private higher education institutions, face quality issues, and rising graduate unemployment. He adds the governments in these counties have no control over these private universities over tuition fees and regulations. Collins and Rhoads (2008, 215) interpret findings from Uganda and Thailand and observe that the World Bank’s one-size-fits-all solution to privatizing higher education does not work. Similar observations were made about privatized higher education systems in Brazil, Mongolia, Oman, the Netherlands, and Ukraine (Al’Abri 2011, 491; Holzhaacker, Chornovian, Yazilitas, and Dayan-Ocher, 2009).

Returning to Bangladesh, most of my respondents (Arjun Kumar Bose, Fahmid Ahmed, Nargis Sultana, Shafiullah Quader, and twenty-one focus group participants) commented that most Bangladeshi private universities are owned and managed by local elites and former senior bureaucrats who have strong ties to the two main political parties that have governed Bangladesh
over the last twenty-five years. I elaborate on the short-term outputs and relevant social constructs of applying neoliberal reforms in the Bangladeshi higher education sector in the following paragraphs.

9.2 Free Market Induced Short Term Outcomes in Bangladeshi Higher Education

The public higher education system in Bangladesh has not only suffered from budget cuts, but also went through political troubles, which translated into longer periods for graduation for the students (Islam 2017). All these factors encourage the students from upper and middle-class families in contemporary Bangladesh to attend private universities instead of public ones. Islam (2017):

Other than a few specializing in engineering or medicine, all the rest of the 100 or so private universities [out of 140] teach “business” to the larger majority of the students. The business majors in these private universities often exceed 80% of the total enrolled students. Let alone the arts, even the basic sciences are not taught in any of these private universities because they are not revenue earning subjects. Most of these private universities have some “general education” courses to cover the sciences and language or literature but students just need to pass a few courses in these. They are not required to attain any knowledge of these subjects, because they will all be seeking jobs in business organizations like the banks, where they, supposedly, do not require the knowledge of the arts and the sciences! Contrast this with the study of business subject in the past, up to the 1970s, when
only a few less meritorious students, who could not qualify for the science group or the arts group, would be asked to read these subjects. University of Dhaka would admit only about 30 students a year to the Department of Commerce! (Islam 2017, 12)

However, as shared in the previous section, since early 1990s, the free market-induced development agenda transformed the Bangladeshi higher education sector in various ways. Offering additional courses with the primary intention of generating additional funds for the university was one method through which a neoliberal agenda fundamentally altered higher education in Bangladesh. In 2005, for example, Jagannath University, one of Bangladesh’s oldest and most prestigious public universities dating from 1858, became a private institution (Kabir 2010, 626). With an aim to generate additional revenues, the public universities started to offer evening courses. For example, The Institute of Information Technology, Department of Development Studies, and Institute of Statistical Research and Training at Dhaka University began offering short training modules for researchers, practitioners, and professionals (Kabir 2010, 626–7).

Also, given Bangladesh’s large and young population base, as outlined in chapter one, the local capitalists foresaw investing in the country’s privatized higher education sector as an easy and straightforward way to accumulate further wealth. Unlike in North America, in Bangladesh, private universities are owned either by politicians, or politically affiliated business people, or senior bureaucrats—the rich Bangladeshi capitalists. These private university owners had successfully managed to restrict moves towards reform so that owners can retain their authority in operating the business model of the private university.

Nurunnabi (2018, 455) cites one report made by Transparency International, Bangladesh
(TIB) to highlight the nature of hegemonic corruption behind the country’s higher education industry:

29.6% of private universities are run by businessmen with strong political connections with the government. …during 2012-2013, most of the approved new universities’ owners were democratic government (AL) officials, such as relatives of the Prime Minister, the State Minister’s wife, the Whip of the Parliament, three AL leaders, a relative of an adviser to the Prime Minister, the Home Affairs Minister, the former Awami Students’ (Chattra) League President, an Awami League Advisory Council Member, an Awami League lawmaker, and the Minister and Chairman of the Parliamentary Standing Committee on Education.

These examples highlight the influences of hegemony, nepotism, and rich capitalist class in Bangladesh’s private education sector.

All these factors contributed, since the late 1990s, to the mushrooming of private universities in Bangladesh. Although specific conditions are required to open a private university and to gain some kind of accreditation, such as developing a permanent infrastructure on at least five acres of land, as of 2010, over 90 percent of private universities in Bangladesh did not have their own campuses (Kabir 2010, 626–8). As of 2017, only twelve of the fifty-one private universities that sprouted up in Dhaka had permanent campuses (The Independent 2017). A World Bank report states, “Most of the private universities have failed to meet the minimum requirements of physical infrastructures, full-time qualified faculty, libraries, teaching aids, and other facilities to provide proper education” (2014, 1). In analysing this report, Nurunnabi (2018,
436) finds, for example, twenty-three out of seventy-nine private universities operate without a vice chancellor. The trustees of these universities have access to excessive powers and they remain indifferent towards forming and following guidelines.

From 1992 to 2008, the licenses of five universities were cancelled due to violation of various basic infrastructural conditions. However, two of these cancelled institutions continued to conduct academic activities with permission of the High Court (University Grants Commission 2009). As shared in chapter six, the licenses for opening up private banks in Bangladesh have purely been political decisions made either by AL or BNP government. Similarly, either AL or BNP gave provisional approvals or licenses to the rich capitalist Bangladeshis to open up new private universities for a five year term. Although in 2009, the licenses of forty-three out of fifty-one of such private universities were expired, they continued to operate. Another five universities, whose provisional approvals expired ten years earlier, in early 2000, also continued to operate. None of these expired universities had the authority to run their academic activities or issue degrees (Kabir 2010, 627). However, “all these universities still managed to enroll students in academic programs,” remarked the focus group participants that had requested anonymity. Also, many private universities did not address the concerns raised over inadequate classroom sizes, non-existent research resources, and a lack of qualified and permanent faculty members (The Daily Star 2010).

The private universities that did manage to secure land from the government to build their own campuses are believed, according to three of my interviewees, Arjun Bose, Momena Hossain, and Shafiullah Quader, to have leveraged their close ties to key personnel within the government in order to get that. Although it is difficult to prove, it is likely that the influence of caste and class facilitated privatization in Bangladesh, since in most cases, senior bureaucrats
and retired senior officers from the armed forces, with close ties to the owners of the universities, are hired to run respective administrations.

9.3 Euphemisms and Marketing Globalization

During my fieldwork in Dhaka, I frequently came across brochures and newspaper advertisements that highlighted privatized higher education. The following types of advertisements for bank loans appear frequently in Bangladeshi newspapers, on the websites of private banks, and on urban billboards in the streets of Dhaka:

Better Education is a dream; is the priority of time! Our Education Loan enables parents/guardians/students for those who want to fulfill their dreams. You can avail the loan with competitive rates, convenient features and simple procedures. (Prime Bank 2014: online)

These ads for bank loans to cover tuition and other relevant expenses to earn a bachelor degree from a private university offer to fulfill the hopes and dreams of modernity. The banks highlight the value of receiving a bachelor degree, especially in business subjects, while hiding the interest rate costs for such loan products.

I conducted six focus group discussions with students at six different private universities in urban Dhaka. My respondents talked about the interest rates offered by the banks on their education loan products that ranged between 36 percent and 40 percent. I could not find any supporting data from local private banks or a private university on the percentage of students enrolled in a private university who obtained loans from private banks to pursue their higher education. I also reached out to the university registrars’ office in six such private universities but was informed they did not collect such information on the students.
My main respondents on higher education including, Fahmid, Bose, and Nargis, explained that the owners of private universities and private banks often came from the same families. Such practices of nepotism and mismanagement can create socio-economic inequality (Mosse 2010; Sen 1982). However, despite the threats of debt and inequality, there remains considerable demand from Bangladesh’s urban youth to enroll in a private institution over a public one. The main reason is that, despite the criticism, administrators at the private universities offer and finish courses on time, while the quality of teaching and management staff at the public universities has deteriorated over the years. My respondents critiqued the mushrooming of private universities following public university deterioration, remarking that, “the professors hired by the public universities take leaves of absence and then take full time jobs at the private universities.”

When I asked students during my 2014 focus group discussions about their interest in the private universities, their responses made it clear that, in urban Dhaka, middle-class youth between eighteen and twenty-eight years of age, view private university education as a symbol of prestige. “It’s cool, most of my friends are here,” offered a young man in his early twenties. The focus group participants agreed that attending private universities meant being modern but they often felt pressure to fit in by taking loans from relatives or banks so they could enroll at a private university. A young woman participant in the focus group, also in her twenties, stated, “The teachers are better at my private university. The classes start on time and I get my papers back on time. That was not the case at Dhaka’s best public university, where I studied in my first year of the university life.”

9.4 Rickshaw Faculty

Based on my focus group discussions and observations in these six private universities
in urban Dhaka, out of 150 to 200 faculty members, less than 20 percent had tenure or full-time jobs. Of those who were full time, approximately 50 percent were on leave from a public university. As Fahmid pointed out, these instructors take leave from the public universities in order to take advantage of the attractive salaries and quick promotions offered by the private universities. As a result, it was the sessional professors who carried the bulk of the teaching load at the six private universities where I collected data. I also observed that a lack of research facilities, poor remuneration packages, and limited career prospects created a high faculty turnover rate.

I interviewed four part-time faculty members, all men, in their late twenties, at a well-known private university in Bangladesh. They all requested anonymity. They had been teaching at the university between two and four years each but as a collective, they had taught at fifteen to twenty private universities. “I needed the money,” remarked one of the men. Another complained about the lack of research facilities as the main reason for planning to leave his teaching job in six months or so. None of these instructors considered that they had enough interaction with students, even to get to know some of their students’ names. “I used to take a rickshaw to go to the next university right after I completed my lecture at the previous one. Every day I lectured in at least three or four universities,” remarked another. They humorously informed me that it was easy to catch sight of an adjunct faculty on a rickshaw at any time of day in Banani area, new Dhaka’s university hub. I later learned that approximately fifteen private universities were located in Banani, which used to be an upper class residential area in the 1970s and 1980s. However, since the mid-1990s, Banani slowly turned into a commercial district. My respondents pointed out to me that many so-called private universities in Banani rented residential houses and multiple floors of a commercial building to function as university
facilities. Islam (2017, 12) adds that in Banani there is, “more than one university in one building or more than half a dozen on one street.” As of January 2017, only twelve private universities have their own campus and, as I later discovered, the owners of these twelve universities belong to Bangladesh’s political elite circles. As I noted above, as well as in chapter six, a few such private universities are owned by former cabinet ministers and political leaders from both AL and BNP, such as Dr. Mohiuddin Khan Alamgir. Also, one such university is owned by a former president of Bangladesh. While nurturing political connections is a necessity to receive permission to operate as a private university in Dhaka, such alliances also provide these universities with immunity from any tangible or perceived inadequacy. Perhaps that is why, despite being a chronic issue within the Bangladeshi private university system, the exploitation of the adjunct faculty members is perpetuated.

Four faculty members is a small sample size and thus inadequate to form authoritative generalizations, however, the issues they faced on a daily basis highlight the commercialization of higher education though privatization and deregulation. Essentially, the massive pools of exploited and under-employed contingent or adjunct private university faculty in urban Dhaka eke out a living by teaching too many courses in too many different universities. They do not have time for students because they have hundreds of them, and are perpetually exhausted. They also emphasize the precarious and dehumanizing experience of belonging to a workforce characterized by low wages (Harvey 2005).

9.5 “McDonaldization” of Culture

Mannerisms, physical gestures, and level of confidence expressed by private university students during focus group communication were different from those of students who attended
public universities. Students from private universities perceived themselves as more modern or “western,” as reflected in their subtle claims of superiority and higher social prestige. One public university student remarked: “I expect a student from a private university to dress trendy and communicate in English.” Indeed, most students who attended private universities opted for western attire, especially jeans, and they liked to eat out, especially western food.

Moreover, for most students, private universities are bastions and producers of privilege, and the various shops that surrounded campuses usually reflected that. Since private university students could easily transfer to a mid-level western university, many such students acted and behaved like they were already in the west. They preferred to have a sandwich and cola for lunch, rather than bhat-sabji (rice and vegetables), and checked for Facebook updates on their expensive mobile phones. These private university students who drink cola and eat sandwiches are participating in Western practices because that serves to mark their elite and privileged status. Such behaviors served to differentiate these student groups from those around them.

This Americanization of private university surroundings (and the behavior of students) in urban Dhaka can also be compared to the “McDonaldization” of culture, which George Ritzer (1998, 2, 5–6) defines as “the process by which the principles of the fast food industry are coming to dominate more and more sectors of the world.” Ritzer argues that, although McDonaldization has four main dimensions—production efficiency, calculability, predictability, and control—these dimensions also create two undesirable outcomes. First, they create a replaceable work force with minimum abilities for completing simple, focused tasks. Second, McDonaldization creates consumer workers who perform tasks traditionally completed by the company. For example, fast food restaurants encourage customers to carry their trash to friendly receptacles marked “thank you” (Ritzer 1998, 31–34).
I observed the students being well mannered customers at the burger places surrounding private university campuses. The students did not mind taking their trash to the receptacles because doing so gave them a sense of independence and efficiency. I asked some students if they cleaned their dishes or washed their clothes at home. “We have domestics for that,” shot back a respondent. I also observed that the McDonaldization process facilitated opening up more burger shops that offered free Wi-Fi in the vicinity of university more than did the book shops, magazine outlets, libraries and photocopy stands combined.

Nargis remarked to me that Bangladeshi private universities instilled a McDonaldization ethos in their students by:

Creating dependency but not capacity. I have seen many MBA graduates from such universities who can’t make a good PowerPoint presentation … From such graduates we will have more consumers and clerks, but not anything big … creating the process of dependency does not lead to progress; it leads to neo-colonization.

Other cultural shifts besides Americanization are present in the private universities. For example, Nargis also pointed out that in her recent trips to various private university classrooms she observed the increasing presence of female students in hijabs. “I am used to seeing these hijabis taking group selfies. I did not know what to make of it because, if you are a hijabi, why would you be holding your boyfriend’s hand and taking pictures in public place? These are disco hijabis. Their veils are for show only.” Another respondent, Shahriar Kabir, noted that he grew up in Dhaka in a conservative Muslim family during the late 1950s and early 1960s, a time when few women used hijabs and niqabs. “But they [women in hijab and/or niqab] are in abundance
in Dhaka at present.” Although Nargis and Kabir highlight Islamization in Bangladesh, they interpreted this in most cases to be urban Bangladeshi females, using the hijab or niqab coverings as a trendy, cultural fashion, rather than as a symbol of their obedience to Islam.

Many urban youths in Dhaka viewed attending private universities for a year or two as an investment and gateway to a university in the west, especially in Australia, Britain, the UK, or the USA. Rich families, or even upper-middle-class families, that could afford to pay foreign tuition would send their children to foreign universities. In fact, splitting time between a local private university and later transferring to a foreign university functioned as a win-win situation for these families and their children.

Sending children to the local private universities for the first two years of a degree and then transferring to a tier-two or tier-three university in the west saved the local families tuition money. Although local private universities in Bangladesh are more expensive than local public universities, the tuition fee in the country’s private universities is cheaper than the tuition fees in a foreign university. By using the transfer credit option, the transferring students and their families saved tuition expenses. Second, these students consequently received a foreign diploma, which was prestigious at home in Bangladesh. “When I say I am an Arkansan graduate, that sounds better than saying I graduated from East West University [a private university in Dhaka],” remarked a student focus group participant. In each of the six universities where I held our focus group meetings, students reported that each year approximately 40 percent of students transferred to universities abroad when they reached third year.\(^\text{18}\)

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\(^\text{18}\) I wanted to verify these numbers, as provided by students’ personal and anecdotal data, with the office of the registrar in the respective universities. However, each of the registrar offices replied in negative citing privacy.
9.6 Zombie Graduates

Critics of neoliberalism argue that application of its directives affect the academy paradoxically by creating feelings of compliance and passivity, which included an inability to critical thinking (Beck 2000; Wilken and McCrea 2013). Wilken and McCrea (2013, 29) argue the increasing emphasis on creating a labor force is matched by a decreasing encouragement for independent thought that can be defined as a kind of zombie concept, that is, a living/dead idea that is no longer representative of reality, but can still haunt peoples’ minds. This outcome can change the relationship of the student to the university from one of learner to one of consumer, whereby the product they consume is their own educational transformation (Appadurai 1990; Evans 2004, 96; Naidoo and Jaieson 2005). Such transformations tend to negatively impact the students’ ability of think and their individual ability to process information and articulate a clear point of view on a given topic.

According to Percy (2011), the concept of zombie graduates ultimately positions students as products of the educational machine complemented by the McDonaldization process, who thus emerge as skilled and qualified bodies that can be put to work in the global knowledge economy as zombie labourers—predictable, replaceable, and subordinate to the corporate establishment (Percy 2011, 29–31). The zombie graduates of such academic processes are likely to suffer from philosophical poverty, that is, someone who is unable to function as a critical reader, writer, or thinker (Husain and Osswald 2016, 1020). Respondents Bose and Shafiullah pointed out, when in the 1970s they graduated from Bangladesh’s one of the main public institutions—Dhaka University—not many Bangladeshis could attend university. These respondents believe university education and a diploma had value back then. Presently, despite the abundance of private universities, according to these informants,
education and diplomas have lost their value. A free trade and globalization-induced and privatization of higher education in Bangladesh led to the outcomes that subtly displace an individual from agency, cultural roots, and values, to place him or her in a globalized culture filled with corporate commodities (Deleuze and Guatarri 1972). Thus, the production of zombie graduates is a direct outcome of such globally networked process (Friedman 2007; Harvey 2005).

9.7 Betrayal by the Neo-elites and Intellectuals

In Bangladesh, the bourgeois class owns the means of production and the modes of post-secondary education. The views of my key respondents suggest the Bangladeshi bourgeoisie and the universities owned by them can also create dependency and neo-colonialism in post-independent Bangladesh. My main respondents felt that the alliance between the policy makers and the local bourgeoisie remains the main impediment to sustainable development and growth in Bangladesh. These civil society members remarked that eventually the students in post-secondary institutions need to combine their thoughts and skills with local industry and global market demands. They also expressed their reservations that, “the path to achieve desired results is not a linear one,” referring to the importance of multiple perspectives and lack of it in the country’s higher education can lead to generating a civil society that is anything but active and vigilant. Particularly, Bose points a finger at the country’s intellectuals, such as Dr. Mohiuddin Khan Alamgir (‘Chicago Boy’) and business leaders for turning into rich capitalists.

In this chapter, I discussed the privatization of Bangladesh’s higher education sector and the deregulation of the public universities in the country in respect to institutional practices, knowledge production and social relations. My findings reemphasize the argument, as illustrated in the previous chapters about how the elites, in alliance with the development industry, control
resources in a way that benefits them while disadvantaging the majority of Bangladeshi citizens.
In the next chapter, I summarize my results, analysis and subjective experience. I also offer some insights that can contribute to the improvement of development policies around the world.
Chapter 10: Conclusion

I began my dissertation by asking why, after forty-seven years of development initiatives that include receiving billions of dollars’ worth of aid every year, do so many Bangladeshis continue to be victims of poverty—unable to access basic necessities, such as shelter, water, and sanitation, as well as remain forced to seek employment in sweatshop-like working environments in Bangladesh and beyond to make ends meet? My investigation led to the body of evidence presented throughout this dissertation, which outlines the ways in which hegemony, poverty, and underdevelopment are constructed and maintained in Bangladesh. My findings conform in important respects to a broader set of findings and analysis that informs debates about global development in the 21st century (Escobar 2012; Ferguson 1994; Frank 1967; Mosse 2005). Much of the literature in which these debates occur confirms that the types of ‘development’ processes described here routinely benefit only a few social groups, while undermining local cultural values and practices and local economies.

In the paragraphs that follow I will first discuss the most important of my findings as they bear on the general question of why development initiatives in Bangladesh have failed in such profound ways over the full time period of their implementation and why they continue to fail. These include: a) Bangladeshi’s divisive and fractured middle-class; b) the “dual-hegemony” of state and aid agencies operating in the country; c) Bangladesh’s dependency on foreign imports; and d) the failure of the education system to prepare citizens for participation in a truly democratic state. After describing these four key findings I will return to the three more specific research questions that guided my field research, as outlined in chapter three. I will then offer a few policy recommendations and conclude with a discussion of the limitations of my dissertation and share tentative future plans for additional research.
10.1 Bangladesh’s Divisive and Fractured Middle-Class

Whereas the Muslim, Bengali middle-class led the inspiration for independence during the Pakistani period, the influence of that group consequently diminished in post-independent Bangladesh, particularly in defining the country’s political and economic course. Such a fading role of the Bangladeshi middle-class is tied to the power vacuum that emerged at the end of the Pakistani period. This period facilitated the emergence of a new Bangladeshi elite class (e.g. military and business class) that achieved hegemonic status through forming alliances with the Bretton Woods financial development industry. In the meanwhile, most of the educated, middle-class representatives emigrated as skilled professionals to various developed, Western countries such as USA, UK, Australia, and Canada. As result, Bangladesh middle-class characteristics including education based value system and work-ethic (e.g. punctuality), as well as cultural practices (e.g. reading English classics, listening to Tagore music) appear to be disappearing among the country’s existing so called middle-class, civil society population. More alarmingly, politicization of each category of professionals (e.g. academics, lawyers, and physicians) through patron-client relationships forces special professional groups to ally with one elite group, or political party, and at the same time against another political party. Operationalizing such a patron-client relationship transforms civil society members into clients of the ruling party. Moreover, being able to control the country’s military as a client, which has a sobering influence on anyone that wishes to protest, supports the achievement of a hegemonic state. Building upon that, mainstreaming patron-client relationships to run bureaucracy (e.g. government agencies), media, and universities significantly influences the Bangladeshi middle-class, intellectuals, and professionals to remain divisive and fragmented.

My research also supports the conclusion that civil society as a whole in Bangladesh is
equally divided and fragmented. The other classes in the country, the poor and unemployed and the organizations, protest movements, and NGOs that represent their interests, also remain fragmented and constrained, and thus unable to act effectively. As a result, these social groups fail to stand united, as well as remain unable to influence the course of national economic and political development. The overall enforcement of patron-client relations impedes the emergence of the intellectual individual, which according to Gramsci (2010) is more important in a society than forming an intellectual class through education. Although these leaders often emerge from the middle class, they can emerge from any class and typically work across class relations. Thus the presence of a dual hegemony functions as the main catalyst behind the fragmented status of the Bangladeshi middle-class population and civil society as a whole.

10.2 Dual-hegemony of State and Aid Agencies Operating in Bangladesh

I defined dual hegemony as an alliance between the new Bangladeshi political and economic elite class and the Western international aid/development industry. Such a type of hegemony requires both actors—the state and aid agency—to be jointly functional at the same time to be effective; the absence of one makes the other inoperable and unproductive. For example, as demonstrated in chapter five, Bangladesh Government accepted USD 3 billion loans from the World Bank right before the country’s general election in December 2018. Considering geo-politics, as well as the US State Department’s substantial influence on World Bank’s development policies and priorities, I question Bangladesh Government’s securing that loan amount right before the general election in 2018. Such a transaction suggests a negotiated pact towards earning a silent buy-in from the US government on the upcoming election outcome.

I infer that the Bangladeshi Government would be unable to remain in power for the following five years in case the US State Department raises question about the conduct of the
government’s neutrality in managing its various agencies during the election process. As the same time, I also conclude that the World Bank is able to operationalize new income revenues as a result of disbursing the USD 3 billion loan, which was the highest amount of foreign loan in Bangladesh’s economic history. While the World Bank could not deliver so without working with the Government of Bangladesh, the loan transaction indicates how the World Bank—an external force—can continue to be in a position to influence national development policies in Bangladesh, which Chilean economist Osvaldo Sunkel (1972), as elaborated in chapter two, criticizes as a way to make a country dependent and vulnerable.

Overall, as illustrated in chapter five, analyzing the increasing amount of development loans from Bretton Woods institutions in Bangladesh since in 1972, as well as analyzing the fall of the military government that opposed to Western development prescriptions in mid-1980s (Chossudovsky 2003), I attribute the development loan transactions between the Bangladesh Government and the World Bank as an example of “dual hegemony.” Achieving state power through dual hegemony enables the new Bangladeshi political and economic elite class to retain its hegemonic status. As a result, the country’s middle-class and civil society as a whole continue to remain divisive and fragmented as the authoritarian rulers treat the country’s intellectuals, professionals, and impoverished as subordinate classes. This system of patron-client relationships operationalizes divisions on the home front and the pattern of dual hegemony on the international front, benefiting the economic-political elite while creating greater inequalities and ever more entrenched patterns of poverty and migration in contemporary Bangladesh leading to underdevelopment (Escobar 2012).

10.3 Bangladesh’s Import Dependency

Bangladesh is yet to fully develop its industrial base as it continues to rely on low-skilled
workers in the export oriented industries, such as the readymade garment industry. These industries continue to import raw materials, for example, according to a World Bank (2018) source, as of 2016 Bangladesh imported (21 percent of GDP) more than it exported (17 percent of GDP), creating a negative trade deficit of approximately USD 9 billion (The World Bank 2018d). As elaborated in detail in chapter five, the country’s trade imbalance has been rapidly increasing with the greater inflow of foreign direct investments in Bangladesh; most of which are used to finance import expenses (Chang 2003; Chossudovsky 2003; Reinert 2007). These examples highlight Bangladesh’s present day economic and industrial dependency on other countries, particularly the industrially advanced Western nations. In all, through these transactions more than 90 percent funds for development aid return to the donor countries in the name of commodity, knowledge, and information transfer. While less than 10 percent of aid resources stay in Bangladesh, such funds go to manage overhead expenses of aid agencies working in Bangladesh, as well as to the local elites and do not necessarily trickle down within the local socio-economy.

Improving the industrial base and skill of the general manpower, as achieved by countries including India and China, can be a source of inspiration of Bangladesh to successfully compete in a free-market economy. As illustrated in chapter two, every major economically rich and technically advanced developed countries, including the United States and United Kingdom, practiced economic policies that protected their national companies during the process of industrial development (Chang 2003; Reinert 2007). These authors conclusively proved that once these major economically rich and technically advanced developed countries had reached a level of industrial development to compete in the global market, they adopted free market approaches. In that context, Bangladesh joined the free-market economy before improving its industrial base.
Therefore, examples of economic success of India and China, along with effectively partnering with Bretton Woods institutions can be a way for Bangladesh towards overcoming underdevelopment in the country.

However, given the existing course of ‘development’ in Bangladesh, the country could suffer from similar extreme outcomes as endured by Germany during the decades after the end of WWI. As explained in chapter two through the Treaty of Versailles that enforced reparation payments of Germany by the Western Allies after the end of WWI, Germany became overburdened with debt, which consequently provided a breeding ground for nationalism and militarism in the country (Urmetzer 2003, 81). At the same time, Germany was unable to adequately engage in the international economy. Urmetzer (2003) draws a parallel to what happened in Germany after the WWI to contemporary Third World debt, much of which is enforced by the IMF and World Bank, as well as remarks that this debt “is likely to produce similar outcomes” (Urmetzer 2003, 87). Such an insight is crucial to understanding the role of the World Bank in the so called economic development (neoliberalism) of contemporary Bangladesh. Therefore, the importance of improving the industrial base and human capital skills is critical for the country, much of which can be achieved through improving the education system. This was the path implemented by India and China, as I explained in chapter two (Chang 2003).

10.4 The Failure of the Education System to Prepare Citizens for Participation in a Truly Democratic State

Operationalizing neoliberalism in Bangladesh since early 1990s, as outlined in chapter nine, the country’s higher education sector became transformed in various ways. For example, while the Bangladeshi public higher education institutions suffered from budget cuts,
deregulations in the higher education sector led to the creation of privatized education institutions. That transformation encouraged the students from upper and middle-class families in contemporary Bangladesh to attend private universities instead of public ones. These privatized universities are owned either by politicians, or politically affiliated business people, or senior bureaucrats—the rich Bangladeshi capitalists. The politically and economically privileged owners of these private universities had successfully managed to restrict moves towards reform so that the owners can retain their authority in operating the business model of their respective private universities. As illustrated in chapter nine, an increasingly privatized education sector in Bangladesh is failing its students by poorly allocating academic resources. The same sector is also failing the country by undermining the ability of university professors to be advocates for fair dealing, human rights and democracy, as well as by weakening the ability of the middle-class to provide leadership.

10.5 Specific Responses to Research Questions

My interdisciplinary research project sought to answer the following three questions: a) are aid resources actually reaching their intended recipients, or are the elites capturing or diverting them; b) how much influence do the members of each of these social groups have in the design of development projects in Bangladesh; and, c) how aware are the members of each of these development social groups of the effects of development projects in general. Below I specifically answer each of these three research questions based on my fieldwork findings and analytical observations.

I observed that in both rural and urban settings, newly emerged economic-political elites consume most of the resources and exercise decision-making authority on behalf of all Bangladeshis, leaving both the urban and rural middle-class, intellectuals, professionals, and
impoverished to function as subordinate groups with no voice in the design and deployment of development in the country. As explained earlier, the newly emerged economic-political elites and their sub-streams of political, military and bureaucratic surrogates control the course of development in Bangladesh, as endorsed by the hegemonic Bretton Woods institutions and their partners that form the entire aid industry. The Bangladeshi local elites also maintain hegemonic status through sustaining its alliance with the Bretton Woods development industry partners. That pattern of dual hegemony in turn creates greater inequalities and ever more entrenched patterns of poverty and migration in contemporary Bangladesh.

In regards to carrying influence in the design of Bretton Woods development projects in Bangladesh, as shared earlier, the impoverished have no voice either in the design or deployment in the country. Although it is difficult to quantify, available evidence indicates that in almost ninety percent of cases most of the development aid resources return to donor countries in the name of technology, commodity, and knowledge transfer. The local elites and their business enterprises benefit from the residual funds through forming patron-client relationships by subjugating the country’s other socials groups including middle-class, intellectuals, professionals, and impoverished, among others.

For example, as identified through IFC-SEDF’s women entrepreneurship development projects in chapter seven, while local elite women entrepreneurs were double-dipping, other cash-starved women entrepreneurs from lower socio-economic areas struggled for basic resources to run their shops. A few applied for bank loans to attend international trade fairs but could not get the loans. Additionally, in the case of BRTA, as illustrated in chapter eight, I observed that political leaders, mainly business owners, tend to recruit people from their political constituencies in the rural areas, place them in their own companies and various private
companies or public institutes in urban centers such as BRTA. Finally, in chapter nine, I showcased how the deregulation of public education sector in Bangladesh led to the creation of privatized higher education institutes owned either by politicians, or politically affiliated business people, or senior bureaucrats—the rich Bangladeshi capitalists. A similar image can be seen in Bangladesh’s privatized banking sector. In each of these examples, due to the patron-client relationship model, the impoverished remain as a subjugated social group. Overall, these evidences indicate that, except for the political and economic elites in Bangladesh, the rest of the social groups have no voice either in the design or deployment of development in the country.

In terms of awareness of the effects of development projects in general, I observed that all my interviewees in rural and urban settings were aware of the fact that Bangladesh has a “bogus democracy” (Chossudovsky 2003) and that the patron-client functional model it follows has given birth to a new economic elite class. However, most of the members of the other social groups—middle-class, intellectuals, professionals, and impoverished—felt their hands were tied. As the stated social groups feel powerless, while some members of each of these social groups leave the country as skilled, semi-skilled workers to developed or semi-developed countries, many find adapting to political party induced corruption more efficient as a survival mechanism, as illustrated in the BRTA case-study in chapter eight.

At the same time, the various social groups of development—professionals, intellectuals, impoverished—felt that they were powerless to influence the existing practices of ‘development’ because development agency and state generated reports are increasingly being represented through numeric forms. These social groups criticized this practice, recognizing it as a form of enumerative malaise that hides the gap between reality and rhetoric while benefitting the country’s economic elites and their allies, which include some economists, development
professionals, such as NGO and the World Bank workers, as well as high ranking Bangladeshi government officials. Interestingly, most of the aid agency and state personnel were aware of the local resentment about development, courtesy of dual hegemony, but they continue to not pay attention to that specific social realm.

10.6 Policy Recommendations/Prescriptions

My research goal was not to generate policy recommendations for the Bangladeshi government or the aid development industry. I believe, however, that my research is informative for those organizations and the individuals who work for them, as well as the tax-payers in the developed countries whose tax contributions provide most of the necessary funds to run aid agencies, such as the World Bank and IMF. Additionally, I do not have any illusions about the likelihood of dominant interests within those organizations adopting any of my recommendations. The future achievement of more equality and true democracy will require some shifting of power relations, but that is hard to envision in Bangladesh, given the country’s present course of development. While my research is unlikely to solve the interconnected issues and factors that engulf development aid vis-a-vis poverty reduction, the intention of my dissertation is to present my findings and concerns to my national and international colleagues and start a discussion based on the following talking points on policy reform.

Given Bangladesh’s large and young population base, as outlined in chapter one, I believe we need to learn the reasons for poverty construction from the primary school level. Building upon that, employing critical approaches within the university system could also help the students learn about the capitalist and non-capitalist forms of exploitation that produce poverty. For example, Bangladeshi youth need to learn about their cultural history and how their country is increasingly shaped by broader global economic forces, in addition to economic
globalization and poverty. Overall, understanding the reasons and causes behind the construction of poverty could become a gateway to reduce poverty and consequently to the achievement of democracy and liberty in Bangladesh. This could go a long way in return to ensure aid donors properly use development resources to the benefit of the recipients rather than the aid industry as it is manifest in Bangladesh.

As a development alternative, Nobel Laureate, Bangladeshi economist Muhammad Yunus asks the educated and technically savvy young Bangladeshi generation to step up and work within the business sector to develop an alternative development concept or structure that reforms neoliberalism’s existing orientations. Muhammad Yunus and Amartya Sen, both of whom are Bengalis, have helped articulate development theories that do not follow the western models and that offer some hope for Bangladesh going forward, if only the country could take a turn towards a more homegrown approach to development. I also agree that alternatives in development can play a far more effective role than the existing Western development industry practices in Bangladesh because the outcomes generated by the former would lead to skilled manpower, as well as better technical, industrial base in Bangladesh. Consequently, these outcomes will help to reduce Bangladesh’s existing dependency on foreign imports.

10.7 Limitations and Future Research

Despite the limitations created by my position as an inside/outside observer within the time constraints of a doctoral fieldwork project, I managed to gather a substantive body of data about development aid and poverty in Bangladesh, and about the problematic outcomes of development aid as specifically applied in Bangladesh. More immersive and in-depth fieldwork research is needed, however, to substantiate and expand my critique of the aid industry, specially informed by the voices and experiences of more informants, especially women, to design
development projects that mitigate poverty issues in a sustainable manner.

In my own future research projects, I plan to study the role of Bangladesh’s civil society and the military. Given a specific, prioritized set of objectives, there was no room to pursue that in the dissertation. However, I acknowledge the importance of the country’s civil society and military to the future of the country—in manifesting interests and spirits of citizens, as well as in keeping the democratic elements of a society such as freedom of speech and an independent judiciary. Presently, in the absence of a unified and effective civil society, aid development projects continue in Bangladesh despite their consistent record of failure because they do provide benefits to interest groups – namely employees of the aid industry, bureaucrats, consultants, and corporations in the donor countries. This is why, development aid projects continue to follow the same old path of failure and will continue to do so until transformative change occurs.

I also hope to build on what I have accomplished through my doctoral studies by focusing on the issue of emigrant Bangladeshi male and female workers in the Persian Gulf and elsewhere — their employment skills, living conditions, wages, job security, and the circumstances of families they leave behind — wives, children, parents, and siblings. In addition to the legal migrants who generally maintain strong relations with family back home, many migrants work illegally abroad and are unable to return home or have a family. The increase of illegal migration of Bangladeshis to Southern European countries is attributed to the outcomes of poverty and development and in many cases these migrants are now applying for refugee status in their host countries. Migration and refugee experiences have thus become an integral part of Bangladeshi culture and economy in the twenty-first century. Aid projects in support of development and poverty reduction must be informed not only by a better understanding of on-the-ground realities in Bangladesh, but also by a better understanding of the Bangladeshi
diasporas scattered throughout the world.
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