

# Two years since the Rana Plaza collapse in Bangladesh

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None of the fundamental issues that led to the Rana Plaza disaster and the deaths of over 1,120 people and the wounding of 2,400 others have been addressed in the two years since Bangladesh's worst industrial disaster.

Rana Plaza, an eight-storey sub-standard building that housed five garment factories at Savar, just outside Dhaka, collapsed on April 24, 2013. No worker would have been killed or injured if garment company managers had not forced reluctant employees back into the building, which had begun showing serious structural cracks a day earlier.

Rana Plaza, in fact, was a catastrophe waiting to happen, highlighting the deadly conditions facing approximately 4.5 million workers in nearly 5,000 factories in Bangladesh.

Facing international outrage over the tragedy, Prime Minister Sheik Hasina and local garment manufacturers, as well as giant US and European retailers, promised to improve working and safety conditions, and increase wages. These promises were worthless. There has been no real change in industrial safety. The brutal exploitation of Bangladeshi workers continues unabated.

In February this year, a fire in a five-storey plastics factory in Dhaka killed 13 workers. In March, at least six workers died when a building extension under construction in Mongla collapsed. While these disasters did not occur in garment factories, they show that the government's "concerns" about apparel workers and industrial safety were public relations exercises.

No one has been convicted for the Rana Plaza disaster even though the building owner Sohel Rana—a regional leader of the ruling Awami League—declared the building safe after cracks had appeared. Two cases were filed against Rana under the criminal code and

building construction legislation, but three charge sheets on these cases have not been acted upon.

The International Labour Organisation (ILO) and other groups estimated that \$US30 million was needed to compensate survivors and relatives of those killed in the disaster. Several major retailers agreed to contribute to this meagre fund, but 14 companies, including Lee Cooper, JC Penney and Carrefour, refused to pay anything.

The US giant Wal-Mart contributed just \$1 million. Benetton, an Italian company with a €1.6 billion turnover in 2013 and 6,000 stores internationally, recently paid \$1.1 million but only after an online petition of more than a million people demanded that it contribute. Two years on, only \$23 million has been paid into the fund.

Human Rights Watch (HRW) recently noted that the compensation paid to survivors was "not sufficient to pay their medical bills and cover their loss of livelihood." Transparency International Bangladesh (TIB) reported that although the Bangladesh government has collected around \$16 million to compensate workers, only \$2.48 million has been distributed to the victims.

The Bangladesh government has denied these figures but Syed Sultanuddin Ahmed, a senior official of the Bangladesh Institute of Labor Studies, told the media it was "absolutely frustrating and unacceptable" that many victims were "still waiting for compensation and rehabilitation." Centre for Policy Dialogue research director Khondaker G. Moazzem said: "Many of the injured victims are still suffering from various kinds of physical and mental problems ... many of them are constrained by inadequate financial capacities."

One victim, Jasmin, who was hospitalised for five months because her spinal cord was snapped, has only

received 60,000 taka (\$US771). Her monthly wage was 100,000 taka. Jasmin spends 3,000–4,000 taka per month for medical treatment. A survey by Action Aid, an international development organisation, reported that about 55 percent of Rana Plaza survivors are still unemployed, many due to physical inability, trauma or a lack of suitable jobs.

Contrary to Bangladesh government claims that it would increase the number of factory inspections, only 1,200 plants have been investigated. Factories owned by sub-contractors will not be examined (see: “Bangladesh garment workers still face dangerous conditions”).

Workers, however, are paying the price for the safety investigations with hundreds of job losses. About 200 small- and medium-level factories have been shut down because they lacked proper safety measures. According to TIB, one-fifth of the apparel workers now face the risk of losing their jobs.

In December 2013, the Awami League government agreed to a \$68 minimum monthly wage, one of the lowest in the world and comparable to rates in Vietnam, India, Pakistan and Sri Lanka. The increase was far short of workers’ demand for \$104 per month.

Last month, TIB reported that while 95 percent of factories implemented the new wage levels, the increase was accompanied by a ruthless productivity drive. “Most compliant factories are putting 60 percent additional production targets on workers, terminating workers at helper level without any legal recourse, harassing workers engaged in collective bargaining and union activity, and dismissing workers,” it reported. Ninety percent of sub-contracting companies were not paying according to Bangladesh wage board regulations, it noted.

TIB also said the peak employer lobby group, the Bangladesh Garment Manufacturers & Exporters Association (BGMEA), which has considerable political influence in Bangladesh, has been able to increase the legal overtime period by four hours and delay implementation of new fire-safety regulations.

A recent HRW report entitled, “Whoever Raises their Head Suffers the Most,” detailed on-going abuse in the garment industry. Based on interviews with more than 160 workers from 44 factories, it stated that workers are forced to do overtime and denied paid maternity leave, while employers “fail to pay wages and bonuses on

time or in full.”

HRW cited several incidents where companies used brute force to prevent the establishment of trade unions. Only 10 percent of the garment factories allow unions. HRW called on the Bangladesh government and employers to allow union coverage.

An opinion piece by US Ambassador to Bangladesh Marcia Bernicat, published on *BDNews24* in February, stated: “We encourage the government to ensure these unions’ members are able to exercise their legal right to collectively bargain, free from the fear that they will be fired or harassed, and that illegal retaliation will be dealt with quickly.”

While many Bangladeshi companies regard the trade unions as barriers to further labour exploitation, Western governments and international think tanks want unions established, not out of concern for workers’ rights but as an industrial police force to prevent the eruption of independent political struggles against the government, employers and the profit system itself.

Export earnings for the Bangladesh apparel industry totalled \$24.5 billion in 2013–14 financial year, constituting 80 percent of the country’s total exports. About 60 percent of garment exports go to Europe and 23 percent to the US. As the profit-hungry retailers increasingly demand lower-cost products, garment manufacturers will step up their exploitation of Bangladeshi workers, guaranteeing that industrial disasters like the Rana Plaza collapse will continue.



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