

AN ANALYSIS OF EXPORT AND IMPORT GROWTH OF BANGLADESH: A STUDY ON READY-MADE GARMENT (RMG)

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Abstract: *This paper attempts to identify the challenges of ready-made garment (RMG) exports of Bangladesh. Descriptive analysis was used to analyze the export challenges of Bangladesh. It has been identified that Bangladesh highly depends on ready-made garment (RMG) exports for its foreign exchange earnings. In spite of great challenges, the country became the world's second largest exporter of garment goods to the European Union. It also exports a significant amount of goods to the United States. This study identified that the country would lose its buyers if it delayed to take necessary actions for the recent crisis created in this industry. The buyers are warning the country to take immediate steps to solve the crisis. Otherwise, Bangladesh maybe deprived of getting the benefits of Generalized System of Preferences (GSP). To bring back the confidence of the buyers, Bangladesh has to act quickly and promptly by introducing new labor laws for the garment workers.*

KEYWORDS: *Read-made garment (RMG), Export, Import, Growth rate, Bangladesh.*

1. Introduction

Bangladesh is a rapidly developing country which highly depends on the exports of garments products especially ready-made garment (RMG) for the foreign exchange earnings. The ready-made garment (RMG), textiles and clothing exports of Bangladesh accounted for 77 percent of Bangladesh's total merchandise exports in Fiscal Year (FY) 2002 (Bangladesh Bank, 2003). It has been estimated that by 2013, there will be about 4 million people working in the export oriented ready-made garment industry which is known as US dollar 19 billion- a-year industry. The country is known as the world's second largest exporter of western brands. The European Union is the top trading partner of Bangladesh accounting for 60 percent of its exports (The Daily Star, May 06, 2013). Bangladesh also exports to United States, Germany, Italy, Australia, Canada, Turkey, India, France, China, Japan and many other Asian and South American countries. The country exports products for men's wear, ladies wear, boy's, girl's, children's, skirt's and pant's, trousers, shorts, jackets, fleece jackets, pajamas, night wears, denim trousers, denim pant & shirt, T-shirt, PQ Polo shirt, pull over, jeans pant, twill pant, etc.

Ninety five percent of the textile factories of Bangladesh are owned and controlled by the local investors and only 5 percent are owned by the foreign investors. Though the

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industry is booming, recent crisis is distressing for the industry. There have been questions regarding the labor wage and working conditions. The role of the owners of the factories in these emergency situations is also being questioned by the buyers of the country. On the other hand, the owners are indicating that the buyers are paying very low price for their product though they sought high quality product. The owners of the garment factories are suggesting that if the labor wage has to be increased, the buyers should increase the product prices. As the product price is low, it could not be possible for the owners of the factories to offer high wages for the labors. As a result, the workers of garment industry of Bangladesh are getting very low wages. Many of these workers of Bangladesh are working in hazardous conditions. These workers are earning less than US dollar 2 a day for their work (European Union, 2013).

2. The Objectives of the Study

- To have clear idea about total export and total import growth of Bangladesh.
- To analyze reasons for the gap between exports and imports of Bangladesh.
- To have an idea about ready-made garment (RMG) export growth of Bangladesh.
- To identify the challenges of ready-made garment (RMG) exports of Bangladesh.

3. Methodology

The mode of this study was descriptive. Extensive effort was made to develop the appropriate sample plan. The target population of the study was the executives of three buying houses of Bangladesh. The names of the buying houses are SHELSHAM TRADING CO LTD, Synergy Sourcing Ltd. and Norwest (Bangladesh) Ltd. The period of the study was five months. The respondents were selected from Dhaka city. The survey was conducted from January, 2013 to May, 2013 with five respondents from SHELSHAM TRADING CO LTD, Synergy Sourcing Ltd. and Norwest (Bangladesh) Ltd each. Face-to-face interviews were conducted for collecting information.

A non-probability sampling technique was applied for this study. Thus, a convenience sampling procedure was followed to collect the data from the target population. The secondary information was collected from websites, different relevant journals from home and abroad, SHELSHAM TRADING CO LTD, Synergy Sourcing Ltd, Norwest (Bangladesh) Ltd, Ministry of Finance of Bangladesh and Bangladesh Bank. A qualitative data analysis was applied for the explanation of the study.

4. Literature Review

Bangladesh is a developing country with huge prospects. Since 1971, the country has been trying to boost up its economy. However, the political, economical and environmental situation of the country slowed the growth of the country in several occasions. The country has posted a growth of 6.66 percent in Fiscal Year (FY) 2011 whereas it was 6.07 percent in FY 2009-10 and 5.74 percent in FY 2008-09 (Bangladesh Economic Review, 2011). This slow growth rate was due to the fall of growth of industrial sector of Bangladesh. To improve this growth rate, the government of the country had initiated different strategies including the improvement of power sector of

Bangladesh. These initiatives helped the country to have a growth of 8.16 percent in FY 2011-12 whereas it was only 6.49 percent in the previous year (Bangladesh Economic Review, 2011). Industry growth of Bangladesh was strong at 9.5 percent in the FY 2012 which is high compared to 8.16 percent in FY 2011 (Asian Development Bank, ADB). This growth was possible as there were improvements in the construction and power sector of Bangladesh. In FY 2012, Foreign Direct Investment (FDI) of the country rose to one billion US dollar as there were larger inflows into the country's banking, telecommunications, energy and garment industries (Asian Development Bank, ADB, 2012). The inflation rate of the country in FY 2012 averaged 10.6 percent whereas it was 8.8 percent in FY 2011. This increase in inflation was resulted from the increase in both food prices and non-food prices. The upward movement of the price level had taken place due to the response of the rapid growth in credit; increase in fuel and power prices and also for the depreciation of taka value. The growth rate of import of Bangladesh decreased in FY 2012. In FY 2011, the import grew by 41.80 percent whereas in FY 2012 it grew only by 5.4 percent (Bangladesh Bank, 2012). This decrease in import growth rate resulted from moderate imports of inputs for garment industry which included capital equipment and also for the low prices of cotton and other raw materials.

Export growth rate of Bangladesh was only 6.2 percent in FY 2012 whereas it was 39.2 percent in FY 2011. This fall in export growth resulted from the decrease in the demand from Europe and also from United States (US). The demand from these countries decreased because of the low-end garments on offer and per unit price fall (Asian Development Bank, ADB, 2013). According to Bangladesh Bank (BB), which is the central bank of Bangladesh, exports of the ready-made garment (RMG) grew by only 6.6 percent in FY 2012 whereas it grew by 43.4 percent in FY 2011. The exports of ready-made garment (RMG) are expected to decrease in the upcoming years as the country suffered crisis due to the incident in 'Rana Plaza'. Some factories experienced fire accidents which also created negative impressions from the buyers of the country. Though the government, employers and buyers of the country are now giving priorities on workers safety and working conditions, these crises would definitely affect adversely the exports of ready-made garment (RMG) of Bangladesh.

Bangladesh is the second largest exporter to European Union which gained 12 percent market share in FY 2012. The country also had a significant 4.6 percent market share of exports of US market (Asian Development Bank, ADB, 2013). The exports of ready-made garment (RMG) of Bangladesh to other countries like Australia, Canada, China, India, Japan and Turkey have been expanding. But if Bangladesh cannot protect and serve the workers' rights in the garment factories, it might face rapid fall in ready-made garment (RMG) exports. The buyers of ready-made garment (RMG) of Bangladesh are now giving warnings to owners of garment sector to be careful in handling the rights of the workers of the garment industry. The buyers are now demanding to see some immediate steps of the government for protecting the workers' right in the garment industry. This demand had been forced to the government after the collapse of the unauthorized building called 'Rana Plaza', at Savar which killed more than one thousand garment workers'. U.S.A. suspended Bangladesh from getting the benefits of Generalized

System of Preferences (GSP). European Union warned that Bangladesh might get suspension from getting preferential trade access if the country delayed to take immediate steps to improve labor standards (The Daily Star, May 06, 2013). The European Union demands for immediate improvement of labor standards and factory conditions. If Bangladesh fails to do so European Union might also consider suspending Bangladesh from getting duty free access to its market. Bangladesh has to act quickly to prevent this as European Union is the country's top trading partner which accounts for about 60 percent of its total exports (The Daily Star, May 06, 2013).

5. Analysis of Export-Import of Bangladesh

Balance of payment of Bangladesh shows the summary of transactions between Bangladeshis and foreign residents (in US dollar) over a particular year. It consists of the current account and capital account. The current account shows the balance of trade which represents the difference between exports and imports of Bangladesh. If the value of exports is larger than the value of imports, then Bangladesh would have surplus trade balance. On the other hand, if the value of exports is lesser than the value of imports then Bangladesh would have deficit trade balance.

Usually, Bangladesh experiences deficit trade as the country seems to import more compared to export. The current account balance of payments of Bangladesh shows that Bangladesh is facing continuous trade deficit from FY 2004 to FY 2011 (Table 01). In FY 2004, the country had trade deficit of US\$ 2319 million which increased to US\$ 3297 million in FY 2005. Again, in FY 2010, the trade deficit of Bangladesh was US\$ 5155 million which increased to US\$ 7744 million in FY 2011 (Bangladesh Bank). These trade deficits resulted from larger growth of import of Bangladesh. The export of Bangladesh was also increasing in the previous years. But the import of Bangladesh increased at a higher rate compared to export.

Table 01: Trade Balance of Bangladesh (in Million US\$)

| Year | FY2004 | FY2005 | FY2006 | FY2007 | FY2008 | FY2009 | FY2010 | FY2011 | FY2012(p) |
|---------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Export | 7521 | 8573 | 10412 | 12053 | 14151 | 15581 | 16233 | 22592 | 23992 |
| Import | 9840 | 11870 | 13301 | 15511 | 19481 | 20291 | 21388 | 30336 | 31987 |
| Trade Balance | -2319 | -3297 | -2889 | -3458 | -5330 | -4710 | -5155 | -7744 | -7995 |
| Trade Status | Deficit | Deficit | Deficit | Deficit | Deficit | Deficit | Deficit | Deficit | Deficit |

Source: Bangladesh Bank (p= Provisional)

The trade deficit of Bangladesh was increased by 42.15 percent during the period of FY 2010-11 (Bangladesh Bank). Though the export of Bangladesh increased during FY 2004-11 but these increased levels of export failed to reduce the trade deficits of Bangladesh. The figure 01 shows Bangladesh trade balance for the period of FY2004-11.

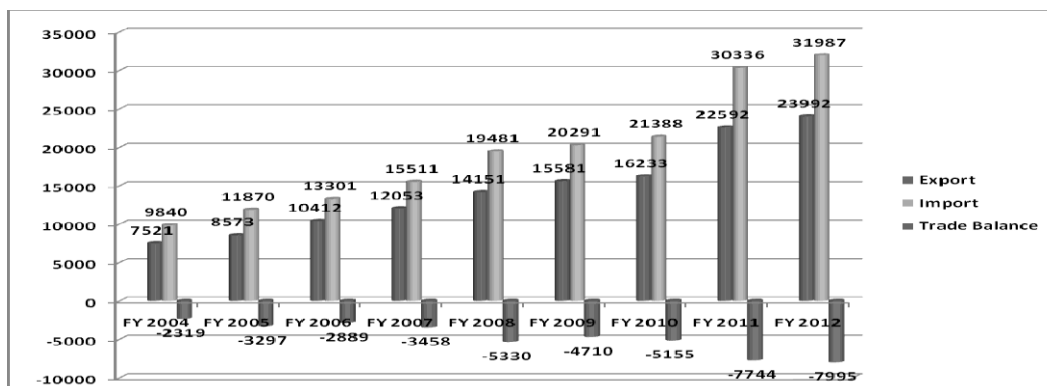


Figure 01: Trade Balance of Bangladesh (in Million US\$)

The figure 01 shows us that both export and import of Bangladesh increased in FY2004-11. As the export of Bangladesh increased at a lower rate compared to the import, the country had experienced an increased trend in the trade deficit.

Table 02: Import Growth Rate of Bangladesh (in percentage)

| Fiscal Year | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
|-------------|--------|--------|--------|--------|-------|-------|--------|-------|
| Import | 11870 | 13301 | 15511 | 19481 | 20291 | 21388 | 30336 | 31987 |
| Growth rate | 20.63% | 12.06% | 16.62% | 25.59% | 4.16% | 5.41% | 41.84% | 5.44% |

Source: Bangladesh Bank

The table 02 shows the growth rate of import of Bangladesh for the FY 2005-11. This table indicates that the growth rate of import was 20.63 percent in FY 2005 whereas it decreased to 12.06 percent in FY2006. Again, the growth rate was 5.41 percent in FY 2010. In FY 2011, the import growth rate of Bangladesh increased at a rate of 41.84 percent which is the highest in the last seven years (Bangladesh Bank). But in FY 2012, the import growth rate of Bangladesh decreased to only 5.44%.

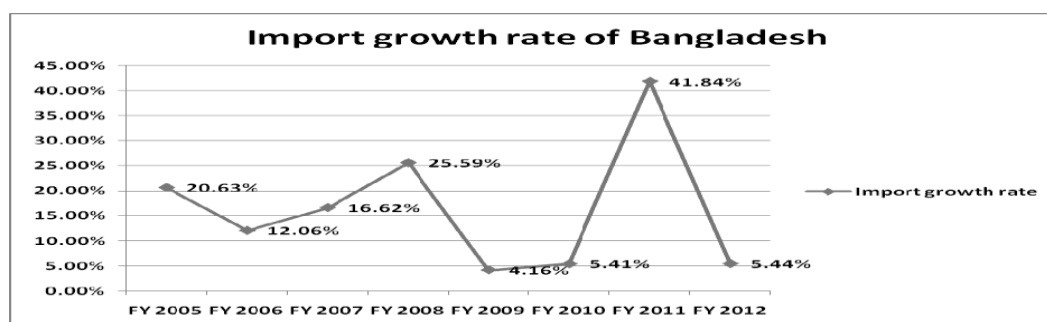


Figure 02: Import Growth Rate of Bangladesh (in percentage)

Figure 02 shows the trend of import growth rate of Bangladesh. It shows that the import growth of the country decreased in FY 2006 but after that it increased again in FY 2007-08. In FY 2009, the import growth rate was lowest (4.16 percent) but it increased to 41.84 percent in FY 2011. Table 03 shows the growth rate of exports of Bangladesh for the period of FY 2005-11.

Table 03: Export Growth Rate of Bangladesh (in percentage)

| Fiscal Year | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012(p) |
|-------------|--------|--------|--------|--------|--------|-------|--------|---------|
| Export | 8573 | 10412 | 12053 | 14151 | 15581 | 16233 | 22592 | 23992 |
| Growth rate | 13.99% | 21.45% | 15.76% | 17.41% | 10.11% | 4.18% | 39.17% | 6.20% |

Source: Bangladesh Bank (p= Provisional)

The export growth rate of Bangladesh was 13.99 percent in FY 2005 whereas it was 21.45 percent in FY 2006. In FY 2010, the export growth rate of the country was only 4.18 percent which is simply the lowest if compared with the last seven years export growth rates. In FY 2011, the export growth rate increased again to 41.74 percent.

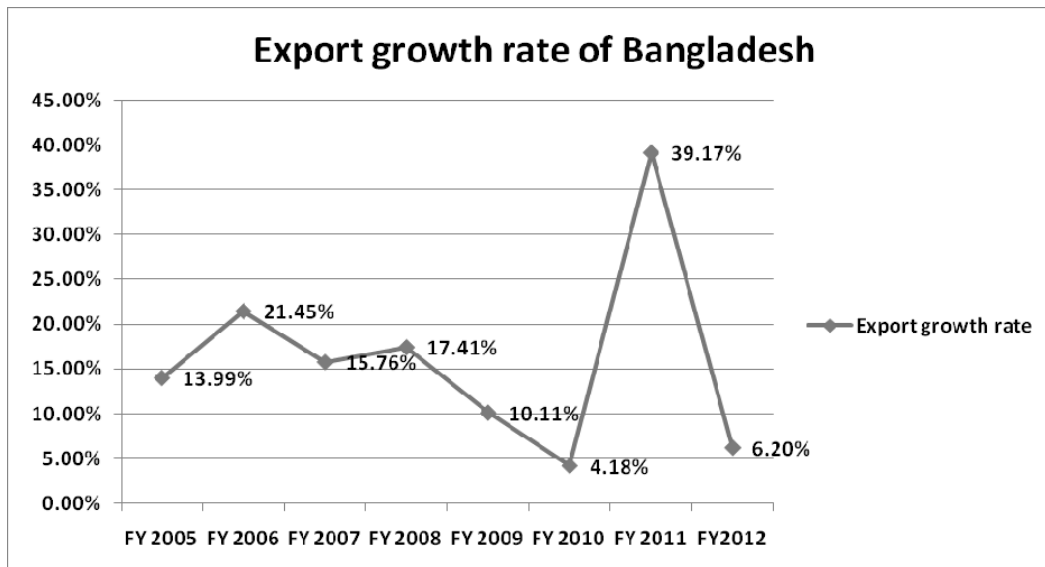


Figure 03: Export Growth Rate of Bangladesh

Figure 03 shows the export growth rate of Bangladesh for the period of FY 2005-11. This graph shows that after FY 2008, it decreased to 10.11 percent in FY 2009. Again, the export growth rate of Bangladesh continued to fall in FY 2010 though it made an upward movement in FY 2011. In FY 2012, the export growth rate of Bangladesh decreased to 6.20%.

6. Analysis of Ready-made Garment (RMG) Exports of Bangladesh

As an export oriented country, Bangladesh largely depends on the ready-made garment exports for its export earnings. The country has been rapidly expanding in this sector since its liberation. Bangladesh's share of the global garment market has been growing (Asian Development Bank, ADB). The country is the second largest exporter to the European Union. It also has a significant market share in United States market. Bangladesh started to get the benefit of Generalized System of Preferences (GSP) from January 2011. But because of some massive accidents in the garment factories, Bangladesh is now under suspension of getting the benefit of Generalized System of Preferences (GSP). This situation can also influence European Union to suspend Bangladesh from getting duty free access to its market. Garment exports of Bangladesh totaled \$21.5 billion up to June, 2013 which is thirteen percent higher than the previous year (Reuters, July 9, 2013). The positive growth in the garment sector is the result of some positive government measures to reform the industry. The government took some initiatives to improve the working conditions of the garment industry after the collapse of Rana Plaza factory complex which killed more than one thousand workers.

Table 04 shows the growth rate of ready-made garment (RMG) of Bangladesh. It indicates that the growth rate of ready-made garment (RMG) was 10.57 percent in FY 2003-04 and 6.10 percent in FY 2004-05. Though the rate increased to 24.34 percent in FY 2005-06, it started to fall in the following years. Not only the growth rate of ready-made garment (RMG) decreased in the previous years, it became negative in FY 2008-09 which was an alarming situation for the country. Only after getting the benefit of General System of Preferences (GSP), the country succeeded to have a growth rate of 43.83 percent in FY 2010-11.

Table 04: Ready-made Garment (RMG) Production of Bangladesh (in Million BD Taka)

| Year | 2003-04 | 2004-05 | 2005-06 | 2006-07 | 2007-08 | 2008-09 | 2009-10 | 2010-11 |
|------------------------|---------------|--------------|---------------|---------------|---------------|-----------------|--------------|---------------|
| RMG | 208604 | 221335 | 275206 | 321656 | 354475 | 239526 | 245296 | 352815 |
| RMG growth rate | 10.57% | 6.10% | 24.34% | 16.88% | 10.20% | (32.43%) | 2.41% | 43.83% |

Source: Bangladesh Bureau of Statistics, BBS

Figure 04 shows the growth rates of ready-made garment (RMG) of Bangladesh. This graph shows that the growth rate of ready-made garment (RMG) increased in FY 2005-06 but after that it started to fall. The growth rate became negative in FY 2008-09. This resulted from the unstable political situation of Bangladesh. During that period, Bangladesh was suffering from political instability. In FY 2009-10, the growth rate started to rise and it was 43.83 percent in FY 2010-11.

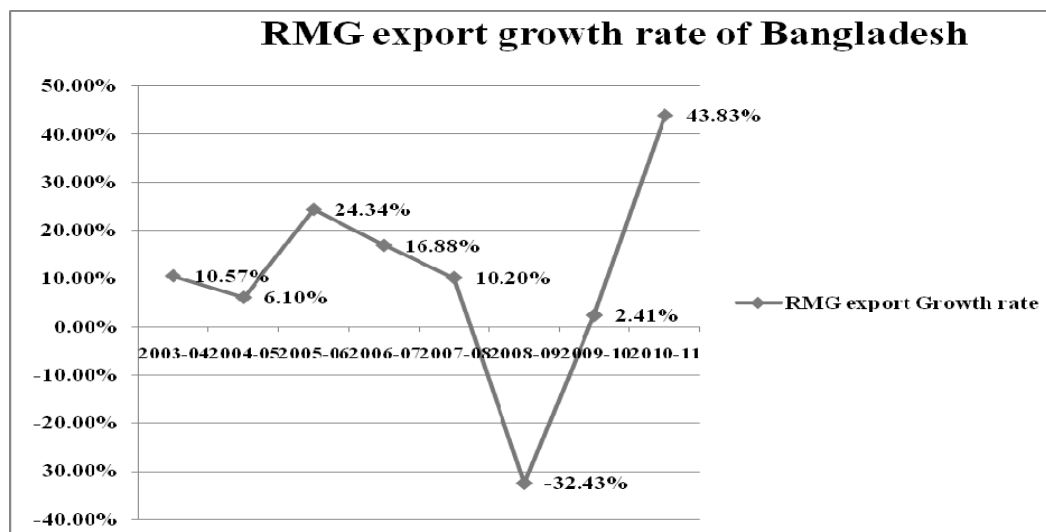


Figure 04: RMG Export Growth Rate of Bangladesh

Table 05 shows the percentage of ready-made garment (RMG) contribution to Gross Domestic Product (GDP) of Bangladesh at current market price. It shows that the percentage of ready-made garments (RMG) contribution to Gross Domestic Product (GDP) was 6.26 in FY 2003-04 whereas the percentage was only 3.90 in FY 2008-09. In FY 2009-10, the percentage of ready-made garments (RMG) contribution to Gross Domestic Product (GDP) was 3.53 and in FY 2010-11, it was 4.48.

Table 05: Percentage of RMG Contribution to GDP at Current Market Price

| Year | 2003-04 | 2004-05 | 2005-06 | 2006-07 | 2007-08 | 2008-09 | 2009-10 | 2010-11 |
|------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| RMG | 208604 | 221335 | 275206 | 321656 | 354475 | 239526 | 245296 | 352815 |
| GDP at current market price | 3329730 | 3707070 | 4157280 | 4724770 | 5458220 | 6147950 | 6943240 | 7874950 |
| RMG percentage of GDP | 6.26% | 5.97% | 6.62% | 6.81% | 6.49% | 3.90% | 3.53% | 4.48% |

Source: Bangladesh Bank and Bangladesh Bureau of Statistics, BBS

Figure 05 shows the percentage of ready-made garment (RMG) contribution to Gross Domestic Product (GDP) of Bangladesh at current market price. The percentage trend shows fluctuation at different points. It indicates that there was a fall in the percentage in FY2008-09 and FY 2009-10. In FY 2010-11, the percentage of ready-made garment (RMG) contribution to Gross Domestic Product (GDP) of Bangladesh at current market price increased to 4.48.

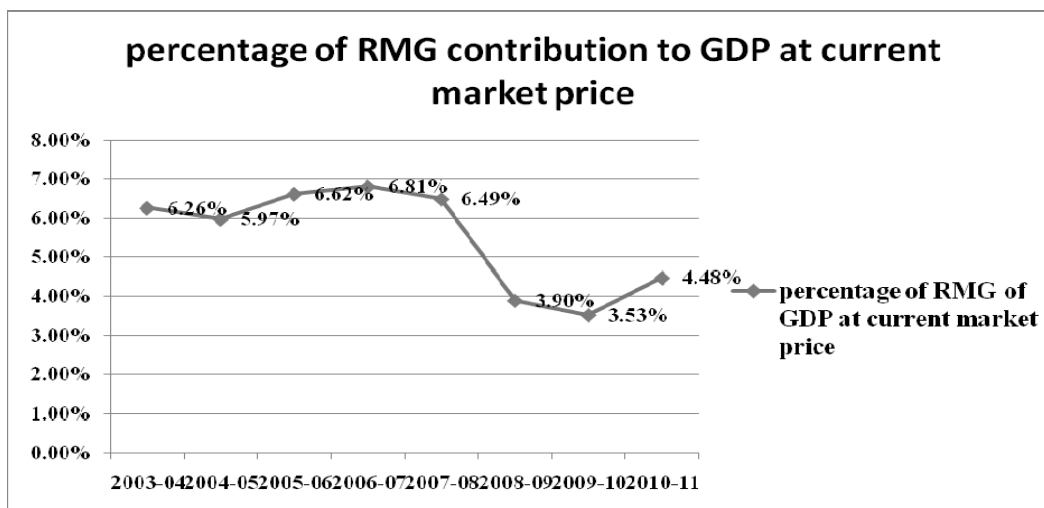


Figure 05: Percentage of RMG Contribution to GDP at Current Market Price

This analysis suggests that Bangladesh needs to be very much perceptive about its ready-made garment (RMG) export as any critical situation can affect the ready-made garment (RMG) export of the country adversely. The buyers of Bangladesh are now very much sensitive to the working environment of garment factories. They are now more concerned about the workers safety and living conditions. Recent incident at Rana Plaza factory complex (which killed more than one thousand workers) triggered the suspension of Generalized System of Preferences (GSP) from U.S.A. They are also demanding to increase the labor wage of Bangladesh though they are not suggesting increasing the price. There are also threats of the buyers to shift their demand for ready-made garment (RMG) from Bangladesh to counties like India, Philippines, Sri Lanka and Vietnam. Bangladesh has to improve the working conditions of the garment workers. Some recent crisis (fires and collapse in factories) experienced by the country is affecting negatively the foreign demand of ready-made garment (RMG) of Bangladesh.

7. Challenges of Ready-made Garment (RMG) Exports of Bangladesh

Bangladesh is an export oriented country which is hugely depending on ready-made garment exports for its earnings. The country has to expand its export if it wants to improve the economic growth rate. Bangladesh has to improve not only the exports of basic garments but also the exports of higher value garment and service exports. Bangladesh needs to be careful about its ready-made garment (RMG) exports as the country has many competitors around the world. The country has been managing to get the orders from European Unions, United States, Australia, Canada, the People's Republic of China, India, Japan, Turkey and other emerging countries in Asia and South America. But the current suspension of Generalized System of Preferences (GSP) by the U.S. Government is going to affect the ready-made garment (RMG) export pattern of Bangladesh. Delaying in reviewing Generalized System of Preferences (GSP) will create a negative impact on the trade relation between U.S.A. and Bangladesh. American Federation of Labor and Congress of Industrial Organization (AFL-CIO) have filed a

petition against access to tariff reduction facilities for Bangladesh on the basis of the country's failure to ensure labor rights. The buyers are concerned over the slow pace of infrastructural changes and the prevailing labor issue in Bangladesh.

Bangladesh now has to compete in the market without any preferences from the importers. This can affect the demands of the ready-made garment (RMG) of Bangladesh. The country has to improve the working condition of the labors along with the improvement in labor skill. Bangladesh has to bring back the confidence of the buyers by improving the labor conditions in garment industry.

The buyers of Bangladesh ready-made garment (RMG) are continuously demanding for increasing labor wages though they are not increasing the buying price. As a result, the owners of the garments factories are facing more challenges. Also, the political situation of the country is not stable. The strikes called by the opposition parties of the country are greatly affecting the garment productions which caused to delay in the shipments of the products. Bangladesh has to improve the connections between Dhaka and Chittagong port along with the improvement in the custom procedures (The World Bank, 2012).

Bangladesh has to enhance the air shipment capacity. Improvement in rail services will also be helpful in this regard. To improve the transparency and logistic system of the garment factories, the government should take initiative for commercial management. If Bangladesh can ensure these improvements, then it will be successful to increase the overall competitiveness around the world. Another challenge for ready-made garment (RMG) of Bangladesh is that the selling price of the garment products is decreasing over time. The buyers are not willing to increase the price; rather they are trying to buy the products at a lower price. If Bangladesh does not accept the low price the buyers might move to the other competitor counties like India, Sri Lanka, Philippines, Bhutan, Vietnam and other emerging counties. As the product price is low, the owners of the garment factories are paying very low wages to the labor which is now giving rise to many questions from the buyers. They are saying that many garment workers of Bangladesh are getting less than US dollar 2 a day and many of them are working in hazardous conditions. They are pressuring the government of Bangladesh to improve these situations. If Bangladesh cannot take appropriate actions regarding these issues, it might lose the buyers which would be very much shocking for the country's economy. Again, Bangladesh should keep in mind that the export of ready-made garment (RMG) is not going to be increased always at a high rate for an indefinite period. Someday in future the country might face a fall in the growth rate of ready-made garment (RMG) as the industry would become developed. So, Bangladesh should give concentration not only on the garment industry but also on other emerging industries of the country.

8. Opportunities of Ready-made Garment (RMG) Exports of Bangladesh

Bangladesh has high demand for the ready-made garment (RMG) exports in European Union. From January 2011, the country has been getting the benefit of the Generalized System Preference (GSP) which allows it to make unlimited exports of anything except arms to the European Union (The World Bank, 2012). Because of this, the growth rate of

ready-made garment (RMG) of Bangladesh was 43.83 percent in FY 2011. Bangladesh is the second largest exporter of ready-made garment (RMG) positioned only after China. Sixty percent of European Union's imports are from Bangladesh. The country has also significant demand for its ready-made garment (RMG) to the United States, Australia, China, India, Turkey and other Asian and South American Countries. The country is getting orders for high quality products from the western countries.

Though Bangladesh is currently facing alarming situations in the garment factories, it could be the world's number one exporter of ready-made garment (RMG) if it could manage and take necessary steps to improve the situation. The country should try to retain the faith and confidence of the western buyers. Bangladesh has to ensure that the workers are getting the proper working environment and suitable labor wages. Also, the country has to introduce commercial management into the garment industry to ensure the credibility of the owners of the garment factories. Good logistic system has to be ensured by the government of Bangladesh. Only then it could continue to draw huge demand from the western countries.

9. Recommendations and Conclusion

Bangladesh is a developing country with high growth opportunity. It has huge opportunity in its garment industry. The country was a part of Generalized System of Preferences (GSP) which enabled the country to become the second largest exporter to the European Union. It also had a significant share of United States market. Bangladesh enjoyed duty-free access to Western markets. This benefit plus the low wages helped the country to become the world's second largest apparel exporter after China. Sixty percent of Bangladesh's clothes (shirt, T-shirt, sweaters, pants etc.) go to Europe and twenty three percent of clothes go to U.S.A. (Reuters, July 9, 2013). But the current suspension of Generalized System of Preferences (GSP) is going to affect ready-made garment (RMG) export of Bangladesh adversely. Though Bangladesh has high foreign demand for its garments, it has to bring improvement in some areas like labor wages, business climate, trade logistics and skills of the workers. If the country can eliminate all limitations related to garment export, it can become world's number one largest exporter. Also, the quality of the product has to be ensured to sustain in the long run. Bangladesh has to overcome all the deficiencies if it wants to compete in the global market. Bangladesh has to improve the productivity to sustain in the market. The labors of Bangladesh have low skills which constrain the productivity level and growth of ready-made garment (RMG) exports of the country. If the country can overcome these constrains, it could do much better in the garment industry. Once Bangladesh can ensure best and high quality products along with better labor condition, then it can be the market leader for exporting the ready-made garment (RMG) in the world. The foreign buyers of the country are also trying to guard and lend a hand to the workers of Bangladesh. They are now willing to provide assistance in this industry which will aid Bangladesh to preserve the demand for its ready-made garment (RMG). Bangladesh government is already working in this area to retain the confidence and demand of the foreign buyers. The government is now considering introducing new garment laws which includes

providing insurance to the workers and building new separate hospitals within the industrial zone for providing free medical treatment to the workers. If the country can take these initiatives, certainly it can sustain the confidence of the workers as well as the foreign buyers.

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