finds: "Elected governments do not exhibit a systematic advantage in achieving economic development." That is, cross-country data are not going to help us answer the question in the second paragraph. Instead, we need to consider our own experience. So, what has been the experience in Bangladesh?

The data on the growth in Bangladesh's real GDP per person are publicly available at the IMF website. This series is adjusted for inflation. That is, this is arguably the simplest and yet most comprehensive measure available about the improvement in living standards over time. Real GDP per person grew by an annual average of 1.3 percent during the 1980s, while the average growth rate under the three post-1990 democratically elected governments was 3.1 percent (Chart 1).

While the IMF data go back to 1980, it is possible to construct an index of real GDP per person from the World Bank data covering the period 1960 to 2005. The annual average growth rate in this series was 1.3 percent between 1973 and 1990, jumping to 2.9 percent in the post-1990 period. That is, regardless of the measure used, it is quite clear that the post-1990 governments presided over faster improvement in living standards in Bangladesh.

But does this necessarily mean that the elected governments were responsible for the increase in growth rates? The world economic conditions have been strong in recent years -- during the 1990s, we saw the advent of the IT-propelled "new economy" and globalisation; in more recent years, driven by the break-neck pace of growth in China and India, the world economy has been growing at the fastest pace since the 1960s. Could it be that the faster growth in Bangladesh is caused by external factors?

On the other hand, during the 1980s, oil prices were low, major economies achieved successful disinflation and carried out structural reforms to their economies, and Asian economies grew very rapidly. And in the 1990s, Japan entered a prolonged slump, Germany coped with reunification, and much of East Asia experienced a major financial crisis. In the current decade, the world economy has been subject to rising prices and major geopolitical tensions.

Annual average growth in major economies during each decade would provide a reasonable gauge of the world economic conditions. Table 1 shows this, and suggests that there is no particular reason to believe that the global economic environment, on balance, was particularly less favourable to Bangladesh in the 1980s than during the subsequent decades.

This is not to say that the post-1990 rises in Bangladesh's growth rates were entirely home-grown. Global factors undoubtedly helped. But so did the actions of domestic policymakers. As Dr. Abdul Momen, an economist, notes in an online forum:

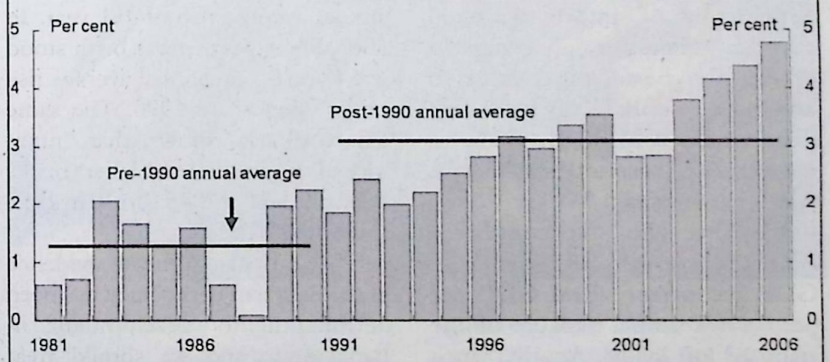
"The higher growth rates were achieved in part because of other liberal policies undertaken by political governments. A free press, private television channels like Channel i, ATN Bangla, and nTV, and the entire telecommunications revolution in Bangladesh made

Table 1: Annual average growth in real GDP by decade (per cent)

	1980s	1990s	2000s
United States	*3.3*	*3.3*	*2.5*
European Union	*2.3*	*2.2*	*2.2*
Japan	*3.9*	*1.2*	*1.4*
Newly industrialised economies	*8.2*	*6.2*	*4.3*
Major Southeast Asian economies	*5.1*	*4.3*	*4.9*
China	*9.2*	*10.4*	*9.8*
India	*5.8*	*5.6*	*6.9*
Bangladesh	*3.7*	*4.9*	*5.8*

Newly industrialised economies are Korea, Taiwan, Hong Kong and Singapore. Major Southeast Asian economies are Indonesia, Thailand, the Philippines and Malaysia. Source: IMF World Economic Outlook, April 2007.

Chart 1:Growth in real GDP per person



Source: IMF World Economic Outlook, April 2007
(http://www.imf.org/external/pubs/ft/weo/2007/01/data/index.aspx)