with scarce fuel and energy reserves, a very unfavourable people-to-land ratio, and prone to periodic natural disasters. The overall situation is expected to worsen as a result of global warming and climate change, the portents of which are already in evidence.

On the positive side, many of the macro-economic indicators for Bangladesh are positive and Bangladesh has made more progress in social welfare. Bangladesh is also one of a small number of countries that have ridden the impact of the international economic recession fairly well mainly on the back of foreign currency reserves generated by the ready made garments (RMG) and manpower export sectors.

In comparison to most developing countries, Bangladesh has a proud academic heritage and a small but significant reservoir of highly trained professionals and academics (resident and expatriate) whose expertise could be readily utilised in development activities.



MUNIR UZ ZAMAN

Bangladesh can, therefore, be considered to be a prime candidate for elevation to the status of a middle-income nation. So what measures need to be taken to speed this along?

The governor of Bangladesh Bank has said that Bangladesh can become a middle-income country (increase of annual per capita income from current $690 to over $1,000) within four years if this year's GDP growth rate of 5.9 per cent is sustained.

His strategy for continued economic growth and poverty reduction is to be implemented through selective and easily accessible soft loans to the most affected sections of society.

This proposed loan scheme for the economically and socially disadvantaged rural population is to be lauded, but on its own will it be enough to attain middle-income status or sustainable economic development if the required technology and infrastructure is missing?

In order to climb out of the LDC pool, Bangladesh's developments efforts need to be multi-pronged but directed primarily to strengthening its rural economy, conserving its environment and bio-diversity, and greatly expanding its export sector into niche areas of existing strength.

Bangladesh must also make full and proper use of all the economic concessions allowed to it as a member of the LDC group including intellectual property (patent) holiday it enjoys till 2016. It should lessen its over dependence on the export of RMG and manpower that remain highly vulnerable to the vagaries of the international market and which in essence are based on exploitation of vulnerable sections of society.

In addition to these two well established sectors, Bangladesh should diversify and expand its export base through additional initiatives such as rebuilding the traditional manufacturing capacity for jute and jute products, and investing in the manufacture of modern pharmaceuticals an area where it is already internationally competitive and has the potential of becoming Bangladesh's number one export through further investment in research and technology.

The government must also build the technological know-how and infrastructure that will allow the development agenda to be locally driven and implemented in areas where most needed. Our policy makers also need to realise and believe that sustainable development is not possible without excellence in technical and higher education and scientific and technological