

Special Supplement

3 Years Glorious Success of Second Tenure Thursday 12 January 2017

Bangladesh Racing...

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12 years proves that. And despite recession in the global economy, the consistency of growth in this country has been the best in the region. In contrast, the GDP growth rates of India or Sri Lanka fluctuates considerably. The average growth rate during the past eight years in Bangladesh has been even better at 6.3 percent. Whereas the growth rate was 5 percent during 2008-09 fiscal year, it reached 7.11 percent during the last fiscal year. This is certainly good news for us. Bangladesh now expects to maintain a growth rate of 7 to 8 percent. The profits earned by local and foreign investors after making adjustments for risks are much higher here than the neighbouring countries. Consequently they are coming to invest in Bangladesh even by taking risks. And if the courageous initiative undertaken by the present government to establish large numbers of special economic zones is crowned with success, then there would be a long queue of foreign investors to invest here.

Our economic growth has always remained inclusive. Everybody is getting a share of this growth. The rapid pace of poverty alleviation proves the quality of growth in Bangladesh. Agriculture, garments and remittance sectors are acting as driving forces behind this. During these 45 years, poverty has declined by 50 percent, and the average life expectancy has risen by 30 years. This kind of success has not been achieved in even a hundred years in many countries. And the pace of this accomplishment has been accelerated over the past eight years.

The rate of hardcore poverty has now come down to almost 12 percent. Large segments of our population are aged, disabled or widows, who are not involved in any productive work. The government is extending allowances to them under the social safety net programs. Allowances are reaching their hands through the application of digital technology. If this trend continues, the percentage of hardcore poor would come down to a single digit. The Seventh Five Year Plan has set a target of bringing this rate down to 7 percent, while the target for 2030 is zero percent. Per capita income has to be increased for achieving this. The domestic economy has to be bolstered.

Excessive inflation is a big enemy of ordinary people, but success has already been achieved in this area. The rate of inflation has consistently declined since 2011. Average annual inflation has come down to 5.58 percent at the end of November 2016, and is still showing a declining trend. Whereas import payments were 22.5 billion dollars during 2008-09 financial year, the figure stood at 42.9 billion dollars during the previous fiscal year. That is, imports have increased by 91 percent during the past eight years. The exports have risen by 119 percent to 34.2 billion dollar. Remittances have risen by 54 percent to reach 14.9 billion dollar. The foreign exchange reserve has quadrupled and has now crossed 31 billion dollar mark. It is possible to make import payments for nine months with this amount. Compared to other countries of South Asia, the value of taka has remained stable and strong. The average exchange rate for taka against dollar is now Taka 78.72. This figure has remained almost static during the past few years. Compared to rupee of the neighbouring country, it is much stronger. Per capita income in Bangladesh has now touched 1466 dollar, which was 1316 dollar during the previous year. The population growth rate has stabilised, which means that the growth rate of per capita income will increase in the coming years. And the age of over half of our population is now below 25 years. An economic revolution will take place if education, skill and employment can be provided to this age-group.

These advances in the economy have been possible because of parallel expansion of agriculture, remittances and readymade garments industry sectors, which have become the drivers of our growth. All these are employment generating sectors. Our economic inequality has therefore remained at a tolerable level. We are highly interconnected despite being a land of 160 millions. The linkages between urban and rural areas are very robust. Therefore, the impact of enhanced incomes of the rural people is also influencing the lives of urban citizenry. This has boosted the domestic demands and is helping speed up industrialization. The investors of the country are adapting well with the technological developments and world-class management practices. New areas for businesses are being created. The female entrepreneurs are also participating on an equal footing.

We have already attained the status of a 'lower middle income country' by shedding the blight of being a 'low income country'. The hope of becoming a full-fledged middle-income country now beckons us. We are moving in that direction with a firm resolve. The pace of Bangladesh's forward march cannot be stopped if we can maintain a democratic environment within a terrorism-free setting for the sake of rapid urbanisation, industrialisation, and concerted deployment of the youths. That will facilitate the country's becoming a middle-income one by 2030. The dream of the Bangladeshi leadership to become a developed country by 2041 is also not unrealistic.

Bangladesh now stands at a historic crossroad of development. The name of Bangladesh now stands for a fast-growing economy undergoing export-oriented industrialisation led by the private sector. Export income is the major growth-inducing sector in the country, 81 percent of which comes from the labour-intensive garments industry. The garments sector is expanding at a very fast rate. The sector has turned around after the Rana Plaza disaster and the Tazrin tragedy. The factory environment of our textiles entrepreneurs is improving on a massive scale. More than 36 factories are being transformed into green ones. Bangladesh Bank has established a 200 million dollar green transformation fund by utilising its foreign exchange reserve. The healthcare sector has also shown enormous improvement. Many pharmaceutical industries and hospitals have been set up in the private sector. The country's medicines are being exported to 170 countries of the world including the USA. It is expected that this number will rise further. The exports from the leather sector has surpassed 1 billion dollar. Our industrial production will have to be increased even more. For this, new sectors will have to be explored and new technologies will have to be adopted. Bolstering this trend of industrialization is undoubtedly needed in order to generate employment for 2 million new workers each year. Side by side, the services sector should be developed further. The agriculture sector of Bangladesh is also playing a major role in the macro-economy due to adoption of new technologies as well as additional productivity. Even now, over 50 percent employment generation takes place in this sector.

Continuation of Development ....

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financial allocation to ensure universal primary education. Steps have been taken to enhance enrollment, pre-primary education, stipend and student-teacher contact hours to ensure education for all. Third Primary Education Development Program, Reaching Out of School children Project, Basic Literacy Project and some other initiatives taken by the government have helped increase enrollment rate at the primary level to 97.94% in 2015 and gradually pull down dropout rate at 20.4%. Free textbooks up to secondary classes have been distributed since 2010. The primary students also receive such free textbooks every year.

The quality of education has also been upgraded at the secondary and higher secondary levels. As per statistics of 2015, the rate of dropout at the secondary and higher secondary level came down at 40.29 % and 22.7%, respectively. The rate of completion of the secondary and the higher secondary education at the same time crossed 59.71% and 77.30%, respectively. As special importance has been given to technical education, the number of institutions imparting technical education in the country increased to 5790 by the time and the number of universities elevated to 129. Teaching ICT has been made compulsory for all educational institutions since 2015.

Health, Population and Nutrition sectors are considered with high importance in the development programs being implemented by the present government. As a result, health sector, as measured in its various indicators, has made a vast progress. Over 13,000 community clinics have started functioning all over the country under the "Revitalisation of Community Health Care Initiative in Bangladesh" program. As improved healthcare has been guaranteed at the grass-root level, the birth and death rate per thousand people have declined to 18.8 and 5.1, respectively. The mortality rate of the infants and the children under 5 per thousand live births has come down to 29 and 36, respectively. Following the fulfillment of the need of food and nutrition of the people, the average life expectancy gradually elevated to 70.7 years. As part of digitalization in the health sector, free medical advices through mobile phones from 64 district hospitals and 421 upazila hospitals are being provided round the clock (24 hours a day/ 7days a week). Moreover, a 24/ 7 Health Call Centre named 'Shastya Batayan' with the number 16263 has been started.

Along with raising the economic base of the country on a solid foundation, the present government has also come up with the concept of modern and welfare oriented state. 'Spreading Social Safety Net for the Ultra Poor' was one of the highest priorities of its election manifesto. During the first tenure of the present government from 2009 to 2013, as a result of pragmatic and appropriate policies and plans, the rate of poverty came down to 24.4%. A massive work is progressing with a view to bringing it down to 10% at the end of the ongoing second tenure of the government.

Besides, food safety for the people, free food distribution for the ultra-poor and the distressed, food for work and test relief, special initiatives launched by Sheikh Hasina namely One Homestead, One Farm, Ashrayan (shelter) Project and other programs have been implemented successfully. The government has also introduced old age allowance, distressed woman allowance, widow and husband abandoned woman allowance and insolvent handicapped allowance. Honorarium for the veteran freedom fighters, the best sons of the soil, has also been introduced. The government has also taken programs for the development of the livelihood of hijra (third gender), bede (gypsy tribe snake charmer), dalit and horijon (down trodden people) community.

Autism Resources Centre started functioning in 2010 to create awareness about autism among the common people and other disabilities. The autistic children and

The Vision-2021 of the present government in Bangladesh has been prepared centring on the basic needs of the masses. This long-term strategy has been framed based on dominance of the private sector, liberalisation and investment-friendly policy reforms, initiative for building large infrastructures, expansion of digital technology throughout the country and market linkages at a faster rate. The present government is pledge-bound to implement proven strategies like economic stability and financial inclusion. The economic innovations are simultaneously serving the poor, marginalised population, expatriates and others. For this, the government has formulated policies and set different targets for expediting economic growth, generating employment and alleviating poverty. In keeping with these inclusive socio-economic policies of the government, Bangladesh Bank has continued its policies and programs for increased financing



of agriculture, small, medium, women entrepreneurs, and environment-friendly sectors, as well as for inclusion of the low-income people in the financial services network. We are seeking the status of a middle income country at a new level of growth. We therefore have to move forward by keeping in mind the lessons of the past.

Construction of infrastructure has increased during the tenure of the present government. The demand for construction materials has also risen. As a result, many rod and cement factories have been established locally. The import of capital machinery is showing a rising trend. That means, the growth rate of industrialisation will be faster. Primary education has been ensured for all. The government is now working on improving the quality of education as well as expansion of technical education. It is active in attracting local and foreign investments by capitalising on the existing socio-economic stability. The government does not want to depend on Dhaka, Gazipur, Narayanganj and Chittagong alone as industrially-intensive regions. Therefore, initiative has been taken to set up 100 special economic zones under public-private partnerships (PPP). The success of this initiative is gradually becoming visible. The promising Khulna-Jessore region has been chosen as an economic corridor. The pace of implementation of Padma Bridge is eye-catching. The face of Bangladesh will change forever after the launching of this bridge. There will also be a Bangabandhu Airport. Combining all these, both the size and vibrancy of investments in this region will flourish.

Many projects have been taken up for carrying goods to Chittagong Port from North Bengal, Dhaka and the neighbouring districts swiftly. Recently, a project has been undertaken for constructing the Payra Seaport. This will become a place of new potentials. Its management will have to be made most modern by learning from commodity handling at Chittagong Port.

Our progress in the power sector is gradually becoming clear. At present 15 thousand megawatt of electricity is being produced. Side by side with power production, new gas fields will have to be discovered, existing gas-fields have to be developed and the transmission lines have to be modernised. The government is constructing LNG gas terminal for solving the gas crisis. But LNG Policies will also have to be framed. This gas will have to be added to the national grid by installing additional transmission lines. The government should also gear up and expand the opportunities for regional cooperation in the power sector.

Necessary reforms are also being implemented in the investment-related agency – the 'Bangladesh Investment Development Authority' (BIDA). Many investment-friendly institutional initiatives have also been undertaken including digitisation of revenue collection. The government has tackled the recent incidents of militancy with a firm hand. The society is also not sitting idle. As a result, trade and commerce have not been hindered by these. Rather it became easier to erect a much-needed security ring around business sector due to consolidation of social activism as well as anti-militancy sentiment all over the country.

Bangladesh has created sensation in the global arena by challenging the World Bank and commencing the construction of Padma Bridge with own funding. The Land Boundary Agreement with India and the resolution of maritime boundary have been two big achievements of Bangladesh since independence. The role of Bangladesh in tackling climate change has also been acclaimed globally. Sheikh Hasina is today an uncompromising leader on the question of terrorism, militancy and regional security. Bangladesh has also received importance in the global arena by holding the trial of war criminals after overcoming the conspiracies and obstacles at home and abroad. The present government is carrying forward Bangladesh at an irresistible pace.

The people of Bangladesh are now more optimistic due to proper synchronization

the other people are regularly receiving free services like therapy, references and counseling from this centre. Moreover, various government and non-government hospitals across the country have opened 'Children Development Centre' to diagnose autistic children within a short time. Saima wazed Hossain, daughter of the Hon'ble Prime Minister and Chairperson of the National Advisory Committee on Autism and Neuro Development Disorder in Bangladesh, has relentlessly been working for the development of the autistic children.

The gradual development of modern, sustainable, safe, less costly and environment friendly transportation system is one of the pre-requisites for desired socio-economic upliftment of a country. The inclusion of Bangladesh in various regional and international communication networks has pin-pointed the need more vehemently. Following courageous and firm decision as taken by Hon'ble Prime Minister Sheikh Hasina, the construction of the Padma Bridge, the ever biggest highway infrastructure of the country has begun with self financing of the



government. 38% of the overall work of the bridge, scheduled to open for traffic by 2018, has already been completed. On the accomplishment of the project, the bridge would contribute to heighten 1.2% national GDP growth rate as well as alleviate poverty at the rate of 0.84% annually. To ease traffic congestion of the Dhaka City, the construction work of the country's first metro rail covering 20km from Uttara to Bangladesh Bank, is progressing in full swing. The work of building about 24 km long elevated expressway has started. The construction work of 3km long tunnel across the bottom of the river Karnaphuli in Chittagong supported by the Chinese government has also been inaugurated. The elevation works of Dhaka-Chittagong and Dhaka-Mymensingh Highways to four-lane have been completed. The accomplishment of the construction of a good number of bridges including the Shaheed Abdur Rob Sharniabat Bridge on the Dhaka-Barisal-Patuaakhali Highway, the Tista Bridge on the Rangpur-Kurigram National Highway, the 7th Bangladesh-China Friendship Bridge on the Madaripur-Shariatpur-Chandpur Highway have made road communication throughout the country easier.

A 20 year long Master Plan has been framed for the planned development of railway. The Master Plan envisages 235 projects involving 2,33,944 crore taka to be implemented in 4 phases by the year 2030. The Laksham-Chinkisthana and the Tongi-Bhairab Bazar sections of the railway have been raised to double track. The double track elevation work of the Laksham-Akhaura Section of Dhaka-Chittagong corridor is also going on.

of economic and social indices. The masses are now confident about the development prospects of tomorrow. Not only among the Bangalis, the huge story of Bangladesh economy has today become a matter of interest for the global community. They want to know, what happened in Bangladesh that we are continuing to achieve above 6 percent GDP growth rate over the past decade despite a global recession! Based on GDP, the position of Bangladesh is now 45<sup>th</sup>, and based on purchasing power the ranking is 33<sup>rd</sup>. According to the international survey organization 'Gallup', Bangladesh is today the most optimistic nation in the world, and our position is second in terms of economic potentials. The world wants to know, what has happened in Bangladesh in the area of social development which has raised people's life expectancy to 71 years! Based on this criterion, we have left behind India and Pakistan by 4 to 5 years. Bangladesh has already been awarded prize by the United Nations in recognition of her success in incredibly reducing the child mortality rate. Bangladesh is now ranked 130<sup>th</sup> in the Material Index of Save the Children Fund. India and Pakistan lags much behind us in this area as well. We should remember that this invigoration of our society and economy has not happened without any reason. We could arrive at this stage due to the people-friendly policies and strategies of the present government diplomatic efforts and active endeavour of the entrepreneurial classes.

This incredible transformation in Bangladesh's macro and micro-economy has occurred due to timely liberalisation of her trade and industrial policies, and making our financial sector modern and inclusive. The youthful human resources of Bangladesh are also playing a positive role in this change. Especially, the contributions of young entrepreneurs and female workers are extraordinary in the successes of the readymade garments industry. Various inclusive initiatives in the banking sector, especially through opening branches in the rural areas, easing the rules for account opening, and the massive explosion of mobile financial services have infused dynamism into the banking sector and made it inclusive. As a result, economic stability has increased to a great extent. Partnership and acceptance among the stakeholders have also blossomed.

Our financial inclusivity has three aspects: deposits, savings, and insurance transactions. The participation of more and more people in all these areas is called financial inclusion. At present, Bangladesh has become a 'role model' in sustainable inclusive development. The Bangladesh Government has also made financial inclusion a part of its sustainable development agenda. The campaign for financial inclusion is progressing successfully, especially because the present prime minister and her information technology adviser are attaching much importance to the expansion of digital technology. Therefore, the issue of digital 'financial inclusion' will find more prominence in the coming days. The base of social services has expanded due to this inclusivity in the financial sector. Social tensions have therefore declined considerably and social cohesion has been enhanced.

Our journey had started with a basically agro-based, small and constrained economy through the liberation war of 1971. Within a mere 45 years, the population in our towns have increased ten-fold; at present the age of half the total 160 million population, that is, 80 million are below 25 years. Around 80 percent of the country's population now have mobile phones in their hands. Among the democratic countries, the biggest take-off with the least manufacturing cost has taken place in Bangladesh. There are both advantages and disadvantages in this youthful, connected, and democratic take-off. The way urbanization is expanding, there is bound to be much tension. That is happening as well. These tensions can be tackled only in a democratic environment. Financial inclusion is playing a substantial role in dealing with this tension. The mass media, social media, and social organizations are playing a big part in grooming a genuinely democratic and pluralistic society. All these are acting as supportive forces in the growth of financial inclusivity.

Each year, 2 million new workers are entering the labour market of Bangladesh. Generating employment for them is not an easy task. But we have created opportunities for their employment in industries, agriculture and services sectors. Especially, the picture of female labour force is very bright. The number of small economic units in the rural economy has increased hugely during the past one and a half decades. Agriculture, SME loans and remittances have played supportive roles in this regard. Alongside agricultural development, the flourishing of our small and cottage industries has also been eye-catching. And the unbelievable entry of female workers in the garments industry has further strengthened our campaign for financial inclusion.

Despite global recession and various hindrances at the national level, Bangladesh has maintained a trend of successes in the social and economic arenas during the past eight years. The economic indices point to the continuous economic accomplishments of Bangladesh. If this trend can be sustained, the economy of Bangladesh will become firmer and more stable; and the country will move ahead on a new path of growth and prosperity in the coming days. I hope that by observing the direction and nature of this advancement by their homeland, our youths will also get involved in various development initiatives.

Bangladesh is a land of enormous potentials. The whole world is watching this resurgence of ours. We shall have to utilize these opportunities. We have taken up the challenge of curbing corruption for this purpose. We have completed many institutional reforms for creating an investment-friendly climate. We have undertaken various investment programs in the public sector by expediting the pace of revenue collection. Additional revenues are required for building large infrastructures including deep seaport, 4-lane highways, metro-rail etc. For this, everybody should pay taxes by maintaining transparency. Attention should be paid to the maintenance of political stability, further development of the power and energy sector, and tackling traffic situation in big cities. This is because all big cities act as 'growth centres' in an emerging economy. I firmly believe that our economy will be further consolidated in the coming days if we move together. It is bound to become steadier. Let this journey of ours be an auspicious one.

Translation: Dr. Helal Uddin Ahmed

The present government has collected 14 new dredgers to maintain navigability of the river routes. The collection of 20 more dredgers is under process. To confirm naval safety, two salvage ships with the mounting capacity of 250 metric tons have been procured. Modern computerized container terminal and traffic management costing taka 134.64 crore has been developed in the Chittagong Port. The Payra, the 3rd commercial seaport of the country has started functioning in a limited scale and is expected to be fully operational by the year 2023.

The national flag carrier- The Biman Bangladesh Airlines, with the inclusion of 4 new generation 777-300 E R and 737-800 passenger airplanes, has entered the new era of air transportation.

The economic activities and development of Bangladesh greatly depend on electricity, oil, gas and other natural fuels. The condition of power sector in 2009, when the present government took over was fragile. The production capacity of electricity at that time was only 4942 megawatts. To improve the situation, along with the installation of natural gas based power plants, electricity generation through diesel and furnace oil, coal, dual fuel, renewable fuel, nuclear energy based power plants and steps to import electricity from the neighboring country were also incorporated in the power production plan. As a result, a tremendous success has been achieved in the power sector. Currently, the production of power has increased to 15,200 megawatts, 3 times higher than that of 2009. Moreover, the number of power plants has increased from 27 to 108, people under the coverage of electricity from 47% to 78%, per capita power production per hour from 220 kilowatts to 407 kilowatts and the number of clients of electricity from 1 crore 8 lac to 2 crore 32 lac.

Natural gas is considered as the driving force of the economy of Bangladesh. The average production of gas during the month of January of 2009 was 1744 million cubic feet per day which has now increased to 2740 million cubic feet following the implementation of various development projects. Presently, the amount of coal stock in the 5 unexplored coalmines is 3.2 billion metric tons which is equivalent to about 85 TCF gas.

The commitment to develop a Digital Bangladesh is in the centre of the development plan of the present government. The use of information technology has increased in every sector. To realize Digital Bangladesh, massive steps have been taken to institute hiitech park, software Technology Park and IT village. The development work of Bangladesh National Enterprise Architecture (NEA) is going on for the massive and appropriate materialization of the e-governance program. The cable landing installation work of the country's second submarine cable SEA-ME-WE-5 is progressing. A deal has already been signed with the 'Thales Alenia Space' of France to launch the own satellite of Bangladesh 'Bangabandhu Satellite-1' in the space.

Development is a comprehensive process. It is not possible to make it understand by stating certain areas. The cordial efforts of the government, good governance, efficient management, international co-operation and recognition and above all, all out support and participation of the people are vital to achieve development. The father of the Nation Bangabandhu Sheikh Mujibur Rahman has made Bangladesh independent. The advancement of the country was also initiated by Bangabandhu. The bold leadership of his able daughter Hon'ble Prime Minister Sheikh Hasina with univocal support and participation of the people will spearhead the country towards the prosperous tomorrow. Bangladesh will emerge as a developed and wealthy state by the year 2041.

Translation: Md Saifullah