

# Charting the middle-income journey



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AHMAD AHSAN

**S**OUND macroeconomic management is like oxygen: unappreciated and unnoticed when it is present but causing immense suffering when it is not. When prices, interest and exchange rates go haywire, confidence flies away and uncertainty settles in its place – economic activities can sometimes ground to a halt.

Bangladesh's strong record of macroeconomic management that underlies our human development and poverty reduction is similarly unappreciated. For most of our history, we had moderate-sized deficits; we allocated our albeit insufficient public expenditures well to high-priority social sectors, rural development, road networks, and safety nets. In recent years, we have done a remarkable job of increasing public investment expenditures, especially in power, communications, and transport infrastructure. Furthermore, except for the last few years, our monetary policy has kept inflation and interest rates at reasonable levels, keeping our exchange rates competitive. That is not to say we haven't had longer-term structural problems, like meagre revenues constraining much-needed public expenditures and our development. Even so, in a narrow but essential sense, Bangladesh's macro management has been laudable.

However, having embarked on our middle income development journey, we need to "raise our game," i.e. we need to increase our macroeconomic management skills by deploying technical expertise and research. We need to build institutions that not only use expertise, but also encourage critical discussions. Otherwise, there will be mistakes.

We have to raise our game because our economy is now facing challenges

from three directions. First, we are facing strong headwinds from a fraught international economic environment caused by the Russia-Ukraine war that has drastically increased energy and food prices. That, along with long pending internal structural problems, has sharply raised the current account deficit, narrowed fiscal space due to rising interest payments and subsidy costs, and put pressure on the exchange rate and thereby on inflation and interest rates.

Second, we have the task of graduating from the LDC to the developing country status, defined by the United Nations, by 2026. When we do so, we will lose privileges such as duty-free, quota free entry to Europe under the Everything-But-Arms programme and to markets such as Japan and Australia. Concessional lending will also be curtailed. Since these developments will increase costs significantly, we must raise our productivity markedly to be competitive.

Third, we are facing the first signs of what some economists term the "middle-income trap." That term refers to the slowdown of productivity growth of middle-income countries when they approach higher income per capita levels. In research, high-income economies are defined by their per-capita income relative to the United States. That bar is high. More straightforward and inclusive is the World Bank's definition of high-income countries measured in per capita income to be between USD 12,000 and USD 12,700 in current prices for the past 10 years. As an economist, I would have preferred these measurements to be in PPP dollars rather than nominal dollars. But likely due to data and official



ILLUSTRATION: BIPOB CHAKROBORTY

constraints, the discussion is in US dollars.

In either case, the results are similarly forbidding. In the past 33 years where the World Bank has data and classification benchmarks, only 21 countries have managed to cross from middle-income to high-income. However, most of these countries were either island states that prospered in the tourism booms of recent years or city states, and European economies, such as Portugal, most of them members of the European Union. During this period, only four countries that did not belong to these groups – Chile, Uruguay, Oman and South Korea – managed to become high-income.

On the other hand, we had mature economies such as Argentina, Brazil, Mexico, Malaysia and Turkey hovering close to the higher income threshold for many years, but unable to cross it. Sometimes, Argentina and one or two other countries have crossed the threshold to become high-income, only to slip back into middle-income status.

An intriguing case is China, which grew spectacularly for three decades, averaging at 10 percent per annum. However, as the middle-income trap would predict, its productivity growth has sharply slowed by more than half over the past decade. That has dragged

graduated into the high income category, did so in 2012, well after the overthrow of military dictator Pinochet and restoration of electoral democracy.

So, what does this have to do with Bangladesh, where per capita income is over USD 2,800 (according to the Bangladesh Bureau of Statistics)? It is relevant because indicators suggest that there may be middle-income traps not only at higher middle-income levels, but also at lower per capita income levels. A look at the evidence for some of the countries discussed above also shows a pause in growth at different points, when their per capita incomes were between USD 3,000 and USD 5,000. Much of that took place in the 1990s when these countries were dealing with high debts, exchange rate volatility, fragile

lessurgent. How we deal with education quality, urban and infrastructure development, and environmental and climate change challenges now will soon determine our growth trajectory. For instance, three national student assessments have shown that learning sharply deteriorates between classes 3 and 5. In Class 5, more than 80 percent of students did not show grade-level competency in either Bangla or in mathematics. My ongoing research on urban development suggests there is trouble: cities and towns are struggling to provide the jobs, the investment climate, and the public services needed to support growth.

The short-term challenges need urgent attention. Let us take three. First is the need to increase revenue collection, where Bangladesh falls short. The history of fast-growing economies and econometric estimates from 30 years of data from 200 countries suggest our revenue should be twice what we collect. On the expenditure side, too, we need institutions that ensure our expenditures are effectively spent and provide value for money. Currently, the budgets and the authority for monitoring, evaluation, and holding public agencies accountable, vested in the Implementation Monitoring and Evaluation Division (IMED) under the planning ministry or the Public Accounts Committee of the parliament, are unclear and grossly inadequate. Similarly, the resources, arrangements, and organisations for collecting and sharing goods and time data, an essential requirement for managing a middle-income economy, are also highly inadequate.

Addressing these needs will require not only the right policies, but also – more importantly – more robust institutions. There is no reason to think we can overcome the middle-income challenges – faced by economies in all continents – without addressing these needs.

**Having embarked on its middle-income development journey, Bangladesh needs to "raise its game," i.e. it needs to increase its macroeconomic management skills by deploying technical expertise and research.**

but overstretched financial sectors, the Asian financial crisis and internal structural problems, including the dominance of oligarchies and crony capitalists.

Bangladesh is now approaching a similar range of per capita incomes, also in a similar period of turbulence and with some similar features. The challenges to macroeconomic management of a large-sized economy have grown more complex. These challenges are both short- and long-term. The long-term challenges are no



## Bangladesh Bank

Common Services Department-2  
(Mechanical Engineering Wing)  
Head Office, Dhaka-1000.

Invitation for Tender (Goods & related works) through Web.	
01. Procuring Entity	Common Services Department-2, Bangladesh Bank, Head Office, Dhaka-1000.
02. Procurement Method	Open Tendering Method (OTM)
03. Invitation ref. No. & Date	CSD-2(MES): 16/1(generator)/2022-43 Date: 12/09/2022
04. Source of Funds	Bangladesh Bank's own fund.
05. Name of the work	Supply, Installation, Testing and Commissioning of 500 KVA Diesel Generator (Prime) at Bangladesh Bank Bogura office, Bogura
06. Address of the web for submission e-tender.	From web: <a href="http://www.bangladeshbank.org.bd">www.bangladeshbank.org.bd</a> <a href="http://www.bangladeshbank-bank.org">www.bangladeshbank-bank.org</a> (e-Tender)
07. Last date & time e-tenders through web	29/09/2022 on or before 3:00PM.
08. Last Date & Time and Name & Address of the office for receiving Original tender security and other documents	29/09/2022 on or before 3:15 PM Director (Engineering-E/M), Common Services Department-2 (7 <sup>th</sup> floor of 30 <sup>th</sup> storied Building), Bangladesh Bank, Head office, Dhaka-1000.
09. Name & Address of the office Opening Tender.	Director (Engineering-E/M), Common Services Department-2 (7 <sup>th</sup> floor of 30 <sup>th</sup> storied Building), Bangladesh Bank, Head office, Dhaka-1000 on 29/09/2022 at 3.30 PM. (intending tenders or their authorized representatives are allowed to attend the tender opening).
10. Eligibility of the Tenderer	(a) The minimum years of general experience of the tenderer in the supply of Goods and related services as Supplier shall be 10 years. (b) Tenderer shall have minimum specific experience as Supplier in supply of electric generator in any Govt./Semi-Govt./Autonomous organization in multiple contracts (maximum 03 contract) having total value not less than 75 Lac successfully completed within the last 05 years, each with a value of at least Tk. 25 lac. (c) Tenderers shall have agency/distributorship/authorization from Manufacturer of the proposed brand Generator. Scanned Copy of original Distributor/Agencyship certificate/authorization certificate from Manufacturer shall be enclosed with the offer. (d) The Tenderer shall have to furnish the certificate in this respect from an officer not below the rank of Executive Engineer or equivalent and shall meet all other criteria, terms & conditions as specified in the tender documents without which the tender will not be considered. (e) The minimum amount of liquid assets i.e working capital or credit line(s) of the Tenderer shall be Tk 90 lac. In case of credit facilities, Bank shall ensure that the above mentioned credit limit will be given if the said work is awarded to the contractor.
11. Tender Security	Tender Security amount is BDT 2,50,000/- (Two Lac Fifty Thousand) only will be required in the form of Pay Order/ Bank Draft/Bank Guarantee in favour of Director (Engineering-E/M), Common Services Department-2, Bangladesh Bank, Head Office, Dhaka.
12. Work completion Time	06(Six) months from the date of Award of Contract.
13. Address of Official Inviting Tender	Sudhangshu Kumar Sarker, Director (Engineering-E/M), Common Services Department-2 (7 <sup>th</sup> floor, 30 <sup>th</sup> storied Building), Bangladesh Bank, Head office, Dhaka-1000.
14. Contact details of Official Inviting Tender	Phone: 88-02-9530490, Fax: +88-029530321
15. Special Instructions	(i) The Tenderer shall submit the tender through Bangladesh Bank Website (e-Tendering) & shall have a valid e-mail address for participating in e-Tendering. (ii) Original PO/BD/BG as Tender Security has to be send to Director (Engineering-E/M), Common Services Department-2 within stipulated date and time of TDS. (iii) Scanned copy of the tender security shall be submitted with the tender through web. (iv) Tenderer shall submit all documentary evidence (attested or original), failing which the Tender may be considered as non-responsive. (v) Tenderer shall duly fill in the Form PG3-1 (Tender Submission Letter) and Form PG3-2 (Tenderer Information sheet) as per format given in Tender Document. (vi) PG3-1 form shall be completed and signed by the Authorized Signatory on the Letter-Head Pad and scanned copy of it shall be attached during submitting tender and original will have to send to Director (Engineering-E/M), CSD-2 at scheduled time as per TDS. (vii) Furnishing of any false, misleading documents shall result in rejection of the tender and may lead to action under Rules 127 of PPR 2008. (viii) All sorts of Security and Safety measures shall be carried out by the Contractor during execution of the work. (ix) Bangladesh Bank reserves all right to accept or reject any or all the tender without assigning any reason whatsoever. No claim will be entertained in this regard.

DCP : 48/2022-2970  
Date : 13-09-2022

  
**(Sudhangshu Kumar Sarker)**  
 Director (Engineering-E/M)  
 Phone: 02-9530490

ব্যায়িক ও আর্থিক সেবা পেতে হয়রানির শিকার হলে কিংবা কোনো অভিযোগ থাকলে ১৬২৩৬ নম্বরে ফোন করুন।



## বাংলাদেশ কারিগরি শিক্ষা বোর্ড

৮/সি আগারগাঁও, শেরেবাংলা নগর  
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তারিখ: ১১-০৯-২০২২খ্রিঃ

### বিজ্ঞপ্তি

**ডিগ্রামা-ইন-ইঞ্জিনিয়ারিং স্তরের বিভিন্ন টেকনোলজির পরিমার্জিত শিক্ষাক্রম অনুযায়ী পাঠ্যপুস্তক রচনার জন্য পাত্তুলিপি আহবান**

২০২১-২০২২ শিক্ষাবর্ষে ডিগ্রামা-ইন-ইঞ্জিনিয়ারিং শিক্ষাক্রমের পরিমার্জিত পাঠ্যপুস্তক অনুমোদনের লক্ষ্যে অত্রাধী লেখক/লেখকসমূহের নিম্ন থেকে নিম্নলিখিত বিষয়সমূহের জন্য পাত্তুলিপি আহবান করা যাচ্ছে। আগামী ১৪/০৯/২০২২খ্রিঃ হতে ২৯/০৯/২০২২খ্রিঃ পর্যন্ত সচিব, বাংলাদেশ কারিগরি শিক্ষা বোর্ড কর্তৃক বিধিমালা ১৪/০৯/২০২২খ্রিঃ এর অধীনে জমা দিয়ে নাম রেজিস্ট্রেশন করে কারিকুলাম সম্বন্ধ করতে হবে। পাত্তুলিপি জমাদানের সময় বোর্ড কর্তৃক নির্ধারিত প্রতি বিষয়ে মূল্যায়ন ফি ও অনুমোদন সাপেক্ষে অনুমোদন ফি জমা দিতে হবে। অত্রাধী লেখক/লেখকসমূহের পাত্তুলিপি মূল্যায়ন ফি ও আনুমানিক ব্যয় বাবদ প্রতি বিষয়ের পাঠ্যপুস্তকের জন্য আট ব্যতীত ৪,০০০/- (চার হাজার) টাকা প্রতি ক্রেডিট এবং পাত্তুলিপি অনুমোদিত হলে অনুমোদন ফি প্রতি বিষয় বাবদ ১২৫০/- (এক হাজার দুইশত পঞ্চাশ) টাকা প্রতি ক্রেডিট ব্যাক ড্রাফট/পে-অর্ডারের মাধ্যমে সচিব, বাংলাদেশ কারিগরি শিক্ষা বোর্ড, ঢাকা-এর অনুস্মে জমা দিতে হবে। তিন বছরের জন্য একটি পাঠ্যপুস্তকের অনুমোদন দেওয়া হবে। অনুমোদনের সময়সীমা অতিক্রান্ত হলে অত্রাধী লেখক/লেখকসমূহ পুনরাবমুদন গ্রহণের জন্য ফিসহ পাত্তুলিপি বোর্ডে জমা দিতে পারবেন। পরিমার্জিত নতুন শিক্ষাক্রম বাস্তবায়িত হলে পাঠ্যপুস্তকের এই অনুমোদন ও পুনরাবমুদন কোনো প্রকার কারণ দর্শানো ছাড়াই বাতিল বলে গণ্য হবে।

**বিষয়সমূহ (১ম ও ২য় পর্ব, ডিগ্রামা-ইন-ইঞ্জিনিয়ারিং):**

SL	Sub. Code	Subject Name	SL	Sub. Code	Subject Name
01.	21011	Engineering Drawing	33.	26121	Architectural Design-I
02.	25712	English-I	34.	26221	Automotive Engine System-I
03.	25811	Social Science	35.	26321	Basic Stoichiometry
04.	25831	Business Communication	36.	26322	Chemical Engineering Drawing
05.	25851	Principle of Marketing	37.	26421	Civil Engineering Drawing
06.	25911	Mathematics-I	38.	26521	Wood Workshop Practice
07.	25912	Physics-I	39.	26621	Python Programming
08.	25913	Chemistry	40.	26622	Graphics Design-I
09.	26111	Creativity and Concept Development	41.	26721	Electrical Circuits-I
10.	26211	Automobile Fundamentals	42.	26722	Electrical Engineering Drawing
11.	26311	Chemical Engineering Fundamentals	43.	26821	Electronic Device & Circuits
12.	26312	Safety in Chemical Industry	44.	26921	Food Science & Nutrition
13.	26411	Civil Engineering Materials	45.	26922	Food Plant Layout & Design
14.	26611	Computer Office Application	46.	27011	Basic Workshop Practice
15.	26711	Basic Electricity	47.	27021	Mechanical Engineering Drawing
16.	26712	Electrical Engineering Materials	48.	27022	Mechanical Engineering Materials
17.	26811	Basic Electronics	49.	27023	Machine Shop Practice-I
18.	26911	Food Engineering Fundamentals	50.	27041	Engineering Mechanics
19.	26912	Food Safety & Hygiene Management	51.	27121	Power Equipment Management & Safety
20.	27111	Power Engineering Fundamentals	52.	27621	Ceramic Model Making
21.	27211	RAC Fundamentals	53.	27622	Ceramic Engineering Materials-I
22.	27611	Geological Engineering	54.	27721	Glass Engineering Materials-II
23.	27711	Glass Engineering Materials-I	55.	27821	Basic Surveying
24.	28611	Human Anatomy and Physiology	56.	27921	Marine IC Engine-I
25.	29011	Basic Environmental Engineering	57.	28021	General Ship Knowledge
26.	29411	Basics of Telecommunication	58.	28221	Aircraft Structure & Repair
27.	29511	Basic Printing	59.	28621	Basic Biomedical Engineering
28.	25721	Bangla-II	60.	29521	Offset Machine Operation
29.	25722	English-II	61.	29821	Footwear Engineering Fundamentals
30.	25812	Physical Education & Life Skills Development	62.	29822	Materials Science & Engineering
31.	25921	Mathematics-II	63.	29823	Mechanical Engineering Fundamentals
32.	25922	Physics-II	64.	66811	Basic Electronics

**শর্তসমূহ:**

- পাত্তুলিপি কম্পিউটারে বেজড কারিকুলাম/সিলেবাস অনুসরণপূর্বক প্রণয়ন করতে হবে এবং কম্পিউটারে কন্সোল করে জমা দিতে হবে। প্রতিটি বিষয়ের ০৪(চার) কপি করে পাত্তুলিপি জমা দিতে হবে।
- পাঠ্যপুস্তকসমূহ বাংলা একাডেমির বানদরীতি অনুযায়ী প্রণয়ন করতে হবে।
- পাত্তুলিপি নির্ধারিত সাইজ ১/৮ ডিসি (ডাবল জাউন) হবে।
- কন্সটেন্ট এরিয়া ৮.৫" x ৫.৫" হবে।
- ১৩ পৃষ্ঠের (NikoshBAN বাংলা ফন্ট) ব্যবহার করে টাইপ করতে হবে। সিলেব লাইন স্পেস দিতে হবে। পৃষ্ঠার একপার্শ্বে ছাপা থাকবে।
- প্রতি পৃষ্ঠের ০৪(চার) কপি পাত্তুলিপি ০১ (এক) সেট মার্কিন কাপড়ে সিলিপাল্লা অবস্থায় প্যাকেট করে প্যাকেটের উপরে বিষয়ের নাম এবং প্রাপক ও সেরকের ঠিকানা উল্লেখ করতে হবে।
- প্রতিটি পাঠ্যপুস্তকের ফি-এর উপর ১.৫% হারে চ্যাট ট্রেজারি চালান (নং ১.১১০৩-০০৩০-০০১১) এর মাধ্যমে জমা দিয়ে চালানোর মূল কপি ব্যাক ড্রাফটের সাথে জমা দিতে হবে।
- প্রকাশনা সংস্থার ক্ষেত্রে ট্রেড লাইসেন্স, ই-টাইমস এবং আটটি সার্টিফিকেটের সত্যায়িত ফটোকপি জমা দিতে হবে।
- অন্যকর্ত পাত্তুলিপি ফেরত দেওয়া হবে না।
- একটি বিষয়ের বিপরীতে কোনো ব্যক্তি বা প্রতিষ্ঠান একাধিক পাত্তুলিপি জমা দিতে পারবেন না; তবে একজন লেখক সর্বোচ্চ ০৩(তিন) টি ভিন্ন ভিন্ন বিষয়ের পাত্তুলিপি জমা দিতে পারবেন।
- অনুমোদিত বইয়ের ক্ষেত্রে সংস্কারের জন্য বোর্ড থেকে প্রস্তাবনাপত্র প্রদান করা হবে।
- বিদ্যমান শিক্ষাক্রম পুনরায় পরিমার্জিত হলে পাঠ্যপুস্তকের এই অনুমোদন ও পুনরাবমুদন কোনো প্রকার কারণ দর্শানো ছাড়াই বাতিল বলে গণ্য হবে।
- পুস্তক আকারে পাত্তুলিপি জমাদানের শেষ তারিখ ৩০/১১/২০২২ খ্রিঃ।
- শিক্ষাক্রম ও পাত্তুলিপি উপপরিচালক (প্রকাশনা) এর দরুর বাকশিধায়ে কমন-২ এর ৮ম তলায় কক্ষ নং-৮১২ হতে অফিস চলাকালীন সময়ে গ্রহণ ও জমা দিতে হবে।

  
**মোহাম্মদ আবদুল্লাহ আল মাসুদ আমান**  
 সচিব  
 বাংলাদেশ কারিগরি শিক্ষা বোর্ড, ঢাকা।  
 ফোন: ০২-৫৫০০৩৫২২  
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