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The rapid growth of Bangladesh's economy, and what comes after

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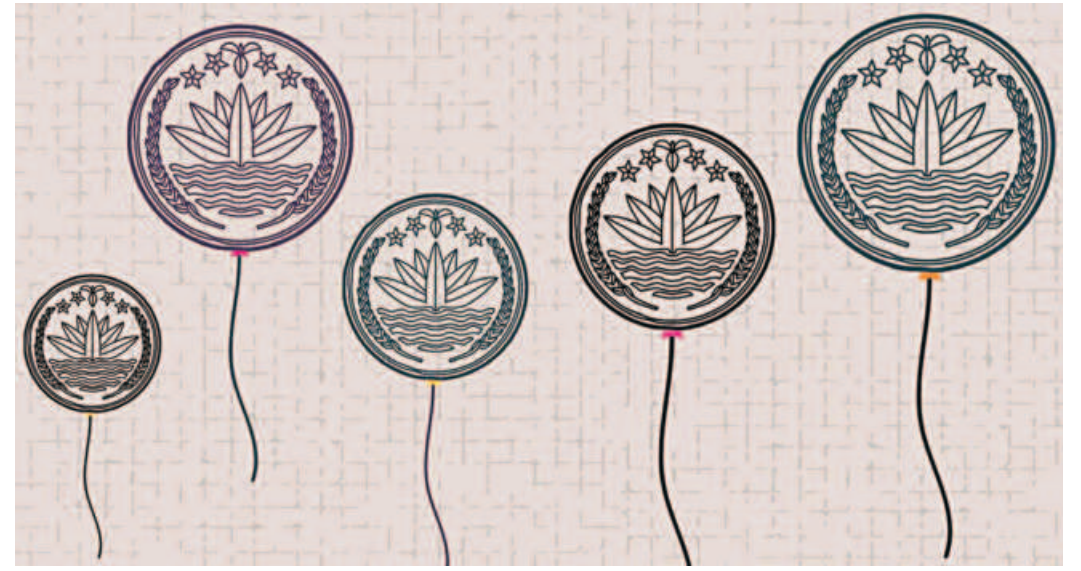
To achieve development in the mould similar to that of other Asian economies, investment in productive capacity expansion is another factor stressed upon in Dr Titumir's paper.

"Initial higher investment is required for technological catch-up, since most developing countries do not possess the technologies for the industrialisation. Capital is costlier in developing countries and private investment may fall short. Private investment may also slow down when the return is not high enough or there are certain risks in the economy, lowering the chance of getting the desired return. Hence, initial high public investment can offset much of the cost to private sectors. In Bangladesh, the ratio of private investment to GDP has been on the sluggish

should be headed, they suggest, "Bangladesh has so far done well in primary education in terms of achieving its objective. It is now time to shift policies to secondary education, which remains below par compared to the countries mentioned here. Enrolment in secondary education in Bangladesh in 2018 was 61 percent whereas in South Korea the rate is 96 percent, and 80 percent in Thailand. The gap between enrolment in primary and secondary education or the drop-out rate currently is 36 percent in Bangladesh, meaning the country is correspondingly losing a skilled workforce. There has also been less focus on technical and vocational education in Bangladesh, evident from a low enrolment rate. The rate of enrolment in TVET (Technical and Vocational Education and Training)

"Economic progress becomes sustainable only when it can lift the living standard of the citizens. This has been particularly true for the East Asian countries. While the country was on its path to development, the government in each country simultaneously devised social security plans that would eradicate poverty. A lifecycle based universal social security programme that covers all the vulnerable population will lift the standard of living of the population."

Taking advantage of the growth achieved so far to put Bangladesh on the path of becoming a trillion-dollar economy will require active involvement on the part of the government, according to the paper. "The role of government and its partnership [with intermediaries] is instrumental



Growth has been the constant in the journey of the Bangladesh economy over the last two decades.

VISUAL: STAR



Bangladesh's sustained economic growth makes it one of the fastest growing economies in the region.

PHOTO: COLLECTED

side," the paper reads. In their writing, Dr Titumir and Wahid Haider also focus on public expenditure for capabilities and entitlements.

In terms of where Bangladesh's education sector

programmes in Bangladesh is just 3 percent, whereas the number crosses 15 percent for South Korea. The rate is double in Thailand and Malaysia."

Regarding universal social security, the research observes,

in defining the development path for Bangladesh. However, that must be a moving process rather than a static one, where the groups that hold onto the power resist change," it reads.

Planning for an expansive

economy with long ranging foresight will be a challenge, and it is a challenge Bangladesh must overcome to sustain the growth it has become famous for, and in the process improving the lives of its huge population.

But at the same time, policymakers will need to ensure necessities are met on a sector-by-sector basis, and every industry with potential and promise needs to be nurtured to become productive. Dr Selim Raihan shared his view of a picture of economic growth that may work for Bangladesh in the future, one where specific industries, initiatives and infrastructural programmes are given proper treatment.

"We have to support products outside RMG so they might create export opportunities. The export zones that are being planned need to be implemented quickly, large scale foreign direct investment needs to be attracted so that it can be put towards diversified manufacturing and different

types of services sectors. These things will change the face of the economy in my opinion," he said.

"Of course, the infrastructural development programmes we take on need to be looked at in a holistic fashion. Our tendency still is to go for big infrastructural programmes, but we need to look at some small-scale infrastructure for specific sectors. Many industries have their own problems that need to be fixed. Like the leather industry, and how the CETP (central effluent-treatment plant) in Hemayetpur, Savar is not properly functional. Without the CETP, the leather sector in this country can't flourish. The agro-processing industry has many issues, with difficulty in acquiring investment, financial assistance from banks, and land acquisition for establishing processing plants, getting utility connections as well. In all of this, skilled manpower is a big issue as well."

"If these things can be addressed, then the face of growth in this country will change, it will become broader based, more inclusive, and more likely to create jobs, and reduce poverty and inequality," he added.

Economic growth is a metric that divulges information about the overall size of an economy, but many important details are left unsaid if the minute details are not studied. Bangladesh's rapid economic growth is a positive, yet relying solely on this metric and pushing for ever-improving numbers here may take attention away from more pressing concerns. Nurturing an inclusive economy, smart investment in necessary infrastructure as well as human capital, finding a political settlement that leads to enhanced productivity, prioritising education with the needs of the economy in mind—these are things that need to be done to grow our economy and for Bangladesh to have a brighter future.

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