

### Editor's Desk

The April 2015 issue of *Thinking Aloud* is on south-south trade and cooperation. The article on "What stimulates south-south FDI?" highlights that south-south FDI is an important issue for discussion in recent times when it comes to 'south-south cooperation'. This article, using gravity regression of a panel dataset for 145 south countries over the period of 2001-2012, explores the factors that stimulate south-south FDI. The study finds that apart from the positive contributions coming from the rise in per capita GDP of the FDI-source country, and having common language and common border, reduction in trade cost in the home country has had a significant positive impact on the rise in south-south FDI. The second article on "What determines south-south trade?" looks deep into the factors that determine the pattern of south-south trade. During 1990 and 2011, the south-south trade, as a share of global trade, increased from only 6.4% to 20.3%. However, during this period, though different categories of south countries experienced rises in their shares in global trade, trade involving the advanced south countries resulted in the remarkable rise in the south-south trade. This article employs a number of panel gravity regressions and explores the impact of different factors on such pattern of south-south trade. A conversation with Mr. Rajan Sudesh Ratna on south-south trade issues related to LDCs and developing countries has been published in the interview section. In addition, as the regular section of our newsletter, the event updates of SANEM has occupied the fourth page of *Thinking Aloud*.

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### What stimulates south-south FDI?

*Selim Raihan and Israt Jahan*

Foreign Direct Investment (FDI) has been considered as one of the major contributors to capital formation and GDP growth in developing countries. North (i.e. developed) countries have been the major source of FDI in the south (i.e. developing) countries. However, over the past one decade or so, with the dramatic rise in south-south trade and enhanced scopes for south-south cooperation, there is a heightened aspiration for increased south-south FDI. Especially, with the emergence of the advanced south countries (i.e. Brazil, China, Hong Kong, India, Indonesia, South Korea, Malaysia, Mexico, Russia, Singapore, South Africa, Thailand and Turkey), FDI from these countries to the other south countries has been a major issue of discussion under the broad idea of 'south-south cooperation'.

The growth in south-south FDI in recent decades is highly significant and encouraging. Annual south-south FDI flows increased from around 12 billion US\$ in 1990 to around 150 billion US\$ by the end of 2000s. South-south FDI flows as a percentage of world total grew substantially from a low level of 4% in the late 1990s to around 14% in the late 2000s.

In order to explore the factors that stimulate the pattern of south-south FDI we run gravity regression of FDI. The gravity regression involves FDI in the home country from the partner country as the dependent variable. The standard explanatory variables are per capita GDPs, distance, and dummies for common language, landlocked, island and common border. In addition, we use a

trade cost variable in the home country to capture the effect of the business environment in the home country on the FDI inflows. All variables (except dummies) are expressed in natural logarithm. We use an unbalanced panel dataset constructed for the period between 2001 and 2012 for 145 countries. Bilateral FDI data are taken from UNCTAD. The data of per capita GDPs are taken from the World Bank's WDI. The data on the distance, common language dummy and land lock dummy are taken from the "GeoDist" data base of CEPII, and the data on island dummy and common border dummy are taken from Wikipedia. The bilateral trade cost data are taken from World Bank-UNESCAP database.

Results from the fixed effect panel gravity

model regression of FDI suggest that as far as south-south FDI flow is concerned, per capita GDP of the home country doesn't have any effect, while that of the FDI source country has a positive significant effect; 1% increase in the per capita GDP of the FDI source country leads to 0.4% increase in the south-south FDI flow. The distance between the south countries doesn't matter in influencing the FDI inflows. However, common language and common border influence south-south FDI positively; the south countries with common language have 47% more FDI inflows than the south countries without common language; and the south countries with common border have 30% more FDI inflows than the south countries not having common border. The FDI inflow is reduced by 80% if the FDI source country is land locked. The island dummies are not significant.

Since, as data suggests, the major source of south FDI is the FDI from the advanced south countries, we also run gravity regression considering all south countries as home and

advanced south countries as the source of FDI. In this case, the per capita GDP of the advanced south, common language and common border dummies have much larger positive effects on such FDI inflow compared to what we observed in the overall south-south gravity regression. The results suggest that 1% increase in per capita GDP of the advanced south countries leads to the rise in FDI from these countries to all south countries by 0.6%; the south countries having common language with advanced south countries have 112% more FDI from advanced south than their counterparts; and the south countries with common border with advanced south countries have 122% more FDI from advanced south than their counterparts. However, both the

land lock and island dummies turn out to be insignificant in this case.

In the augmented gravity regressions, we find that reduction in trade cost in the home country has a large positive impact on the south-south FDI; 1% reduction in such trade cost leads to the rise in south-south FDI flows by 1.1%. Such impact appears to be larger when we consider south as the recipient and advanced south as the source of FDI; 1% reduction in trade cost in the south countries leads to the rise in FDI flows from advanced south to the south countries by 1.8%.

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**"1% increase in the per capita GDP of the FDI-source country leads to 0.4% increase in the south-south FDI flow. The south countries with common language and common border have 47% and 30% respectively more FDI inflows than their counterparts. Finally, 1% reduction in the trade cost in the south countries leads to the rise in south-south FDI flows by 1.1%."**

## What determines south-south trade?

Selim Raihan

In recent times the world economy has witnessed an unprecedented growth of developing countries with their share in global trade and output almost doubling over the last two decades. Table 1 shows that the share of north-north trade in global trade declined from 55.5% in 1990 to around 31% in 2011. Such fall in north-north trade had been accompanied by rising trade involving the south countries. The south-north trade share increased from 13.9% to 16.5% during the same period. The most spectacular phenomenon was the rise in south-south trade, which increased from only 6.4% to 20.3% during this period. However, such rise in south-south trade has not been uniform across different south countries. During 1990 and 2011, though all categories of south countries (all south, LDCs, SVEs, advanced south and south excluding advanced south) experienced rises in their shares in global trade, trade involving the advanced south countries was the major contributor to the changing landscape in global trade, which resulted in the remarkable rise in the south-south trade.

Table 2 lists the top 10 south countries in terms of their shares in south-south export. All these 10 countries belong to the advanced south countries. The names of the top 10 countries remained the same during 2000 and 2010, though their ranking changed. The total share of the top 10 South countries declined slightly from 73% to 72.1% during this period. China registered a remarkable rise in its share from 15.7% to 23.4%. While India and Brazil also experienced rises in their shares, India's gain

Table 1: Share in world trade (%)

	1990	1995	2000	2005	2011
North-North	55.47	46.74	46.97	40.84	30.87
South-North	13.88	14.77	15.73	16.24	16.47
South-South	6.37	8.69	9.87	14.37	20.33
Advanced South-South	2.16	3.33	4.06	6.69	10.51
LDCs-South	0.16	0.21	0.23	0.35	0.53
SVEs-South	0.10	0.11	0.16	0.24	0.29
South excl. Advanced South-South	4.22	5.36	5.81	7.68	9.82

North = Developed countries; South = Developing countries;  
Advanced South = Brazil, China, Hong Kong, India, Indonesia, South Korea, Malaysia, Mexico, Russia, Singapore, South Africa, Thailand and Turkey;  
LDCs = Least developed countries; SVEs = Small and vulnerable Economies.  
Data source: UNCOMTRADE

was more prominent as its share increased considerably from 2.7% to 4.3%, and Brazil could increase its share by 0.5 percentage points from 3.1% to 3.6%. When it comes to country-wise shares in south-south export, there are some gainers and losers. It should also be mentioned that during 1990 and 2011, out of the 135 south countries, 50 experienced rise in their shares in south-south export while 85 experienced fall.

What factors determine the pattern of south-south trade? As south countries are not homogenous, there could be differential effects of different variables on the patterns of trade among different groups of south countries. Empirically, such analysis can be done using the framework of gravity models. We have run the augmented gravity regressions for each of these country groups considering all other groups including itself as partners. The gravity regression involved import of home country from partner country as the dependent variable. The explanatory variables are per capita GDPs of both home and partner countries, distance between the capitals of home and partner countries, common language dummy, land lock dummies for both home and partner countries, island dummies for both home and partner countries, common border dummy, and tariff or trade cost in home country while importing from partner country. All variables (except dummies) are expressed in natural logarithm. We use an unbalanced panel dataset constructed for the period between 1988 and 2011. Bilateral import data are taken from UNCOMTRADE. The

Table 2: Top 10 South countries in term of share in south-south export

Average (2000-2002)			Average (2008-2010)		
Rank	Country	%	Rank	Country	%
1	China	15.70	1	China	23.36
2	Hong Kong	13.92	2	Rep. of Korea	9.24
3	Rep. of Korea	10.13	3	Hong Kong	8.33
4	Singapore	9.43	4	Singapore	8.31
5	Malaysia	5.88	5	Russia	4.65
6	Russia	5.02	6	India	4.34
7	Thailand	3.72	7	Malaysia	3.82
8	Indonesia	3.34	8	Thailand	3.63
9	Brazil	3.11	9	Brazil	3.62
10	India	2.75	10	Indonesia	2.80
	<b>Total</b>	<b>73.00</b>		<b>Total</b>	<b>72.10</b>

Data source: UNCOMTRADE

data of per capita GDP are taken from the World Bank's WDI. The data on the distance, common language dummy and land lock dummy are taken from the "GeoDist" data base of CEPII. The data on island dummy and common border dummy are taken from Wikipedia. The source of bilateral tariff data is TRAINS and the data is from 1988 to 2011. Trade cost data are taken from World Bank-UNESCAP database and the data is from 2005 to 2010. In all cases, fixed effect panel regression models are run.

The gravity modeling regressions provide some interesting results (Table 3). A comparison among the sizes of coefficients of different variables suggests that as far as intra-south trade is concerned, among the continuous variables, the largest positive effect stems from the per capita GDP of the home country and largest negative effect comes from the distance. Among the dummy variables, the common border dummy has the largest positive effect, whereas the island dummy of the partner country has the largest negative effect. However, these variables have differential effects when it comes to trade between different groups of south countries.

Table 3 shows that when considering south as the home, there are marked differences among different groups of countries as far as the impact of per capita GDP of home country (in this case the south countries) on exports from these groups of countries to the south countries are concerned. Per capita GDP of the south countries has the largest positive effect on the export from the north; and among different south countries such positive effect is the largest for the export from the advanced south countries. For SVEs the effect is positive but is the smallest among all country groups. Now, while considering south as the source of export, the per capita GDP of the advanced south has the largest positive effect among all country groups on the export from south. Interestingly, the per capita GDP of the north doesn't have any significant effect. Also, though the per capita GDP of LDCs has a positive effect on the export from south, that of the SVEs doesn't have any statistically significant effect. The distance factor has the largest negative effects on exports from the advanced south and SVEs to south; and distance factor has the largest negative impact on south countries' export to advanced south among all country groups as destinations for south countries' export.

Table 3 also shows that the common language dummy, while considering exports to south from all country groups, has the largest positive effect on export from

Table 3: Gravity model coefficients

Explanatory variables	Partner					
	South	North	LDC	SVE	ASouth	ESouth
Per capita GDP of home	0.74	1.17	0.88	0.29	0.92	0.75
Per capita GDP of partner	0.57	1.02	-0.14	0.73	-0.30	-
Distance	-1.09	-1.23	-0.78	-1.41	-1.41	-1.31
Common language	0.51	1.39	0.24	0.49	0.81	0.74
Land lock dummy for home	-	-1.61	-2.10	-	-1.34	4.35
Land lock dummy for partner	-1.94	-1.64	-1.19	-	-	-1.48
Island dummy for home	-	-3.27	-	-3.02	-	-
Island dummy for partner	-2.09	-0.45	-2.22	-0.32	0.05	-2.17
Common border dummy	2.10	-0.34	1.66	0.36	0.65	1.63
ASouth = Advanced south; ESouth = South excluding advanced south						
/-/ means statistically insignificant						

north countries, and while considering export from south, common language has the largest positive effect on the export to south excluding advanced south countries. The land lock dummy for home country, considering south as the home, has mixed effects on exports from different country groups; for example, it has negative impacts on exports from LDCs and north, while it has a positive impact on export from south excluding advanced south. Also, this dummy has only negative effect on the export from south to north among all country groups as destinations for south countries' export. The land lock dummy for a partner country, when south is the home, among all country groups, has the largest negative effect on the export from the south; however, when south is the export source, this dummy has the largest negative effect on south countries' export to advanced south countries. In the case of the island dummy for home country, considering south as the home, the export from the island countries will be reduced, if those countries are either north or SVEs. Also, south countries' export to advanced south countries will be reduced if the south countries are the island countries. In the case of island dummy for partner country, considering south as the home, the export from LDCs is mostly affected among exports from all country groups if LDCs are island countries. Also, if south are island countries, then their export is mostly affected in the advanced south countries. When south is the export destination, common border dummy has the largest positive effect on the export from South countries in general, and among different groups of south countries, this dummy has the largest positive effect on the export from LDCs. However, this dummy has a negative effect on the export from north to south.

Table 4: % change in import of home country from partner country due to 10% fall in weighted average effectively applied tariff in home country

Home	Partner					
	South	North	LDC	SVE	ASouth	ESouth
South	-3.9	1.1	-4.2	-5.2	1.0	-4.7
North	-1.7	-	-2.2	-2.6	-	-2.6
LDC	-6.3	-	-5.8	-9.1	-	-7.2
SVE	-2.8	-	-4.5	-2.1	-	-3.7
ASouth	-3.6	-	-2.7	-5.8	-1.3	-4.3
ESouth	-4.0	1.3	-4.9	-4.8	1.3	-4.8

ASouth = Advanced south; ESouth = South excluding advanced south.  
/-/ means statistically insignificant

Source: Gravity model regressions

Table 4 presents the comparison of the coefficients of the weighted average effectively applied tariff in home country. In general, south countries' tariff rate has the largest negative effect on the export from SVEs. North countries' tariff is most restrictive on the export from south in general and south excluding advanced south and SVEs in particular. LDCs' tariff rate affects mostly the export from SVEs and south excluding advanced south. SVEs' tariff rate affects mostly the export from LDCs. Tariff rates of advanced south affect mostly the export from SVEs and tariff rates of south excluding advanced south have the largest negative effect on export from LDCs. The gravity modeling results also suggest that as far as south is considered as the export destination, trade cost in south affects mostly the export from south. Trade cost in north has the largest negative effect on export from LDCs, and it seems that such negative effect is higher than the negative effect on export from north to LDCs due to trade cost in LDCs. While the trade costs between LDCs and advanced south countries are compared, trade costs in advanced south countries seem to be more restrictive on export from LDCs, as compared to the negative effect of trade cost in LDCs on the export from advanced south. Similar observations are held for SVEs, while comparing the restrictive effect of their trade cost with those of north and advanced south.

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## “..south-south cooperation agreement is needed..”

Mr. Rajan Sudesh Ratna is the Economics Affairs Officer of Trade and Investigation Divisions of United Nations ESCAP in Bangkok, Thailand. His current assignment relates to research and analysis on issues relating to WTO and regional trading arrangement and formulating and organizing capacity building programs for ESCAP members. Previously, Mr. Ratna served the Government of India for 25 years as a member of Indian Trade Service and later he also handled regional and multilateral trade policy issues in the Ministry of Commerce, Government of India. SANEM speaks to Mr. Ratna on south-south trade issues related to LDCs and developing countries. The views expressed in this interview are his personal and may not necessarily reflect the views of the United Nations and ESCAP and their members.

### SANEM: Why is south-south trade important for LDCs and developing countries?

**RR:** Trade has acted as a predominant factor for the growth and development of Asia-Pacific economies and globally. The south-south trade is increasing over years, rising from about one fifth of world trade to about one fourth in the past decade. The share of intra south-south trade has also increased from 42.04% in 1995 to 58.55 % in 2013 (UN Handbook of Statistics 2014). This south-south trade was mostly driven by trade with China and other large trading emerging economies. Thus while trade volume of LDCs also increased in both south-south and south-north trade, their share in world trade remains low and is still hovering at just above 1%. Thus the challenges associated with participation of LDCs in world trade still remain and need to be addressed. Studies have shown that the south-south trade can have the effect of lowering the prices of intermediate imports and eventually allow southern producers to be more competitive in both domestic and international markets. The south-south trade has also been enhanced due to the various bilateral, regional and interregional preferential trade agreements. The Asia Pacific Trade Agreement or APTA signed in 1975 paves the way for south-south trade among the Asia-Pacific economies. APTA is a unique agreement comprising of diverse economies – three major economies like China, India and Republic of Korea, LDCs like Bangladesh and Lao PDR, Island country like Sri Lanka and land locked developing country like Mongolia.

In recent times, due to the global economic recession, the world trade declined and it affected the developing countries more adversely. It has been pointed out by ESCAP's Asia-Pacific Trade and Investment Report that the early recovery in the Asia and the Pacific was possible due to increased imports by China and to some extent by India during the early stage of recession. This led to a stronger south-south trade and also provided the economies of Asia-Pacific to rely less on the developed countries' markets. This effect thus led to some product as well as market diversification for LDCs as it provided them a substitute for traditional export markets.

### SANEM: What are the constraints to south-south trade?

**RR:** There are several constraints to south-south trade. First, the tariffs on items that are being

traded between south-south are still high, which unnecessarily increase trade costs and thus hinders trade. Second, it has also been seen that the non-tariff measures in the form of SPS and TBT are increasing day by day and are having major effect on trade. Stricter technical regulations in the form of SPS and TBT are imposed by the developed countries and thus despite a lower incident of duties for export to North, an exporter faces higher non-tariff barrier and thus higher costs of compliance. On the other hand, since the developing countries are at different stages of development, their standards are not harmonized with the international standards as much as the developed countries. The different national standards of the developing countries thus, act as non-tariff barriers and an exporter has to comply with different formalities for export of the same product to different markets. Third, the plethora of preferential trade agreements between same countries have also created a web of 'noodle bowl' syndrome in Asia and the Pacific. The trade agreements developing countries tend to sign among themselves tend to be shallower with big sensitive list/negative list items including major trading items as well as have complex rules of origin thereby hindering regional integration. Fourth, services play a very important role in the economy of the south, however, despite the autonomous liberalization in services sectors, greater liberalization have not taken place for providing access to

countries such which are to them. of the not important especially relating to



market other developing or LDCs in sectors important. Even most LDCs have liberalized sectors those financial sector and thus have weak trade finance provisions. Fifth, due to their small economic size, remoteness, geographical dispersion, vulnerability to natural disasters, ecosystem fragility, lack of natural resources, LDCs are highly dependent on international trade as a driver of inclusive and sustainable development. The Duty-free, Quota-free (DFQF) market access was introduced to address some of the constraints faced by LDCs; however there are challenges with the implementation of DFQF by some developed and emerging economies in the region. Though countries like China, India and Republic of Korea have announced their DFQF schemes, most of the other developing countries are yet to implement them. Even in the DFQF Schemes each country's rules of origin vary which has created a complex situation for the LDCs. Sixth, on the export side constraints, the developing countries face higher trade cost due to lack of proper infrastructure, lack of EDI system, burdensome documentary requirements for exports and time taken by the agencies in issuing export documents.

### SANEM: Does the WTO Bali declaration have any implication for south-south trade?

**RR:** Although the WTO Doha Round negotiations had already lasted for 12 years, the Ninth

Ministerial Conference held in Bali came out with the 'Bali package'. The package, while a far cry from the full Doha Development Agenda, has agreements on Trade Facilitation and Agriculture (especially on food stock holding) and a decision for LDCs. The implementation of the Bali Package will definitely help the LDCs if implemented at an early date. The WTO Trade Facilitation Agreement (TFA) provides an excellent basis for developing countries to reduce trade transaction costs through a variety of measures aimed at making import, export and transit procedures more transparent, efficient and reduce the trade cost. Agriculture and more specifically food-stock holding, was an important topic at the Ministerial especially for many Asia-Pacific countries, including the host country Indonesia. While many countries are net exporters of agricultural goods and food, some are net importers and thus it may have different implications for the net food importing countries.

The LDC package includes a re-affirmation on DFQF market access. Many countries have already implemented duty free access on 97% of LDC products, and the decision merely states that countries not meeting this standard "shall seek to" improve the number of products covered. Where LDCs exports are concentrated in uncovered sectors this will be of little assistance. Likewise, with general tariff levels falling and expected to fall further under new regional trade agreements the benefits of preferential access for LDCs is being eroded. However, the adoption of guidelines on simpler rules of origin for LDC products is an important aspect. The decision on service waiver under which WTO members can provide preferential market access on trade in services to LDCs is another important aspect which will help develop LDCs.

However, unless the entire package of the Doha Round is agreed and implemented the full benefits of liberalization will still remain a distant dream. Disciplines on agriculture domestic support and export subsidies as well as issues relating to tariff peaks will be addressed only when the Doha package is implemented.

### SANEM: What do you suggest to improve and deepen south-south trade?

**RR:** To improve and deepen the south-south trade, the following suggestions are made; (i) broadening and deepening of the trade liberalization must be done, both at multilateral level as well as through PTAs, especially on the items that are exported by the south; (ii) an effort to consolidate the PTAs are necessary. Same country participating in several agreements with same trading partner is not desirable; (iii) developing countries should make a stronger effort for an early conclusion of Doha Round and ensure that S&D treatment remains the core of the outcome; (iv) a south-south cooperation agreement on trade, investment and technology should be attempted. This would help reduction in the trade costs and (v) developing countries should also cooperate among themselves in formulating regional standards and also effectively participating in setting up of international standards.

### SANEM: Thank you very much.

**RR:** You are most welcome.

## SANEM signs MoU with HelpAge International



SANEM signed a Memorandum of Understanding (MoU) with HelpAge International on 1st March, 2015. Professor Bazlul Haque Khondker (Chairman, SANEM) was present during the signing ceremony and he signed the MoU on behalf of SANEM. HelpAge International is a networking organization that helps elderly people to claim their rights, challenge discrimination and overcome poverty so that they can lead

a dignified, secure, active and healthy life. The organization started working in Bangladesh in 1991. In Bangladesh, the organization's strategic objectives include guiding country level programs related to livelihood and social protection, DRR, emergency response, climate change and health. SANEM and HelpAge International have agreed to work together by signing the MoU to improve the life of the elderly people of our country under broader social protection areas through varied initiatives including joint research, study, dissemination, seminars, workshops, training, implementation actions and other initiatives. Both the organizations have agreed to work together for policy lobby, advocacy, campaigning and documentation to disseminate different targeted audiences throughout the country. On behalf of HelpAge International, the country director of the organization, Ms. Nirjarinee Hasan signed the MoU between the two organizations.

## SANEM Chairman visits Vietnam



Government of Vietnam (GOVN) intends to reform their social protection system especially the social assistance component of the system. Development Pathways (DP), a UK developed consulting firm has been engaged by UNDP and GOVN to provide technical assistance to the reform initiative. As a member of the DP consulting team, Dr. Bazlul Haque Khondker (Chairman, SANEM) has been given the responsibility to help the GOVN to estimate cost for the reform program and explore possible sources to finance it. In connection to the task, Dr. Khondker undertook a week-long mission to Hanoi, Vietnam from 2-6 March, 2015. The prime purposes of the mission were (i) data Assessment, (ii) meeting with counterparts and experts and (iii) preparing a working arrangement with ILSSA team who would be responsible to prepare a paper on costing and financing. During the mission, Dr. Bazlul Khondker met several government counterpart officials and members of the development partners. He conducted workshops with government officials on technical aspects of costing model and the macroeconomic framework to be used in the study.

## “What holds back manufacturing in South Asia”

An article on “What Holds Back Manufacturing in South Asia” got published in the Economic & Political Weekly (EPW) on March 7, 2015. The authors of the journal article include Dr. Selim Raihan (Professor, Dept. of Economics, University of Dhaka and Executive Director, SANEM), Dr. Rashid Amjad (Professor of Economics, Lahore School of Economics), Dr. Sunil Chandrasiri (Dean, Faculty of Graduate Studies, University of Colombo), Dr. Dev Nathan (Institute of Human Development, Delhi), Dr. Sher Verick (International Labor Organization, New Delhi) and Dr. Anam Yusuf (Research Fellow, Graduate Institute of Development Studies, Lahore School of Economics). The article focuses on how a growing merchandise trade deficit and challenge of job creation have forced the South Asian region (other than Bangladesh) to get its attention back on the role of manufacturing. The article highlights the issue that Bangladesh has been capable of successfully capturing a large share of the global exports of ready-made garments driven by low labor costs. India and Pakistan have been proportionally less successful as exporters of manufactures. The article also sheds light on the set of policies that can be undertaken to help the growth of manufacturing sector in this region.

## Training workshop at DCCI

USAID's Agricultural Value Chains Project and Dhaka Chamber of Commerce & Industry (DCCI) jointly organized 3-day Training Workshop on “Promotion of Exports from Bangladesh: Product Certification and Sustainable Development” in cooperation with the International Trade Center (ITC) from March 03-05, 2015 at DCCI office. The key purpose of this training workshop was to train the participants to learn about trade and sustainable development standards, accessing public tools and resources to get practical information on these standards, complying with standards requirements and their possible benefits in terms of access to new market. Ahmed Tanmay Tahsin Ratul (Research Associate, SANEM) attended the workshop.

## Workshop on Labor Markets and Growth

BRAC Institute of Governance and Development (BIGD) organized a workshop on Labor Markets and Growth on March 2, 2015 at BRAC Centre Inn auditorium, Mohakhali, Dhaka. The workshop commenced with opening remarks by Dr. Sultan Hafeez Rahman (Executive Director, BIGD, BRAC University). The topics of the workshop included “Formal and Informal Labor Nexus and Growth” and “Privatization and Productivity Growth”. Dr. Selim Raihan (Executive Director, SANEM) was one of the distinguished panel discussants at the workshop.

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SANEM is a non-profit research organization registered with the Registrar of Joint Stock Companies and Firms in Bangladesh. Launched in January 2007 in Dhaka, it is a network of economists and policy makers in South Asia with a special emphasis on economic modeling. The organization seeks to produce objective, high quality, country- and South Asian region-specific policy and thematic research. SANEM contributes in governments' policy-making by providing research supports both at individual and organizational capacities. SANEM has maintained strong research collaboration with global, regional and local think-tanks, research and development organizations, universities and individual researchers.

