

Editor's Desk

The theme of Thinking Aloud August 2015 issue is on the Services Sector. The first article on "Rethinking 'industrial policy': How to increase 'manufacturing content' of services?" rejects the narrowness of conventional industrial policy and aims at broadening the scope of industrial policy that can incorporate the service sectors as well. This article focuses on developing a new concept called the 'manufacturing content' of services which is defined as the share of domestic manufacturing value-added in the services final demand in an economy. The cross-country panel econometric regression analysis suggests that to increase the 'manufacturing content' of services, policies should aim at raising the manufacturing value-added share in GDP, promoting larger services exports, raising the share of domestic savings in GDP thus facilitating scopes for accelerated domestic investment, and strategic openness of the economy with some safeguards for the incipient manufacturing sectors. The second article on "What determines domestic services value-added share in gross exports?" highlights the limitation of gross export statistics which fails to take into account the contribution of value-added by other sectors. This article, using cross-country panel econometrics, suggests that countries with higher GDP per capita tend to have higher share of domestic service sector's value-addition in agricultural gross exports. Also, higher the services value-added share in GDP, higher would be the services value-added contribution to agricultural, manufacturing and services gross-exports. Rise in factor productivity contributes positively to the rise in services value-added contribution to manufacturing gross exports. Finally, a conversation with Dr. Rupa Chanda has been published in the interview section where she talks about the prospect of intra-regional trade in services in South Asia.

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Rethinking 'industrial policy': How to increase the 'manufacturing content' of services?

Selim Raihan

The conventional wisdom on the industrial policy defines it as a strategic effort to encourage the development of the manufacturing sector of the economy. Over the past four decades, there had been a long debate over the importance and success of the industrial policies in many countries. However, in recent times, there have been some positive rethinking processes on the merit of the industrial policy for greater diversification of the economy in many of the developing countries aiming for accelerated economic growth. One of these new thoughts rejects the narrow focus of the conventional industrial policy only on the manufacturing sector and argues for enlarging the scope of the industrial policy to incorporate the services sectors.

It is important to note that services sector constitutes a major part of the economy in a large number of developing countries. However, when it comes to the linkages of the services sectors with the rest of the economy, especially with the manufacturing sectors, in many developing countries such linkages appear to be weak. This article develops a concept called the 'manufacturing content' of services, which is defined as the share of domestic manufacturing value-added in the services final demand in an economy. If the 'manufacturing content' of services is high, then the industrial policy targeting both the manufacturing and services sectors would be expected to generate larger positive effects in the economy.

The index of the 'manufacturing content' of services is calculated from the OECD- WTO Trade in Value Added database. The data are available for 60 countries. It appears that in 2010, China had the highest 'manufacturing content' of services with the share as high as 20.2%, whereas Hong Kong had the lowest with the share as low as only 0.4%. In the list of the top 10 countries, Indonesia is the second with the share of 15.3%. India's position is 9th with a share of 6.8%. In the list of the top 10 countries, the developing countries dominate, whereas in the list of the bottom 10 countries, the developed countries dominate.

In order to understand what makes some countries to have higher 'manufacturing content' of services than those of others, we run fixed effect panel regression with a balanced panel data constructed for the years of 1995, 2000, 2005 and 2010 for 60 countries. Our dependent variable is the 'manufacturing content' of services. We try to explore whether the level of per capita GDP and capital stock per capita make any impact on the cross-country differences in 'manufacturing content' of services. Also, if the share of

the manufacturing sector in GDP is high, it can be expected that the 'manufacturing content' of services would also be high. Furthermore, a rise in services exports is likely to induce larger use of inputs from other sectors and thus may lead to larger 'manufacturing content' of services. Higher share of domestic savings in GDP leads to scopes for higher investment in the productive manufacturing sectors, which may lead to higher 'manufacturing content' of services. Finally, the impact of trade openness on the 'manufacturing content' of services may either be positive or negative, leaving this as an empirical issue to be explored. Data of five of the explanatory variables, i.e. per capita GDP, manufacturing value-added as % of GDP, services exports as % of total exports, trade as % of GDP, and domestic savings as % of GDP are taken from World Bank WDI; and data of another explanatory variable, i.e. physical capital stock per capita is taken from Penn World Table (PWT) version 8.1.

The regression results suggest that though the per capita GDP has a very small negative coefficient, it is not statistically significant, suggesting the difference in the level of per capita GDP doesn't matter in determining the cross-country differences in the 'manufacturing content' of services. Similarly, the physical capital stock per capita has a small positive but insignificant effect. The manufacturing value-added as % of GDP has a significant positive effect, and 1 percentage point rise in

the manufacturing value-added as % of GDP leads to 0.23 percentage points rise in the 'manufacturing content' of services. Services exports as % of total exports has a significant positive effect, and 1 percentage point rise in such ratio leads to around 0.06 percentage points rise in the

'manufacturing content' of services. Domestic savings as % of GDP has a significant positive effect, and 1 percentage point rise of this ratio leads to 0.08 percentage points rise in the 'manufacturing content' of services. Trade as % of GDP has a small negative and significant effect, indicating the fact that greater openness may have a small negative impact on the 'manufacturing content' of services.

The aforementioned analyses point to the fact that to increase the 'manufacturing content' of services, policies should aim at raising the manufacturing value-added share in GDP, promoting larger services exports, raising the share of domestic savings in GDP thus facilitating scopes for accelerated domestic investment, and strategic openness of the economy with some safeguards for the incipient manufacturing sectors. These policies should be critically considered in the rethinking process of the industrial policy, where the re-designing of industrial policy should be anchored on the productive and effective linkages between the manufacturing and services sectors.

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Top and bottom 10 countries in terms of 'manufacturing content' in services final demand in 2010

Top 10 countries			Bottom 10 countries		
Rank	Country	%	Rank	Country	%
1	China	20.15	1	Hong Kong	0.40
2	Indonesia	15.33	2	Brunei Darussalam	1.02
3	South Korea	9.20	3	Luxembourg	1.17
4	Thailand	8.67	4	Saudi Arabia	2.56
5	Malaysia	7.70	5	Malta	2.61
6	Romania	7.18	6	Hungary	2.67
7	Japan	6.99	7	Greece	2.67
8	Viet Nam	6.84	8	France	2.74
9	India	6.77	9	New Zealand	2.86
10	Cambodia	6.50	10	Norway	2.87

Data source: <http://stats.oecd.org>

What determines domestic services value-added share in gross exports?

Selim Raihan, Nafiz Iftakhar and Nabila Hasan

In trade policy importance has been given to gross export statistics until recent past. However, this traditional measure of international trade has several limitations. One important limitation is that it does not reveal the role played by one sector to supply raw materials for export from another sector. This becomes more crucial while considering the value-addition of the domestic services sectors in other sectors' gross exports, as gross export statistics disguise such contribution from the service sector. It is also important to mention that, while services sector constitutes a very large share of GDP in most of the advanced economies, for many of the developing economies such a share is also very high. Therefore, understanding the magnitude and determinants of the share of domestic service sector's value-addition in gross exports is important as it shows the scale of integration of the domestic service sector with the export sector.

Table 1 shows the top and bottom 10 countries in

Table 1: Top and bottom 10 countries in terms of services value-added share in agricultural gross exports in 2010

Top 10 countries			Bottom 10 countries		
Rank	Country	%	Rank	Country	%
1	Hong Kong	37.56	1	Cambodia	0.41
2	United States	28.03	2	Tunisia	3.94
3	Germany	27.56	3	Indonesia	5.44
4	South Africa	27.51	4	Vietnam	6.21
5	Denmark	27.37	5	Luxembourg	6.25
6	Lithuania	26.34	6	India	6.43
7	Australia	26.04	7	Philippines	7.88
8	United Kingdom	25.77	8	China	8.05
9	New Zealand	25.62	9	Thailand	8.07
10	Netherlands	25.52	10	Malaysia	8.61

Data source: <http://stats.oecd.org>

the context of services value-added share in agricultural gross exports. The value-addition of the service sector in agricultural gross exports is the highest for Hong Kong and the lowest for Cambodia. Developed countries dominate in the top list whereas developing countries dominate in the bottom list. Table 2 shows the top and bottom 10 countries for services value-added share in manufacturing gross exports. The highest figure is for Hong Kong and the lowest figure is for Cambodia. Table 3 represents the top and bottom 10 countries in the context of services value-added share in services gross exports. The highest figure is for the United States and the lowest figure is for Luxembourg. Four countries in the top 10 list namely United States, United Kingdom, Lithuania and South Africa are in common in both services value-added share of agricultural and services gross exports. In the bottom 10 list, Thailand, Vietnam, Cambodia, Malaysia and Luxembourg are in common in cases of services and manufacturing gross exports. A comparison between Table 2 and 3 shows that in the top 10 list, France, Brazil, Lithuania and South Africa are in common.

In the light of the above discussion this article explores why for some countries the domestic services value-added shares of gross exports are higher than those of other countries. We use cross country panel regression models where the

dependent variable is the domestic services value-added share in gross exports (data taken from the OECD- WTO Trade in Value Added database). We use a balanced panel data constructed for the years of 1995, 2000, 2005 and 2010 for 60 countries covering 33 sectors. Fixed effect estimator has been used to control for country fixed effect, time fixed effect and industry fixed effect. Data of four of the explanatory variables, i.e. per capita GDP, service value-added as % of GDP, FDI as % of GDP, and trade as % of GDP are taken from World Bank WDI; and data of two other explanatory variables, i.e. physical capital stock per capita and total factor productivity (TFP) at constant national prices are taken from Penn World Table (PWT) version 8.1.

We run several regressions where the domestic services value-added shares in gross exports of agricultural, manufacturing and services sectors are considered separately as dependent variables. The first regression is for the agricultural sector where the dependent variable is the domestic services value-added share in agricultural gross exports. It is found that per capita GDP, service value-added as % of GDP and trade as % of GDP have positive significant impacts, and physical capital stock per capita and TFP have negative significant effects.

Table 2: Top and bottom 10 countries in terms of services value-added share in manufacturing gross exports in 2010

Top 10 countries			Bottom 10 countries		
Rank	Country	%	Rank	Country	%
1	Hong Kong	40.16	1	Cambodia	6.24
2	France	32.45	2	Luxembourg	7.08
3	Brazil	32.27	3	Ireland	8.95
4	Lithuania	31.71	4	Saudi Arabia	9.86
5	Russia	30.26	5	Malaysia	10.12
6	New Zealand	29.67	6	Vietnam	10.12
7	Switzerland	29.13	7	Malta	11.19
8	Italy	27.74	8	Thailand	11.36
9	South Africa	27.72	9	Tunisia	12.05
10	Australia	27.52	10	Hungary	12.63

Data source: <http://stats.oecd.org>

However, FDI as % of GDP is not significant. The regression results suggest that if per capita GDP increases by 100 US\$, domestic services value-added share in agricultural gross exports increases by 0.024 percentage points. If service value-added as % of GDP increases by 1 percentage point, domestic services value-added share in agricultural gross exports increases by 0.25 percentage points. Again, if physical capital stock per capita increases by 1 thousand US\$, domestic services value-added share in agricultural gross exports declines by 0.04 percentage points. This suggests that higher is the capital abundance of a country lower is the share of domestic service sector's value-addition in agricultural gross exports. Lastly, the coefficient of TFP suggests that higher domestic services value-added share in agricultural gross exports is possible with a lower level of TFP. In the second regression, the dependent variable is the domestic services value-added shares in manufacturing gross exports. It is found that services value-added as % of GDP and TFP have positive significant impacts. The coefficient of GDP per capita is found to be insignificant but positive. Also the coefficients of physical capital stock per capita and trade as % of GDP and FDI as % of GDP are found to be insignificant. It can be concluded here that if service value-added as % of GDP increases by 1 percentage point, domestic services

value-added share in manufacturing gross exports increases by 0.30 percentage points. Again, if TFP increases by 1 unit, domestic services value-added share in manufacturing gross exports increases by 3.91 percentage points. These results suggest that a higher level of TFP is required to increase the domestic services value-added share in manufacturing gross exports.

In the third regression, domestic services value-added share in services gross exports has been regressed on the same set of explanatory variables as described above. It is found that services value-added as % of GDP and trade as % of GDP have positive and significant effects. The impacts of GDP per capita, FDI as % of GDP and TFP are found to be insignificant. However, the coefficient of TFP is positive. The impact of physical capital stock per capita is marginally significant and negative. It can be stated from the regression that if trade as % of GDP increases by 1 percentage point, then domestic services value-added share in services gross exports increases by 0.025 percentage points. If services value-added as % of GDP increases by 1 percentage point, domestic services value-added share in services gross exports increases by 0.107 percentage points. Again, if

Table 3: Top and bottom 10 countries in terms of services value-added share in services gross exports in 2010

Top 10 countries			Bottom 10 countries		
Rank	Country	%	Rank	Country	%
1	United States	89.22	1	Luxembourg	43.13
2	Mexico	87.86	2	Malta	56.88
3	Brazil	87.76	3	Ireland	58.31
4	Israel	87.75	4	Singapore	61.76
5	France	86.48	5	Denmark	64.03
6	United Kingdom	85.96	6	Malaysia	66.71
7	Japan	85.61	7	Cambodia	67.14
8	Canada	85.37	8	Iceland	67.61
9	Lithuania	84.96	9	Vietnam	67.66
10	South Africa	84.92	10	Thailand	70.22

Data source: <http://stats.oecd.org>

physical capital stock per capita increases by 1 thousand USD, domestic services value-added share in services gross exports decreases by 0.024 percentage points.

In summary, we can say that GDP per capita has a significant positive impact on the share of domestic service sector's value-addition in agricultural gross exports, but in other cases, GDP per capita doesn't have any significant impact. Services value-added as % of GDP is positive significant in all three scenarios. FDI as % of GDP is insignificant for all three scenarios. Trade as % of GDP has significant positive effect on the shares of domestic service sector's value-addition in agricultural and services gross exports, but has an insignificant effect in the other case. Physical capital stock per capita has significant negative effect in the cases of agricultural and services gross exports, but is insignificant for the manufacturing gross exports. TFP is not important for the service sector's value addition in agricultural and services gross exports, but TFP has a significant positive impact on share of service sector's value-addition in manufacturing gross export and the size of the coefficient suggests that the impact is quite large.

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"...national efforts must complement regional efforts..."

Dr. Rupa Chanda is a Professor of Economics at IIM Bangalore since 1997. Prior to joining IIMB, she was an economist at the International Monetary Fund in Washington, DC. Dr. Chanda's research interests concern multilateral trade liberalization, specifically, WTO and services, migration, health care, and IT. Dr. Chanda has many publications to her credit.

*Some of these include, **Globalization of Services: India's Opportunities and Constraints**, published by Oxford University Press in 2002 and an edited book titled, **India's Trade in Services: Prospects and Strategies**, brought out by Wiley-India in 2006.*

SANEM: What is the prospect of intra-regional trade in services in South Asia? Which are the key sectors of interest to South Asian countries for such intra-regional services trade?

RC: Intra-regional trade in services has considerable scope and the potential immediate and long run benefits are huge. There are many sectors where there is potential for increased intraregional trade and investment flows. They include infrastructure or producer services such as energy, telecommunications, transport and financial services; social services such as healthcare and education; cultural services such as audiovisual services; and commercial services such as IT and tourism services. This scope arises from the huge infrastructural and investment requirements in this region, the trend towards liberalization and deregulation of many services in these countries, the competitiveness of some SAARC countries in specific services, and the cultural, historical and linguistic ties that bind countries in this region.

Take the case of energy services. It is well-recognized that energy cooperation and energy trade in South Asia can help address the energy security interests of this region. Many studies have highlighted the scope for energy exports from Bhutan, and Nepal to meet the huge power deficits in India, and the scope to structure this generation mix in a way that can meet the region's demand pattern and make possible lower electricity prices for all countries concerned. Effective development of Nepal and Bhutan's huge hydropower potential could serve regional electricity needs while also addressing those countries' trade deficits with partner countries like India. Another case is tourism services. There is huge commonality of interest and affinity with respect to language, culture, history, religion and geography among the countries in South Asia, which provides an excellent basis for regional trade in tourism services, with potential spinoff benefits for infrastructure development and employment creation. Specific segments of interest include sports and recreational tourism, adventure and eco-tourism, religious and cultural tourism, and medical tourism. Health services have a lot of potential too, such as through cross-border investment in hospitals and medical tourism. I have just highlighted a few services here. There are many others.

SANEM: What are the major impediments to intra-regional services trade in South Asia?

RC: There are cross-cutting and sector-specific challenges. As evident from the earlier examples, regional services trade involves movement of capital, people, information, ideas, and goods. This

requires regulatory and institutional cooperation across a range of issues such as investment, visas, connectivity, and recognition.

The main impediment is lack of regulatory cooperation. A second cross-cutting impediment is the existence of "behind the border" barriers cooperation among the countries in this region and the many "behind-the-border" barriers that persist. This makes the business environment countries non-conducive to trade and investment flows both from within and outside the region. Investments are constrained by procedural and administrative delays, lack of transparency, and uncertainties stemming from economic and political instability and policy changes. Another challenge is the defensive mindset and the vested interests of domestic constituencies which hinder competition and thwart progress on key issues such as investment and labor mobility.

There are also sector-specific challenges. Energy cooperation is fraught by political instability which has deterred investments in the energy sector in these countries. The absence of institutional arrangements for energy cooperation and financial constraints also pose a challenge. In tourism services, poor transport connectivity and



infrastructure, restrictive bilateral air services agreements and visa regimes constrain intraregional trade. The absence of an integrated transport infrastructure in terms of cross-border road and rail links, limited air connectivity between major cities and lack of transit facilities within the region are a constraint. Visa restrictions and related security considerations remain a thorny issue. In health services, there have been difficulties with regional mobility of professionals and lack of recognition of qualifications among the SAARC countries. Medical tourism is constrained by delays in getting visas, the lack of processes for obtaining expedited medical visas, poor airline connectivity, lack of insurance portability, absence of a regional insurance product, and inadequate and poor local support infrastructure.

SANEM: What issues should be addressed to enhance the scope of regional services trade in South Asia?

RC: There are issues at the regional level and at the national level that need to be addressed. On the investment front, the focus should be on speedier

clearances and approval procedures. It might be useful to consider a regional investment treaty and double taxation treaties among the countries. This framework would need to address issues of investment facilitation, investor protection, dispute settlement, and contract enforcement so as to ensure greater ease, transparency, and commitment in regional investments. A common investment framework would help in developing investment policies and associated regulations in a coordinated manner and enable harmonization of rules and procedures, and mutual recognition of standards and technical specifications in services within the region. Bilateral investment relations between India and Pakistan will need to be improved. These efforts will need to be complemented by national efforts to improve the business environment. Regional efforts will also need to focus on facilitating cross country mobility of persons through the simplification of visa procedures and expediting of visa approvals for select categories of persons. Transport connectivity will also need to be addressed. All these steps will require institutional and regulatory cooperation. A multi-pronged approach is thus needed and national efforts must complement regional efforts.

SANEM: What are the current major issues at the multilateral level on services trade liberalization which are of interest for the South Asian countries?

RC: The South Asian countries have a common interest in securing greater market access in modes 4 and 1. They have a common interest in addressing discriminatory and cumbersome regulatory barriers, such as recognition requirements and procedures and regulations affecting the entry and operations of their service providers in other markets. In ongoing multilateral discussions, they need to stress earlier proposals for more transparent and streamlined regulations for mode 4, for reducing the scope to apply measures such as economic needs tests and burdensome licensing procedures and for liberalizing market access for contractual service suppliers and independent professionals. They must also actively engage in discussions on data privacy and other regulatory barriers affecting market access in mode 1. Another issue of common interest is the LDC services waiver which proposes to provide preferential treatment to services and service suppliers of LDC WTO members in sectors and modes of particular interest to these economies and to improve access of LDC service suppliers to global distribution channels and information networks. The South Asian LDCs as well as regional and sub-regional forums in South Asia should do the necessary groundwork to identify these sectors of interest, assess capacity constraints, and engage in capacity building through national and regional efforts. They could develop a collective voice on the LDC services waiver in multilateral discussions, particularly on technical assistance and capacity building related issues. There also needs to be regional discussion on the role that could be played by the larger countries in influencing this waiver.

Yet another multilateral issue of interest is whether these countries should join the plurilateral Trade in Services Agreement. Regional discussions could assess the potential costs of and benefits from joining the TISA.

SANEM: Thank you very much.

RC: You are most welcome.

Stakeholder Consultation on NTMs in South Asia



SANEM organized a Stakeholder Consultation on Non-Tariff Measures (NTMs) in South Asia on July 2, 2015 at BRAC Centre Inn, Dhaka. The consultation started with welcome remarks from Dr. Selim Raihan (Executive Director, SANEM). Dr. Bazlul Haque Khondker (Chairman, SANEM and Professor, Dept. of Economics, University of Dhaka) talked about some improvements on tariff reduction issues in South Asia during his speech. During the consultation it was also discussed whether the NTBs are gender biased, i.e. whether women face more NTBs than their male counterparts or not. Dr. Selim Raihan, in his speech, aimed to identify the NTBs in trade between Bangladesh and South Asia. He said that NTMs and NTBs increase the trade cost unnecessarily which if lowered down, will boost up interregional trade. Representatives from BFTI, MCCI, BKMEA, Banik Barta were present during the consultation session and they shared their opinions regarding NTMs in South Asia during the session.

InM organizes seminar on July 8, 2015

Institute of Microfinance (InM) organized a seminar on "Micro Credit and Rural Labor Market in Bangladesh" on July 8, 2015 in Media Bazar, Bangabandhu International Conference Center (BICC), Agargaon, Dhaka. Professor M.A. Baqui Khalily (Executive Director, InM) provided welcome remarks and inaugurated the seminar. The keynote paper of the seminar was presented by Professor S.R. Osmani (Professor of Development Economics, Ulster University, UK). The seminar was chaired by Dr. Qazi Kholiqzaman Ahmad (Chairman, InM). Dr. Selim Raihan (Executive Director, SANEM) was one of the distinguished panel discussants for the seminar.

e-version: <http://sanemnet.org/thinking-aloud/>

Global Value-Chain Training and Research Workshop at Beijing, China



Organized by UIBE and Center for International Development, Stanford University, the 7 daylong "Global Value-Chain Training and Research Workshop" took place on July 12-July 18, 2015 at UIBE, Beijing. Keynote lecture of the first day of workshop was on "Next Generation GVCs: the Role of Trade Policy in Promoting Connectivity" and was presented by Dr. Anabel Gonzalez (Senior Director, World Bank Group Global Practice on Trade and Competitiveness). Another keynote lecture of the day was on "Global Value Chains and the Role of Trade in Economic Growth and Development" was presented by Dr. Robert Koopman (Chief Economist, WTO). Professor Richard Baldwin (Graduate Institute, Geneva & CEPR & Oxford University) presented his keynote lectures on "Making GVCs Work for Developing Nations". There were three practical sessions and the topics of the lab sessions included "Gross Trade Accounting and Embodied Emission Estimates Using R Programming", Basic GAMS Programming and "Reconcile Statistics from Different Sources Using Optimization Method and GAMS Program" and "Split National IO Table According to Firm Heterogeneity Information from Micro Data Using Optimization Method and GAMS". Dr. Selim Raihan (Executive Director, SANEM) was a distinguished participant of the workshop. The workshop came to an end with a networking dinner.

3rd DECCMA Consortium Workshop held at Accra, Ghana

The 3rd DECCMA (Deltaic Environments, vulnerability and Climate Change: The role of Migration as an Adaptation and its policy implications) Consortium Workshop was held on 24-28 July, 2015 at Accra, Ghana. The aim of the workshop included refreshing and reinforcing relationships across the wider project especially in work package teams, introducing new staffs, sharing updates on research progress and presenting emerging results, introducing the project to the Research into Use strategy and implementation, meeting with stakeholders from Ghana, visiting the Volta study site, developing an action plan for next 6 and 12 months and meeting with country teams. Dr. Selim Raihan (Executive Director, SANEM) attended the workshop and presented the highlights of research updates on behalf of Bangladesh country team.

Dr. Selim Raihan's podcast on "Bangladesh's garments industry is at crossroads"

Dr. Selim Raihan recently gave interview to an American online radio show "Behind the Thread" for its 40th episode. He spoke on his recently published article titled "Our garment industry at a crossroad" in the show. As the Alliance and the Accord pass the halfway mark of their mandates, they asked Dr. Raihan's views about what's in store for Bangladesh after these two groups pull out. Dr. Raihan spoke on the challenges facing our RMG industry in this regard and mentioned that a shift from our current static comparative advantage to a dynamic one through gaining competitive advantage could ensure future sustainability of the sector. At the end of the interview he identified three key points to success for our RMG industry, which are; 1) reducing cost of doing business; 2) investing more on skills training of the labor force in order to move up to higher value added products and 3) product diversification.



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.

