

Editor's Desk

This special issue of *Thinking Aloud*, February 1, 2017, is dedicated to SANEM's 10th anniversary celebration. This issue also focuses on the theme of the upcoming Second SANEM Annual Economists' Conference 2017. The first page article on "Managing growth for social inclusion" presents an analysis using a constructed Social Inclusion Index for 156 countries, and argues that mere economic growth is not the sufficient condition for enhancing social inclusion. Effective economic and social policies and programs targeting disadvantaged people in the society as well as better economic and political institutions are critical in achieving high level of social inclusion. Second and third pages have been designed to showcase the events of a daylong celebration of 10 years of SANEM. In addition to the events that occurred during the month of January, fourth page covers the agenda of the Second SANEM Annual Economists' Conference to be held on 18-19 February, 2017.

10th Anniversary Special Edition

Congratulations from the Editor's Desk to SANEM and all its well-wishers on the joyous occasion of its 10th anniversary. Since its beginning in January 2007, the organization has continuously developed and has grown to be one of the leading research hubs of the country and South Asian region. Throughout the 10 years SANEM has been a home to many young researchers and provided robust training and research support both at individual and organizational capacities. This 10th Anniversary Special Edition proudly presents a few sneak-peeks of the joyous anniversary celebration held on 14th January 2017.

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'Managing' growth for social inclusion

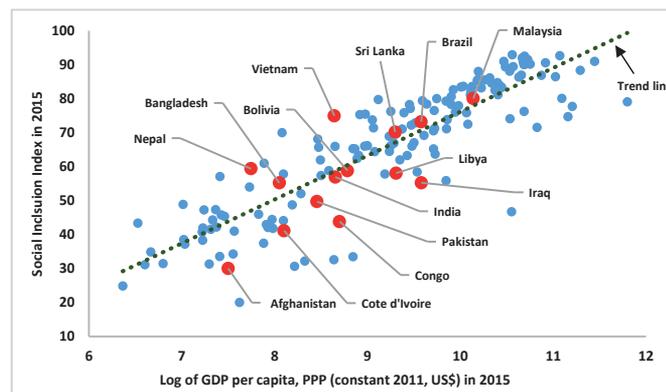
Selim Raihan

Social exclusion is a process that prevents individuals or groups from effective participation in the mainstream social, economic and political spheres in the country. Even with high economic growth a significant part of the under-privileged population may likely be left out. 'Managing' growth for social inclusion, therefore, remains a critical challenge.

To understand the cross-country variation in the levels of social inclusion, the Social Inclusion Index for 156 countries for the year 2015 is constructed using 32 indicators covering economic, social, environmental and institutional aspects of the countries. These indicators include percentages of population with access to electricity, improved sanitation facilities and improved water sources (total, rural, urban), adult literacy rate (total, female), cost of business start-up procedures (% of GNI per capita), ease of doing business index, logistics performance index, mobile cellular subscriptions (per 100 people), forest area (% of land area), labor force participation rate (total, female), life expectancy at birth (total, female), infant mortality rate and under-5 mortality rate (total,

Among the South Asian countries, the highest index value (75.83) is for Maldives (58th rank position) and the lowest one (30.04) is for Afghanistan (154th rank position). The other countries in South Asia are Sri Lanka (index value of 69.64 with 78th rank position), Bhutan (index value of 66.05 with 86th rank position), Nepal (index value of 59.39 with 102nd rank position), India (index value of 56.95 with 111th rank position), Bangladesh (index value of 55.23 with 114th rank position), and Pakistan (index value of 49.73 with 117th rank position).

The scatterplot between the calculated Social Inclusion Index and log of GDP (Gross Domestic Product) per capita at PPP (constant 2011, US\$) for 156 countries shows a reasonably strong positive association between per capita GDP and Social Inclusion Index. Though, the association is stronger at the higher level of per capita GDP, it becomes weaker for the countries at the middle and lower levels of per capita GDP. In South Asia, Nepal, Bangladesh and Sri Lanka are above the trend line, whereas Afghanistan, India and Pakistan are below the trend line. The scatterplot also provides some very useful insights with regard to 'managing' growth for social inclusion. A comparison between Nepal



female), maternal mortality ratio, gini index, and 6 institutional variables from the World Governance Indicators (voice and accountability, political stability, government effectiveness, regulatory quality, rule of law, and control of corruption). Data for most of the indicators are derived from World Bank's World Development Indicators. All these variables are normalized with a scale between 0 and 100, where 0 is the worst performance and 100 is the best performance. The Social Inclusion Index is constructed by averaging these normalized variables.

With an index value of 92.97, Finland is at the top of the ranking, while with an index value of 20.01, Chad is at the bottom of the ranking. A classification of the ranking of the countries shows that there are only 12 countries with index values of 90 and above. Also, there are 30 countries with index values of 80 and above but less than 90. These first two classifications include mostly Western European and North American countries. Furthermore, there are 35 countries with index values of 70 and above but less than 80; 24 countries with index values of 60 and above but less than 70; 15 countries with index values of 50 and above but less than 60; 23 countries with index values of 40 and above but less than 50; and finally, 17 countries with index values less than 40. Most of the Sub-Saharan African countries fall into the last two categories.

and Bolivia shows that, despite having a much lower level of per capita GDP, Nepal has a Social Inclusion Index similar to that of Bolivia. Interestingly, Nepal, compared to Bolivia, secured larger achievements in areas of access to electricity and improved water source for rural households, female labor force participation, female life expectancy, child mortality, control of corruption, rule of law and income inequality. Bangladesh too has a Social Inclusion Index almost similar to that of India, but at a lower level of per capita GDP. Compared to

India, Bangladesh also has 'managed' larger achievements in areas of access to improved sanitation for rural households, female labor force participation, female life expectancy, maternal and child mortality, and income inequality. Furthermore, even with a similar level of per capita GDP, Bangladesh has a much higher level of Social Inclusion Index than that of Cote d'Ivoire. Likewise, though India, Vietnam and Congo have almost similar levels of per capita GDP, Vietnam has a much higher Social Inclusion Index than those of India and Congo. Similar observation holds while making comparisons between Sri Lanka and Libya and between Brazil and Iraq. In these two cases, in addition to availability of better services for rural households and larger achievements in maternal and child mortality, better economic and political institutions made the difference.

The aforementioned analysis suggests that mere economic growth, resulting in the rise in per capita GDP, is not the sufficient condition for enhancing social inclusion. Effective economic and social policies and programs targeting disadvantaged people in the society as well as better economic and political institutions are very critical in achieving high level of social inclusion.

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CELEBRATING 10 YEARS OF SANEM

"I send my good wishes for SANEM, which is celebrating its 10th anniversary, this January. Over the years SANEM has embarked on new products such as Thinking Aloud, Annual Economists' Conference etc."

- **Dr. Saman Kelegama**
Executive Director, IPS, Sri Lanka

"Happy 10th anniversary, best of luck."

- **Israt Jahan**
Teaching Assistant, Texas Tech University, USA



"In a short space of time, SANEM has established itself as a major research network in development economics."

- **Professor Kunal Sen**
Joint Research Director, ESID Research Centre, UK

"SANEM is celebrating 10 years of its inception, which itself proves how a small organization has turned into a big intellectual network."

- **Ahmed Tariq Aziz**
PhD student, Iowa State University, USA

"This is the achievement of each and every member of SANEM family. Happy birthday SANEM."

- **Tamanna Afreen Rimi**
PhD student, Iowa State University, USA



"I would like to congratulate SANEM on its 10th anniversary of foundation. Over these years, SANEM has made its distinctive mark, particularly in three areas. Quality research, supporting young researchers through various programs and to take policy outputs and research findings to the policy makers through its Thinking Aloud."

- **Professor Mustafizur Rahman**
Executive Director, CPD, Bangladesh

"I wish you all the success and hope to continue working together in the future."

- **Asish Subedi**
Senior Programme Officer, SAWTEE, Nepal

"I wish SANEM a happy birthday."

- **Fatima-Tuz-Zohora**
PhD Student, University of Ottawa, Canada

"I wish SANEM all the best for future."

- **Deen Taposh**
Economic Analyst, NRC, Canada

"I really learnt a lot, not only about CGE but also about how to teach complex things in a classroom."

- **Dr. Indrajit Bairagya**
Assistant Professor, Institute for Social and Economic Change, India

"I congratulate SANEM for its successful completion of 10 years and wish many success in years to come. I had a wonderful experience when I attended a training program with SANEM."

- **Bhawna Tyagi**
Research Associate, TERI, India



Starting the celebration with a yummy cake



Celebrating with the stars of the evening

"The journey has been a glorious decade of excellence and advancement."

- **Professor Taiabur Rahman**
Development Studies, University of Dhaka

"I congratulate SANEM for its 10th anniversary."

- **Syed Al-Helal Uddin**
PhD Student, Florida State University, USA

"SANEM is celebrating 10 years of togetherness and I wish a happy journey for the years to come."

- **Md. Abdur Rahim**
Graduate Student, University of Winnipeg, Canada

"Wishing SANEM heartiest congratulations on successful completion of fruitful 10 years and many more years to come."

- **Prantika Das**
PhD Scholar, IIT Bombay, India

"SANEM is not a typical workplace, it is more like a learning center."

- **Syer Tazim Haque**
Graduate Research Assistant, University of Guelph, Canada



"In particular, SANEM is contributing in two sectors. One is, building a group of professional young researchers through capacity building workshops. Another is, it's heavily contributing to Bangladesh's policy research."

- **Professor Kazi Maruful Islam**
Development Studies, University of Dhaka



"PRI and SANEM has been working by complementing each other and PRI wishes to continue such collaborations in future."

- **Dr. Ahsan H. Mansur**
Executive Director, PRI, Bangladesh

"One thing that I really learned from SANEM is that there is no compromise with good quality research and people are very passionate about their work."

- **Nabila Tasnuva**
SANEM Associate, Canada



"I must congratulate SANEM for its successful completion of 10 years. SANEM is contributing a lot in fundamental economic research particularly on the issues of macroeconomics, international trade, labor market, political economics and economic modeling."

- **Professor M. Abu Eusuf**
Chairman, Development Studies, University of Dhaka

"One of the beauties of SANEM is that, it creates space for young researchers."

- **Md. Imran Hossain Bhuiyan**
Lecturer, Development Studies, University of Dhaka



"Happy 10th birthday of SANEM. SANEM has been serving as an umbrella for young researchers, not only in academic level but also in personal and professional level."

- **Humayra Ahmed**
Research Associate, BIDS, Bangladesh

"Congratulations to SANEM for completing a decade of productive research and research related activities. SANEM has emphasized on economic modeling which reflects that, whatever the policy prescription it comes up with, is backed by serious and rigorous research. I wish all the success for SANEM."

- **Professor Wahid Uddin Mahmud**
Eminent Economist, Bangladesh

"Congratulations to everyone at SANEM. I am sure, we will have bigger celebration when we celebrate 25 years."

Dr. Prabir De
Professor, RIS, India



"SANEM has really moved forward in its 10 years, doing lot of work on quality research, as well as capacity building programs for South Asian economists and hence brilliantly helped many researchers."

- **Dr. Rajan Sudesh Ratna**
Economic Affairs Officer, UN-ESCAP, Thailand

"This is a moment of great pride for all of us that a South Asian organization has contributed so much to the discipline and the policy discourse in the region."

- **Dr. Vaqar Ahmed**
SDPI, Pakistan



2nd SANEM Annual Economists' Conference 2017

SANEM is going to organize its 2nd Annual Economists' Conference on "Managing Growth for Social Inclusion" to be held on 18 and 19 February, 2017 at BRAC Centre Inn, Mohakhali, Dhaka. SANEM is delighted to share the agenda of this program.

Day 01: 18 February, 2017

08:30 AM – 09:00 AM: Registration	01:30 PM – 02:30 PM: Lunch
09:00 AM – 10:30 AM: Inaugural Session and Keynote Speech	02:30 PM – 04:30 PM: SANEM-ESID Special Session: The Politics of Growth
10:45 AM – 12:00 PM: Breakout Sessions 1, 2 & 3 (1) Trade & Investment, (2) Public Policy and (3) Poverty, Inequality and growth	04:45 PM – 06:45 PM: High Level Panel Discussion: Managing Growth for Social Inclusion in South Asia
12:15 PM – 1:30 PM: Breakout Sessions 4, 5 & 6 (4) Human Capital Development, (5) Sectoral Economy and (6) Labor Market	7:00 PM: Dinner (in honor of Professor Rehman Sobhan)

Day 02: 19 February, 2017

09:00 AM – 09:30 AM: Registration	02:00 PM – 04:00 PM: SANEM-MCCI Organized Session: Responsible Ways of Doing Business, , In a High Growth Environment
09:30 AM – 11:15 AM: SANEM-BIGD-IGC Organized Session: Firm Productivity and Growth	04:15 PM – 06:15 PM: SANEM-DECCMA Organized Session: Climate Change, Migration and Adaption: Challenges for Bangladesh
11:30 AM – 01:00 PM: SANEM-BIGD-IGC Roundtable Discussion: Digital Technology and Financial Inclusion	06:15 PM – 07:15 PM: A Session for Budding Researchers
01:00 PM – 02:00 PM: Lunch	07:15 PM – 07:30 PM: Closing Session
	07:30 PM: Dinner & Cultural Event

For details, please visit <http://sanemnet.org/conference-2017-about/>

ARTNeT-GIZ capacity building workshop held in Bangkok, Thailand



A capacity building workshop on "Practical tools for Impact Assessment of Free Trade Agreements", jointly organized by ESCAP and GIZ was held in the United Nations Conference Centre, Bangkok, Thailand, from 23-27 January 2017. Dr. Selim Raihan, Executive Director, SANEM and Professor, Department of Economics, University of Dhaka instructed the workshop as resource person in the sessions on CGE analysis and GTAP modeling.

The main objective of this workshop was to provide participants with a solid foundation in selected quantitative tools and methods in order to obtain better evidence on impact of free trade agreements and other related policy changes.

In light of these objectives, the workshop was structured by alternating between presentations by the trainer based on the existing literature, and "hands on" applications in which participants were invited to explore concrete applications.

CARIAA Economics Working Group Workshop held in New Delhi, India



The research workshop titled 'Cross-CARIAA Dialogue on Economics of Adaptation: Setting Agenda for Incremental and Transformative Change' was held from 9-13 January 2017 at TERI University, New Delhi. Researchers from consortia DECCMA, ASSAR, HI-AWARE and PRISE attended the workshop. The workshop facilitated a common platform for discussing the on-going research on economics of adaptation and further research collaboration. The objective of the workshop was to allow skill building within the CARIAA members and young researchers, contribute to the development of the research agenda of the CARIAA Economics Working Group for the coming years and promote collaboration activities across CARIAA consortia members. Zubayer Hossen, Research Associate, SANEM, attended the workshop as a member of DECCMA consortium.

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

6th DECCMA Consortium Workshop held in Southampton, UK

The "6th Consortium Workshop" of the collaborative research project titled 'Deltas, Vulnerability and Climate Change: Migration and Adaptation' (DECCMA) funded by Canada's International Development Research Council (IDRC) and UK Department for International Development (DFID), was held in Southampton, UK from 15 - 21 January 2017. Participants of the work packages team from Ghana, India and Bangladesh were present at the workshop. Dr. Selim Raihan, Executive Director, SANEM and Professor at Department of Economics, University of Dhaka, presented the outcomes of the on-going work package at the workshop. The workshop aimed at analyzing, comparing and reviewing the results of the on-going research since the 5th Consortium held in Kolkata, India.

SANEM-IZA | GLM | DFID Policy Workshop held in Dhaka



A policy workshop on "Technical and Vocational Training Program in Bangladesh: Potentials, Challenges and Future", co-organized by South Asian Network on Economic Modeling (SANEM), Institute of Labor Economics (IZA), GLM and Department for International Development (DFID), was held on 17 December, 2016, in Dhaka. The event started with the opening remarks by the chair Dr. Farazi Binti Ferdous, Research Fellow of SANEM. Dr. Abu S. Shonchoy, Visiting Scholar, New York University, presented the findings of the research conducted by SANEM on "Can on-the-job Training Program for Apparel Sector Improve Employment for Rural Poor: Evidence from Bangladesh" in the workshop. Ms. Anjum Nahed Chowdhury, Director, Gana Unnayan Kendra (GUK), also made a presentation while Dr. Atonu Rabbani, Associate Professor, Department of Economics, University of Dhaka, attended the event as a discussant.

International Workshop on "Computable General Equilibrium Model" held in India

The International Workshop on "Computable General Equilibrium Model" organized by the Department of Economics, Jadavpur University, Kolkata, India, was held from 9-11 January 2017, at Jadavpur University Campus in India. Dr. Selim Raihan, Executive Director, SANEM and Professor, Department of Economics, University of Dhaka, conducted the workshop as resource person. The three-day workshop, participated by various young researchers, ended with a vote of thanks in the closing session.