

Editor's Desk

This June, 2018 issue of *Thinking Aloud* is a 4th anniversary special issue. On this occasion SANEM organized a round-table discussion on "Looking beyond LDC graduation" on May 12, 2018 to discuss on the anticipated major benefits and challenges of Bangladesh, while going through the graduation process and its aftermath. Dr. Selim Raihan, Executive Director of SANEM and Professor at Department of Economics, University of Dhaka made the trigger presentation along with the Associate Editors of *Thinking Aloud*-Sunera Saba Khan (Senior Research Associate, SANEM) and Iffat Anjum (Senior Research Associate, SANEM). This issue of *Thinking Aloud* publishes a summary of the discussion in the second, third and fourth pages.

On the first page, an article on "Can Bangladesh sustain its growth momentum?" is presented. The article shows that Bangladesh's experience of economic growth over the past decade has been quite remarkable as the country is among the 30 countries in the world to have registered an annual average GDP growth rate of 6% or more over a period of 10 years from 2007 to 2016, and also its GDP growth rate had been one of the least volatile during this period. However, there is an apparent contradiction that despite slow progress in structural transformation, poor business environment, and weak institutions, Bangladesh was able to keep the momentum of economic growth in the past. From a political economy perspective, the ongoing economic growth momentum is likely to persist as long as Bangladesh can continue managing the 'labor regime' riding on the youth bulge and comparative advantage in low-skilled labor. However, there are concerns that the challenges in the future are likely to be very different from what Bangladesh encountered in the past. In the coming days if proper investments are not made on human capital development, Bangladesh will lose much of the larger prospective productive returns from youth bulge and demographic dividend.

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Can Bangladesh sustain its growth momentum?

Round-table discussion on "Looking Beyond LDC Graduation"

Editor:

Selim Raihan

Associate Editors:

Sunera Saba Khan
Iffat Anjum

Coordinator:

Sk. Ashibur Rahman

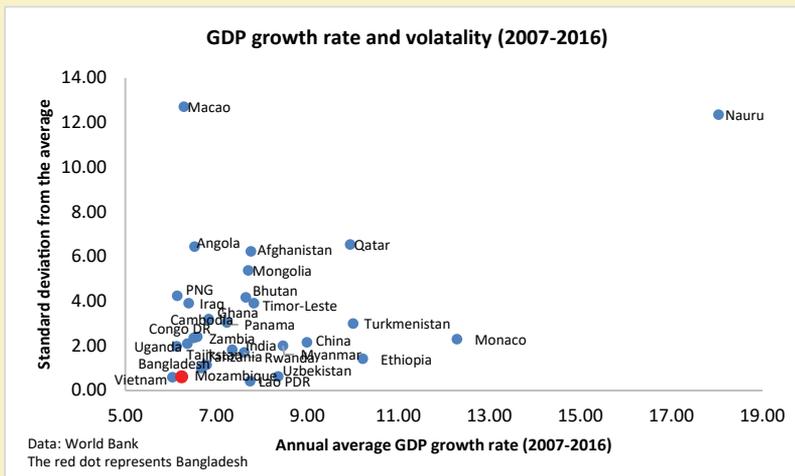
Can Bangladesh sustain its growth momentum?

Selim Raihan

What is the future economic growth prospect of Bangladesh? An analysis of Bangladesh's past economic growth in a comparative perspective can help finding an answer to this question. The figure presents 30 countries in the world who registered an annual average GDP growth rate of 6% or more over a period of 10 years from 2007 to 2016. In the figure, these countries' growth rates are plotted against the standard deviation of growth rates from their respective averages. The low standard deviation, in this case, would suggest low volatility of growth rate during the period under consideration. The figure shows that Bangladesh was among these 30 countries and also its GDP growth rate had been one of the least volatile during this period. Among these 30 countries, Bangladesh ranked 3rd in terms of least volatility of growth rate, and only Lao PDR and Vietnam were ahead of Bangladesh in this regard. Though countries like China and India had average growth rates higher than that of Bangladesh, they experienced much larger volatility than what Bangladesh experienced. All these suggest that Bangladesh's experience of economic growth over the past one decade has been quite remarkable. However, there are some apparent contradictions while analyzing Bangladesh's past growth experience. Bangladesh is among the top five out of those 30 countries with a very high share of manufacturing exports in total merchandise

out of 190 countries according to World Bank's 2018 Doing Business Index. All these suggest that despite slow progress in structural transformation, poor business environment, and weak institutions, Bangladesh was able to keep the momentum of economic growth in the past.

One political economy explanation to this apparent contradiction could be that Bangladesh so far has used its 'youth bulge' of demographic dividend quite 'efficiently' and also has tapped quite 'remarkably' on its comparative advantage in low-skilled labor in two major fronts: the readymade garment exports and exports of low-skilled labor. According to United Nations Population Fund (UNFPA), demographic dividend is the economic growth potential that can result from shifts in a population's age structure, mainly when the share of the working-age population (15 to 64) is larger than the non-working-age share of the population (14 and younger, and 65 and older). One problem with UNFPA's definition of 'demographic dividend' is that the age span (15-64) is quite long and it doesn't capture the 'youth bulge' aspect of the demographic dividend. In this case, the share of the youth population (15-24) in total population would be a more relevant indicator. It appears that among the aforementioned five countries, the 'youth bulge' share of the population, between 1980 and 2015, for Bangladesh increased while for Cambodia, China, India, and Vietnam declined. In 2015, Bangladesh's 'youth-bulge' share (19.5%) was much higher than those of China (13%), India (18.4%) and Vietnam (16.9%).



exports. In 2016, among these top five countries, Bangladesh, Cambodia, and China had such shares of more than 90%, while India and Vietnam had shares of 73% and 82% respectively. Interestingly, from a 66% share of manufacturing exports in total merchandise exports in 1980, Bangladesh was able to increase this share to as high as 96% by 2016. Bangladesh's progress in manufacturing exports is only comparable to China's and Vietnam's experience. The apparent contradiction, however, lies in the fact that Bangladesh made such progress without any rapid structural transformation of the economy. Despite a very high share of manufacturing exports in total merchandise exports, the export basket of Bangladesh remained highly concentrated around low value-added and low-complex products. A measure of the complexity of the economy is the 'economic complexity index (ECI)' of Center for International Development at Harvard University. ECI measures the knowledge intensity of an economy by considering the knowledge intensity of the products it exports. Among the aforementioned top five countries, Bangladesh performed poorly in the ECI. Between 1972 and 2016, Bangladesh never had a positive ECI value and the country's ECI deteriorated over time. In contrast, China, India, and Vietnam observed positive and growing ECI over the last two and half decades. Furthermore, Bangladesh also performed very poorly in terms of cost of doing business as the country ranked 177

With this high youth-bulge of the demographic dividend, Bangladesh also managed to maintain a 'labor-regime' for long characterized by an 'equilibrium trap' of low-skilled labor and low-wage, poor working conditions, and relaxed execution of labor laws defying workers' rights. Despite overall weak governance and weak institutions, there have been supportive 'efficient' economic and political institutions in place in maintaining this 'labor-regime'. The 'returns' from such 'labor regime' in the form of 'economic and

political rents' are so high that these act as a disincentive for further economic and export diversification, moving up for the production and exports of high value-added and sophisticated products, invest in workers' skill development, improvement in working conditions and better execution of labor laws to ensure workers' rights. Apparently, such high rents have also been able to offset much of the loss arising from the poor business environment.

Can Bangladesh sustain the current momentum of economic growth? From a political economy perspective, the ongoing economic growth momentum is likely to persist as long as Bangladesh can continue managing the 'labor regime' riding on the youth bulge and comparative advantage in low-skilled labor. However, there are concerns that the challenges in the future are likely to be very different from what Bangladesh encountered in the past. In the coming days if proper investments are not made on human capital development, Bangladesh will lose much of the larger prospective productive returns from youth bulge and demographic dividend. The country is also in the process of graduating from the LDC status, aims to achieve the SDGs by 2030, and wants to move up to the upper-middle income country status. The economic growth strategies thus need to be revisited to negotiate the forthcoming challenges.

Dr. Selim Raihan. Email: selim.raihan@gmail.com

Round-table discussion on “Looking Beyond LDC Graduation”



Dr. Selim Raihan
Executive Director, SANEM
Professor, Department of Economics, University of Dhaka

Thinking Aloud has successfully completed 4 years of publication. In this spirit we have arranged a roundtable discussion on one of the burning issues ahead of us- ‘Looking beyond LDC graduation’.

Benefits of graduation from the LDC status are cited to include an improved country-image and higher rating for investment by international rating agencies which may attract larger foreign direct investment. However, there are a number of risk factors for Bangladesh associated with its graduation from the LDC status. Our estimation shows that after the graduation, due to the loss of preferences, there could be an annual reduction in total exports of Bangladesh by 11%. Also, many of the exemptions of WTO provisions, including the cut in tariff and subsidies and adherence to intellectual property rights (especially for pharmaceuticals sector), which are currently enjoyed by Bangladesh as an LDC, will no longer be available after 2027. It is important to mention here that much of the aforementioned prospective benefits is not ‘automatic’ as the country has to work quite a lot to materialize those benefits. In contrast, almost all of the possible losses would be ‘automatic’ as soon as the country graduates from the LDC status. Therefore, the country has to prepare itself over the next 9 years to counter these losses.

There are genuine concerns that though the business-as-usual process of economic and social development might lead Bangladesh to graduate from the LDC status by 2024, such business-as-usual process will certainly not lead to achieving the much larger and important development goals. Bangladesh has to make some extraordinary efforts in its economic and social development process in the days to come.

Mr. Syed Nasim Manzur
Managing Director,
Apex Footwear Ltd.

GSP+ could be a remedy to erosion of market preferences. However, GSP+ comes with externalities such as higher environmental and labor standards. The private sector is not ready to take that burden.

To attract more FDI, ease of doing business needs more focus. Land cost in Bangladesh is 20 times higher than in Vietnam; construction cost in Vietnam is \$330 per square meter, here it’s \$370 and rising. Same goes for diesel cost, electricity cost. Even when we can compete in cost and quality, we lose out in lead time. Minimum lead time in Bangladesh is 102 days, only 21 days of which is for production. The Chittagong port takes about 21-22 days clearing time, despite the 36 hour processing time claimed by the port.

Public sector investment cannot and will not substitute for private sector. The rise in interest rates have to be compensated with laying off people. Moreover, cost of compliance enforced by the Accord and Alliance is substituting people by automation. Despite promises of bearing the compliance cost by the buyers, as of now their contribution has been null.

We emphasize on big infrastructural projects but the low hanging fruits are ignored. For example, improving cargo handling hanger capacity at the airport. Imported raw materials takes 11 days to be found, gets damaged meanwhile. Unusually long transportation time discourages foreign buyers. Again, low hanging fruit solution - commuter railways. Rail lines have already been established, stations have been constructed, but they are not yet in operation due to the bus lobby and transport lobby. This needs urgent fix.

Lastly, why is the tax burden only on those who pay? Exactly the same story for bank interest rates. Top defaulters have low interest rates, longer tenure and no down payment.



Dr. Bazlul Haque Khondker
Chairman, SANEM
Professor, Department of Economics, University of Dhaka

LDC graduation is an opportunity for us. Any change brings new opportunities, potential benefits as well as some challenges and concerns. SANEM estimates suggest

that graduating from LDCs may result in \$6 Billion export loss. Another UNCTAD report estimates that Bangladesh will lose 7% of its exports, amounting to around \$4 Billion. There will be more such estimations in future. In the Perspective Plan 2021-2041, there are 3-4 headline goals- to eradicate poverty within 2030; to reach upper middle income country status by 2031; and to be a high income country by 2041. These are very ambitious goals, but these goals are there. I analyzed the impact of this \$6 Billion export loss on these goals and found that it will put us at least 3-4 years behind in achieving them. We are talking about potential costs. But let me shed some light on the costs we are enduring every day. In a discussion at PRI last week, Dr. Zaidi Sattar (Chairman, PRI) showed that the cost of high tariff protection is putting a burden of \$5 Billion every year on our consumers. Inefficient social protection spending resulted in leakage of 4.5 Billion USD during 2005-2010. Which means, we lost around 1 Billion USD per year due to inefficiency. In the banking sector, we are recapitalizing the state owned banks that are operating inefficiently. A study by CPD showed that during 2009-2017, the cost of recapitalization was around 1.9 Billion USD. If we add the efficiency loss of large projects such as Padma Bridge, four-lane highways, it will be around 20 Billion USD every year. Our biggest resource is our youth, but we have failed to provide this young population with education, health, and training facilities. How can we hope to achieve 9-10% GDP growth with this poorly trained youth?

Dr. Mustafizur Rahman
Distinguished Fellow, Centre for Policy Dialogue (CPD)

Graduation is a one-way journey for us and is irreversible. Therefore, we need to be well prepared against the potential costs. Bangladesh now needs to aim for achieving special and preferential treatment targeted towards developing countries and not LDCs. Two types of graduation are taking place simultaneously. Middle income graduation- as a result of which there is a move from IDA finance to blended finance. Later we will move to non-concessional finance as a result of which cost of doing business will increase. Therefore, it can be said that we are headed towards double-trouble.

We need to take advantage of Demographic dividend by ensuring quality education. Youth is a big force in Bangladesh. The number of educated unemployed is around 4 lac and increasing. A lot of people from overseas are working here, close to 60,000. As a result, a deficit is arising. This needs to be addressed. More skill development and apprenticeship programs are necessary, as well as inclusive structural transformation. Rising inequality also needs to be addressed. We have to focus on strategic industrial policy. Moreover, we have to increase competitiveness and reduce lead time. Currently we have 8 projects in operation which are worth 30 billion dollars. But there are several problems. We do not have commuter train at the port. Also, transport and accommodation facilities for labor do not exist.

Leather sector can become the second garments sector for Bangladesh. However, precaution is needed to make it environment friendly. Improvements in Infrastructure as well as governance and institutional strengthening need to be addressed by policymakers. I strongly feel that following business as usual is not enough to achieve these.



Dr. Khan Ahmed Sayeed Murshid
Director General, Bangladesh Institute of Development Studies (BIDS)

One of the reasons why we have done well despite weak institutions is our progress in traditional rural Bangladesh and agriculture, along with social innovations, including microcredit and women’s cooperatives. These sectors remain dynamic but I do not see any social experimentation, innovation, interest, investment anymore. Our focus has

shifted, and just as our export is narrowly based, our focus has also become the same. We have many success stories that are still unexplored, like pharmaceuticals, ship building, bicycles, ICT, and many more. Today the growing rate of start-ups is really astounding. Therefore, Bangladesh is dynamic. The young people of Bangladesh are coming forward, are innovative. They are not relying on service labor. So these success stories are building up gradually. We need to dynamize these potentials. Our achievements in social sector-we need to transform them in ‘quality’ achievements rather than achievements in terms of ‘number’. Also, we have to do what’s needed to reach a logical conclusion in our pathway to industrialization. We talk about traditional kind of industrialization ‘a la East Asia or South East Asia. But does the context of their industrialization, land, man, climate, demographic, match with ours? If not, then what is new that we can propose and take into account? Bangladesh is unique. We cannot find our solutions simply by emulating other countries. Manufacturing needs huge amount of land, it has an adverse impact on our environment, particularly the leather sector. Finally, we need to start talking about how we can move towards high value services.



Looking beyond LDC graduation

On the occasion of 4th anniversary of Thinking Aloud, SANEM organized a roundtable discussion on “Looking beyond LDC graduation” on May 12, 2018. Dr. Selim Raihan, Executive Director of SANEM and Professor at Department of Economics, University of Dhaka made the trigger presentation along with the Associate Editors of Thinking Aloud- Sunera Saba Khan (Senior Research Associate, SANEM) and Iffat Anjum (Senior Research Associate, SANEM). Thinking Aloud publishes a summary of the discussion.

Dr. Sadiq Ahmed
Vice Chairman,
Policy Research Institute (PRI)

Enough have been talked about LDC graduation already and now it is time to look beyond the graduation period. I have to reiterate the importance of overhauling the income tax system which is almost broken in Bangladesh. HIES says that top 5% of population has 35% of the income while income tax provides only 1.5% of the GDP. Overhaul of trade taxes is also needed to solve the problem created by inefficient trade protectionism. I do not support mindless liberalization but it has been already demonstrated that mindless trade protectionism does not help either employment or industrialization. Tax administration should be computerized which can reduce both the harassment and corruption level. Online tax filing and payment without any personal contact and negotiation is the standard theory of modern taxation. And the tax audit system has to be more productive like the developed countries where the computer selects the file to be audited rather than a person whose choices can be influenced by perception. In the past eight years the amount of nonperforming loans have increased from 3.2 Billion dollars to more than 8 billion dollars in FY2016-17. This is not a small amount of money and somebody has the obligation to pay this money as it is the depositor’s hard earned money. With this rising rate of NPL, private investment is predictably very stagnated over the past few years where we need a dramatic rise to achieve our target. At the same time we need to address that the government cannot rescue private and state banks through allocations from budget anymore.



Dr. Khondaker Golam Moazzem
Research Director, Centre for Policy Dialogue (CPD)

When we talk about LDC graduation, we are actually more concerned about its smooth transition. We need to consider whether structural transformation is adequate or not and what needs to be done to overcome the

post-graduation challenges ensuring smooth transition. As for recent banking sector crisis, debt and NPL (Non-performing loan) growth, last year we have seen surplus of money in the banks, within a year banks are now facing liquidity crisis. I think there is a loop in NPL calculation and lack of transparency in management. Although in last 10 years there has been a huge private sector investment but there has been a crowding out effect as well. As a result, the expected benefits from these mega projects are not being met and resources are getting wasted. In terms of the export sector, a team needs to be formed within the commerce ministry to take necessary actions for entering in FTA regime. If the government provides support to the domestic industry sector in the long run it will be an established sector.

Mr. Ali Ahmed
Chief Executive Officer
Bangladesh Foreign Trade Institute (BFTI)

After graduation, European Union will provide benefit for the next three years. But many of us have the idea that the EU will give us the facility automatically. This idea is completely wrong. After the transition from LDC in 2024, Bangladesh needs to apply for the benefits and fulfil the eligibility criteria. In order to be eligible our seven major export items cannot exceed 6.5% of their total imports under GSP system. Bangladesh currently has 9%. Therefore, we have already failed to fulfill this condition. This rule of GSP plus has been effective from 2014, and the rules will be effective until 2024. There will be a new rule again after 2024. We have to take a very quick diplomatic action so that we can take this limit from 6.5 percent to 10 percent. Otherwise, we will not be able to get the benefits from the EU until 2027. Expected development is never possible if we cannot increase the tax-GDP ratio. We must emphasize the quality of our education otherwise, we will lose many opportunities in the future.



Dr. Sayema Haque Bidisha
Research Director, SANEM
Associate Professor, Department of Economics, University of Dhaka

We are facing “Inclusive Development related challenges”. Female labor force participation rate is 36% and male labor force participation rate is 80%. Out of 20 million women, more than 5 million women provides labor in family business and are not involved in the mainstream labor force. More than 80% of NEET comprises of females. Therefore, we are having a huge amount of wastage of human resource. So we need to take policies to involve them into the mainstream labor force. 72% of female labors are involved in agriculture, around 16% in service sector and around 10-11% in industry sector. Most of the women are out of the mainstream labor force; the ones who are involved are mostly involved in the less productive sectors, and very few are involved in policymaking or managerial posts or decent works. Most of the male labor force has already been used so there is less scope of growth there. A huge amount of growth in productivity can be generated by involving the potential female labor force in mainstream labor force.



Dr. Nazneen Ahmed
Senior Research Fellow,
Bangladesh Institute of Development Studies (BIDS)

Alongside the big enterprises, SMEs must be emphasized. Reasons being, big industries have big complications- big finance, big environmental consequences. Plus, entrepreneurs of SMEs

create employment for others. Also, if these entrepreneurs become loan defaulters, the resulting loss is little compared to the loan defaulters of big industries. Furthermore, recent statistics show that female participation in SMEs have declined. Access to finance is a big constraint here. Secondly, although in past 3-4 years, price of petroleum has dropped in international market, it remains high in local market. Either price of petroleum should be made same as international market or, like quick rental power plants, other manufacturing sectors should be provided with the opportunity of importing petroleum oil directly from international market. Thirdly, we should address the limitations of our capital market to attract frontier market investors like USA, China. Lastly, if we want to increase FLPPR, we should provide education in least cost, day care services and commuter services for them.

Mr. Md Munir Chowdhury
Director General, WTO Cell,
Ministry of Commerce, GoB

We have achieved a lot which include custom reform, that has managed to boost the tax GDP ratio. GDP export ratio, GDP import ratio and trade ratio has increased to some extent. We are going towards diversification with a flourishing private sector.

In terms of external challenges, our export might shrink. Internal challenges include increasing investment, employment and wages. We need to work on improving the ranking in doing business, governance, institutional reform. In private sector we need to work on revenue generation, investment.

To face these challenges we have to take lessons from ASEAN and move forward towards regional economic integration. We need to increase our productive capacity and create graduation related policies, concentrate on global value chain and to take lessons from LDC countries who have already graduated. Finally, we need efficient negotiation with WTO to extend the benefits such as aid for trade beyond 2027.



Dr. M.A. Razaque
Research Director,
Policy Research Institute (PRI)

Bangladesh needs to act to be more competitive in the US market. Investment will be a challenge after graduation. In 1990, we were very close to Vietnam. Export-GDP ratio of Vietnam is now close to 100% but the Export-GDP ratio in case of Bangladesh is 14%. The development model for Bangladesh is quite different from other countries. Vietnam is ultra-export-led. That is why, considering global value addition is important and challenging from that aspect.

There is no need to increase investment-GDP ratio to 38%. Because we can’t afford to increase this percentage. This means from total income we will be investing 38% and not spending it. Vietnam had an investment-GDP ratio over 34% only 6 times. We already are holding a moderate investment-GDP ratio which can be considered as good. Quality of spending is the main problem. In case of ADP implementation, we cannot ensure quality spending. We need to focus on other development challenges and not only focus on following other countries





Dr. Minhaj Mahmud
 Senior Research Fellow,
 Bangladesh Institute of
 Development Studies (BIDS)

To what extent can we refer to Bangladesh’s phenomenon as jobless growth? The low employment growth is partly because of technology, and shift in employment from agriculture to industry or service sector that is also related to migration. In addition, shift in skill mismatch in the industry is contributing to this. A lot of women are losing jobs because of low skill. Quality of education needs to be focused. Training and focus on secondary and tertiary education is necessary for human capital development. Redesigning the education system is important to increase employability. Our human resource development policy should be globally competitive and aligned with over all development policy. Bangladesh’s economic growth did not reduce the size of informal sector. Dynamic view of informal sector is entrepreneurial. Bangladesh has achieved so much despite weak institutions but that doesn’t mean it can be ignored. Implementation and perceptions of institutions are not doing well. Institutional quality can create distrust among the institutions.



Dr. Kazi Maruful Islam
 Professor, Department of
 Development Studies, University
 of Dhaka

We need to consider the global politics behind leveling of the graduation. We need to think about what changes LDC graduation will bring to the people living in Kurigram, Mymensingh and trying to start poultry firms and small hardware shops. There are some costs and benefits related to LDC graduation. There is also a need to be prepared to minimize the costs and maximize the benefits. From top officials to support staff everyone is accused of tax evasion, but no necessary action is taken against this corruption. Sluggish private sector investment, low tax-GDP ratio, low export diversity, inefficient resource allocation and slow implementation- all these are related to institutions and governance, and in the mask of institutions is politics. Finally I would like to emphasize that, 10-11% economic growth cannot be possible without a strong, ethical political leadership. To achieve developing country status, we need an uprising all over the nation and for that we need political willingness, good governance and effective reforms.



Dr. Rumana Huque
 Professor, Department of
 Economics, University of Dhaka

Health sector needs more investment. Our neighboring countries’ per capita average health expenditure is \$65-70, whereas we spend around \$37. With this low per capita expenditure, what we achieved was possible by taking advantage of ‘low-hanging fruits’. But to achieve SDGs we need increased investment. To increase FLFPR, we have to reduce maternal mortality rate and teen-age pregnancy rate. Also, we have to put more emphasis on Expanded Program on Immunization (EPI) to improve the stagnant immunization coverage. A major reason behind inefficient use of resources is the lack of coordination between development budget and revenue budget authorities. In addition, budget implementation is a big challenge. After finalizing budget, we do not get the allocated money in the 1st quarter, which puts us 3 months behind in project implementation. Also, we have to improve our emergency preparedness through long term planning as well. Finally I want to point out the need to impose high taxes on products which are harmful to health, such as salt, sugar, fizzy drinks, fast foods and obviously tobacco.



Dr. Mohiuddin Alamgir
 Consultant,
 Asian Development Bank
 Former Director, UNIFAD

We need to consider a much longer time horizon while examining the challenges. There are three big challenges ahead of us. GDP pressure on environment will be unbearable. We will have to find a way of dealing with it. Secondly, climate change will leave a maximum of 30 million or minimum of 10 million climate refugees. Finally, if business as usual scenario continues, this land space will become unlivable. Urbanization issues need to be addressed. Land space planning, dealing with environmental pressure, and dealing with climate change- these are the real issues, not what privileges we will lose because we are graduating from LDCs! We have to use whatever limited resources we have to focus on these real challenges.



Dr. M Abu Eusuf
 Professor and Chairman,
 Department of Development
 Studies, University of Dhaka

As a result of poor infrastructure Bangladesh will find it difficult to attract investors. Our overall poverty rate is 24.3 percent. But there is a mismatch between micro-failure and macro-success. We are seeing 24.3 in a macro scenario but on the other hand seven districts have the poverty rate of more than 50 percent. In Kurigram, 71 percent people are under the poverty line. Now, if we want to see “No poverty” by 2030, then how do we ensure it? On the other hand, we talk about SDG 10 where both Income Gini co-efficient and Expenditure Gini co-efficient of Bangladesh has increased from the year 2010 to 2016. Therefore, we should not be happy by looking at the growth status only. Growth must be accompanied by equal distribution.



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



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.