

ONE-BELT-AND ONE-ROAD: THE BANGLADESH CONTEXT

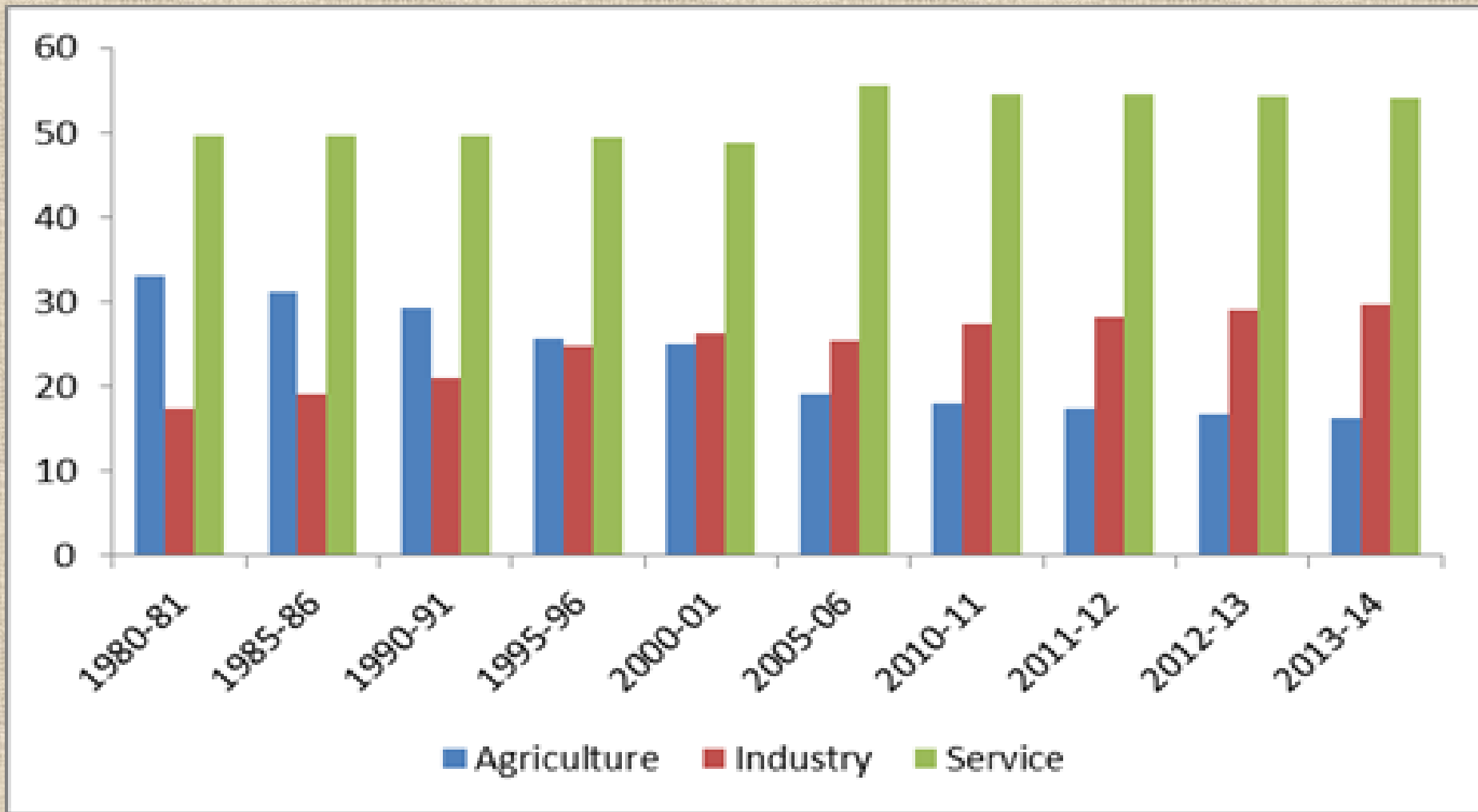
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Paper presented at the seminar on “The One-Belt-and One-Road Initiative in the Global Context” jointly organized by the National Institute of Global Strategy (NIGS), Chinese Academy of Social Sciences (CASS) and the Beijing Foreign Studies University (BFSU) at BFSU (Beijing, P.R. China) on 10-11, Oct. 2016. The views presented here is personal and his employer may not agree with them.

STRUCTURE OF PRESENTATION

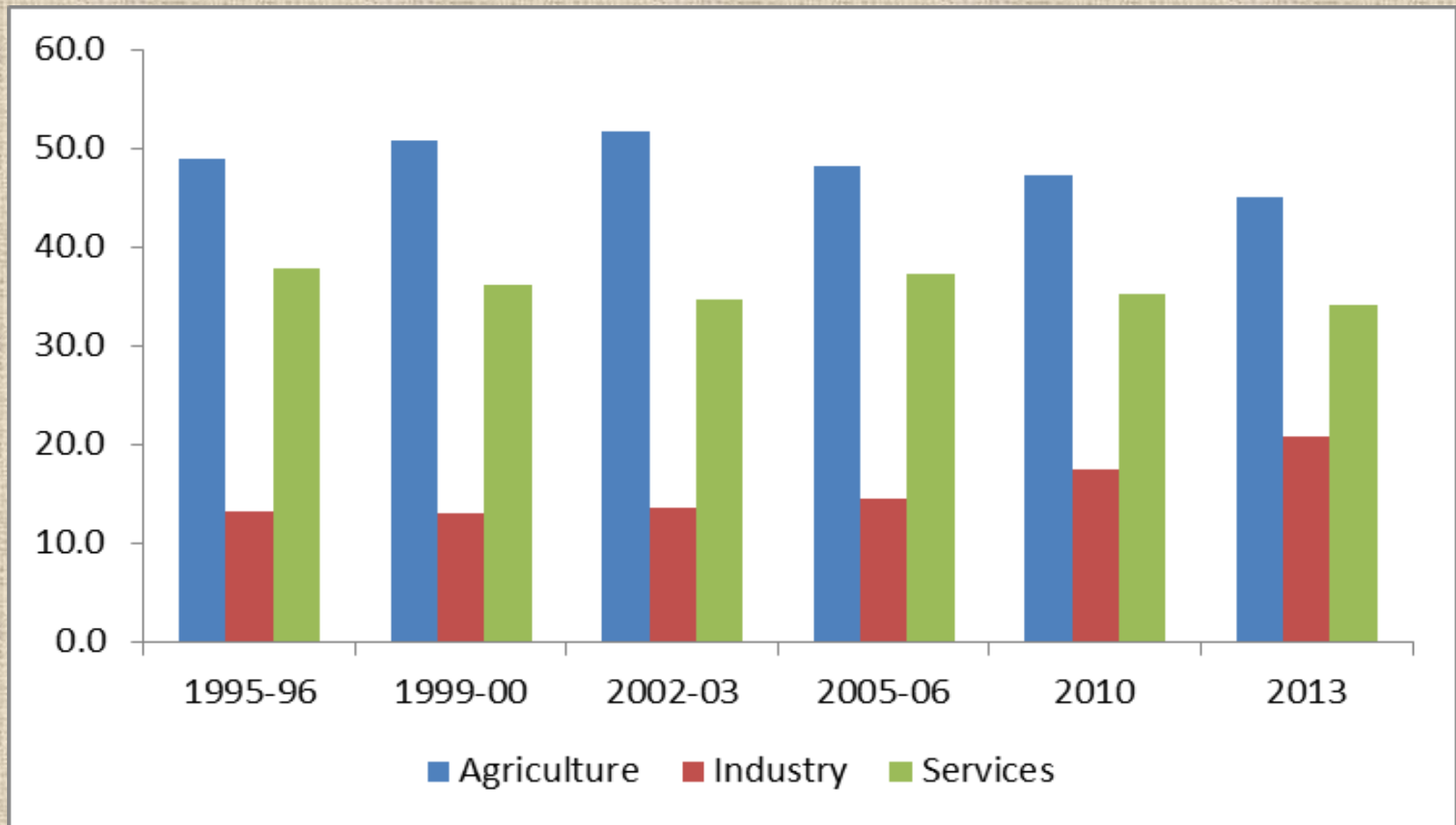
1. Key changes in the economy of Bangladesh
2. The progress of the economy of Bangladesh
3. The constraints to future growth
4. Areas of co-operation

STRUCTURAL TRANSFORMATION OF THE BANGLADESH ECONOMY (1981-2014)



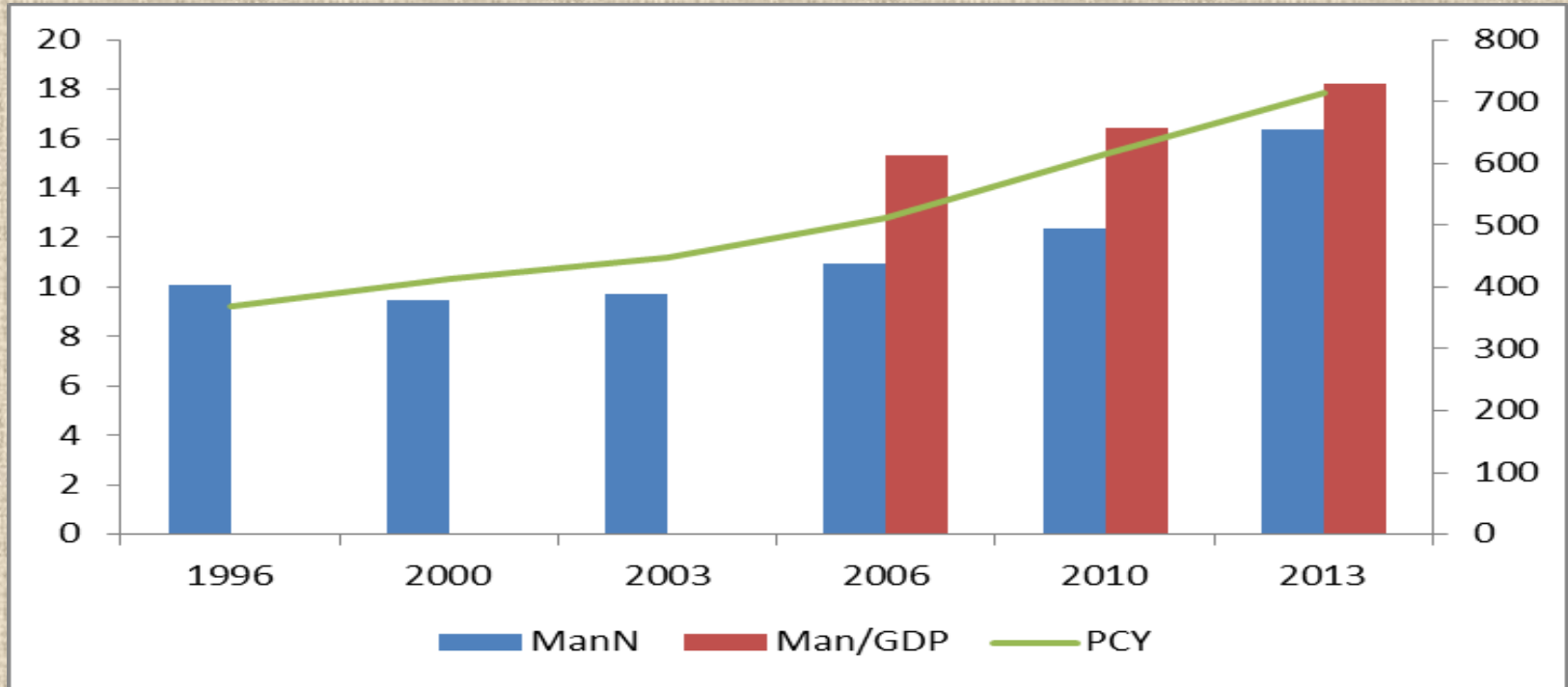
Source: MOF (2014)

STRUCTURE OF EMPLOYMENT IN BANGLADESH 1996-2013



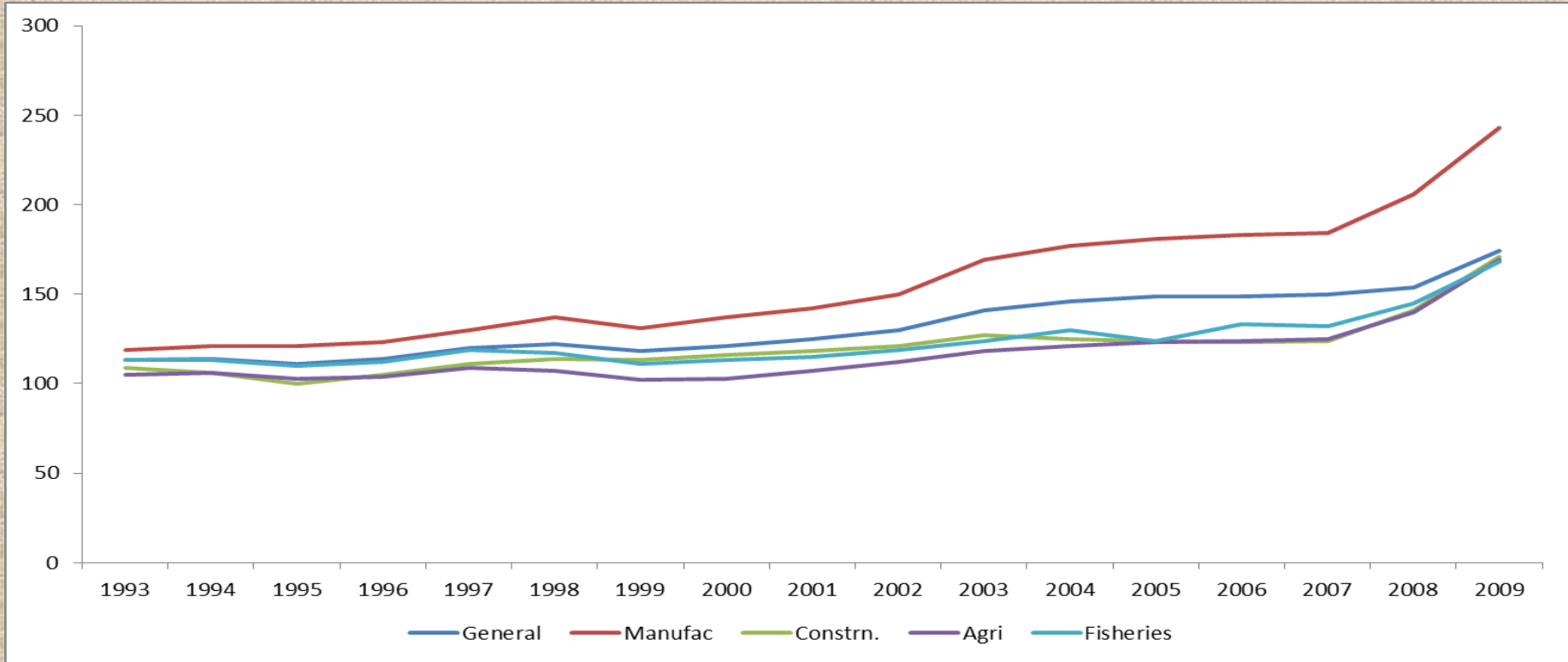
Source: Labour Force Surveys (various issues)

NO SIGNS OF DEINDUSTRIALIZATION



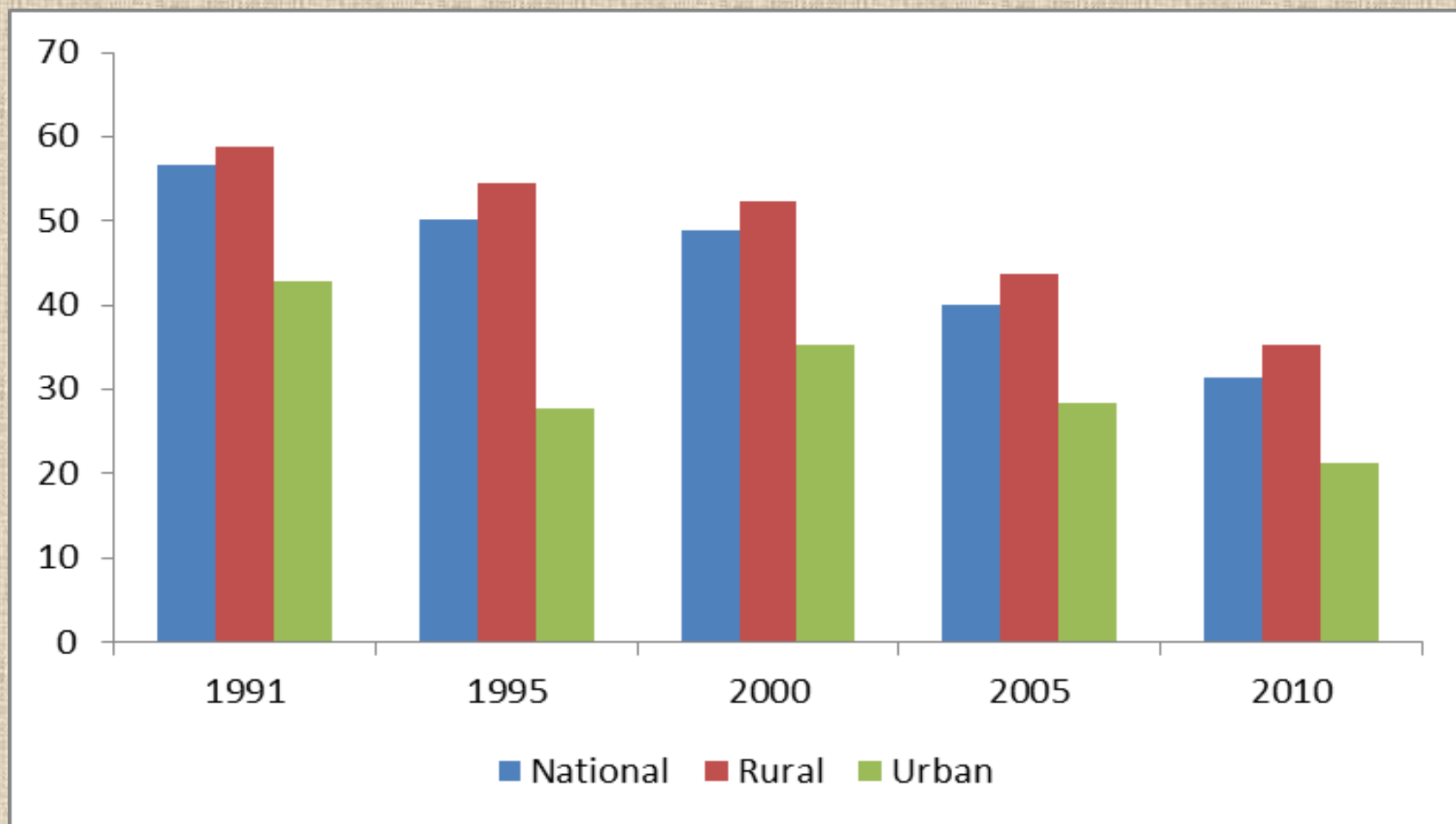
Source: MOF (2014),
World Bank (2015)

WAGES IN BANGLADESH



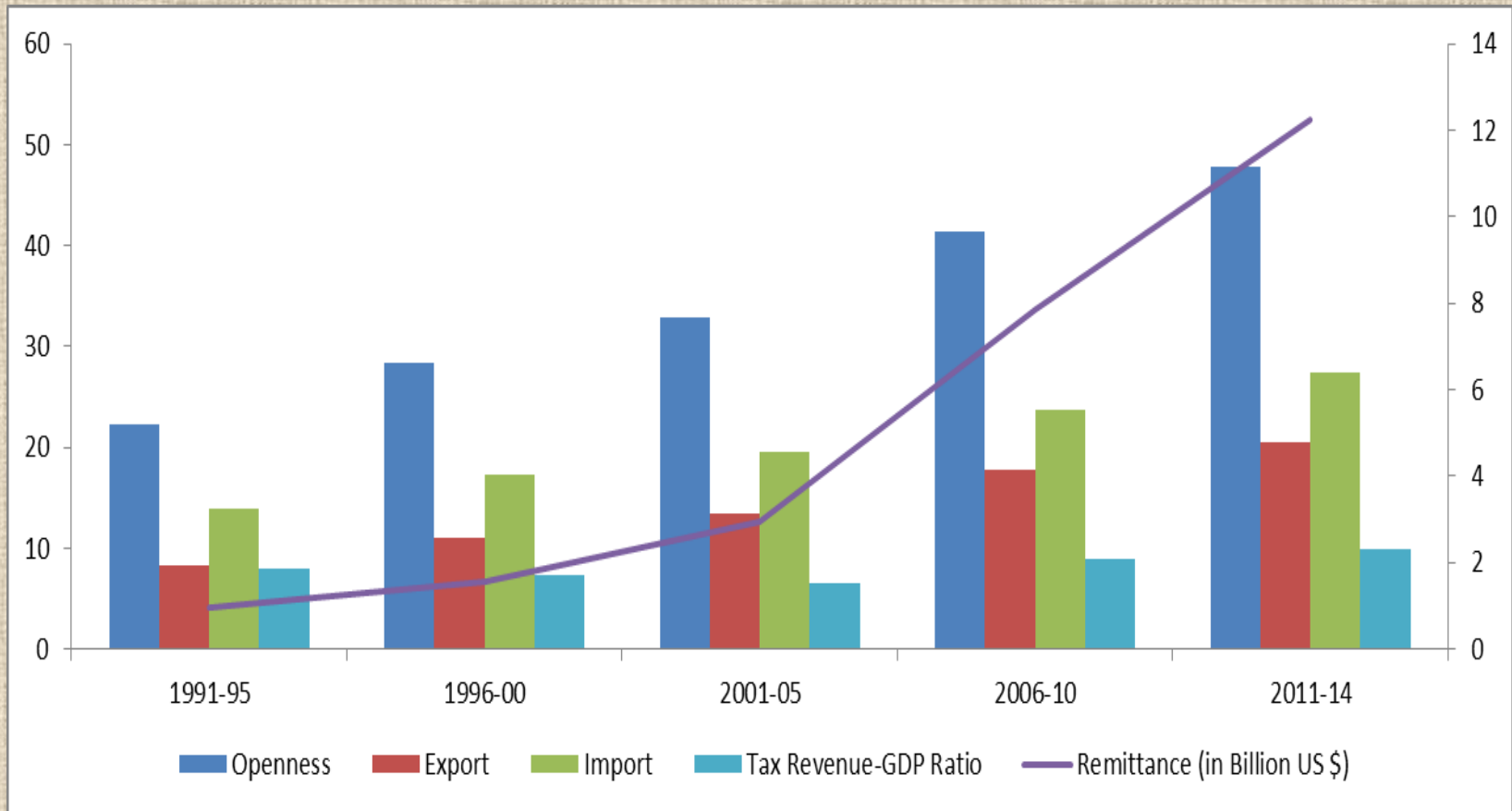
Source: MOF (2014)

POVERTY TREND IN BANGLADESH 2000-2010



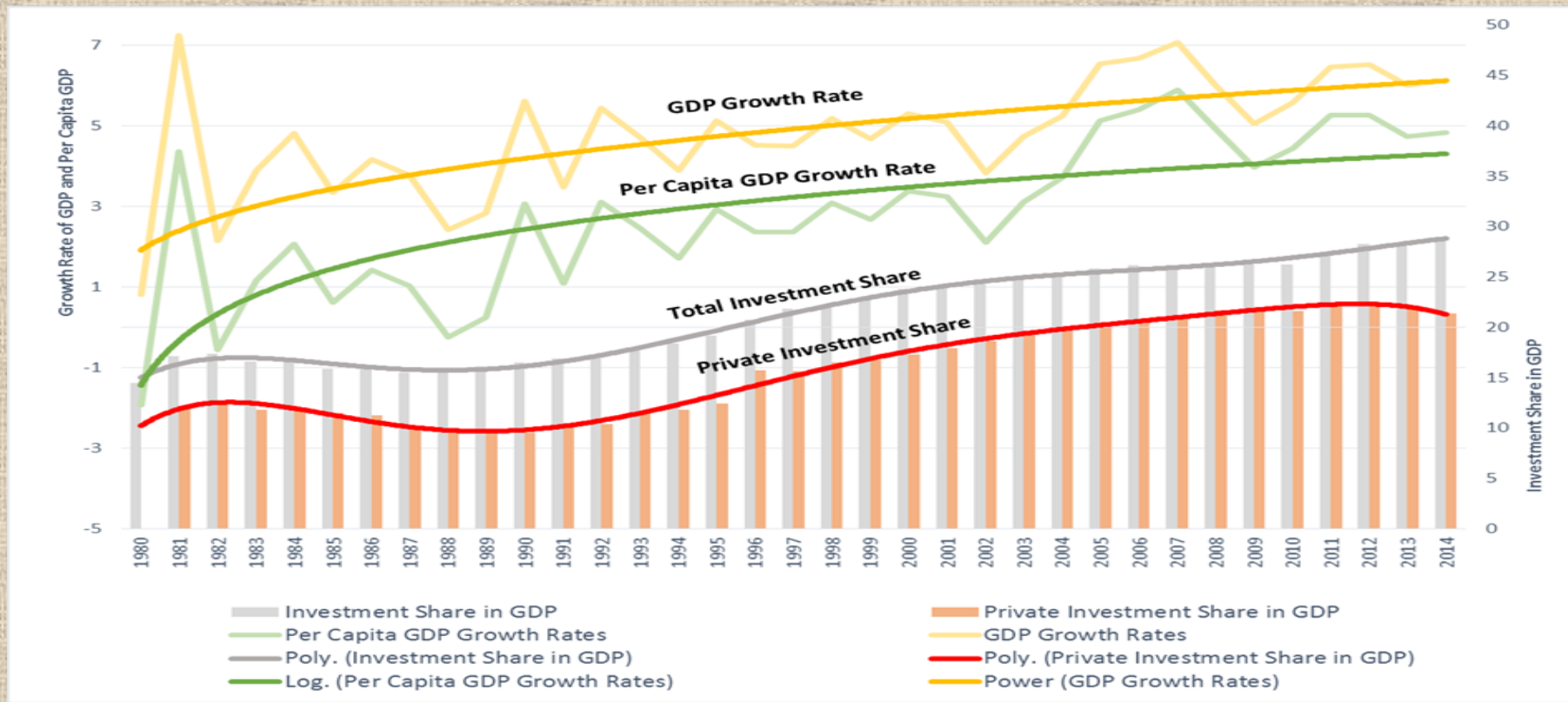
Source: BBS (various issues)

OPENNESS HAS INCREASED BUT LOW TAX REVENUES



Source: MOF (2014)

SUSTAINED GROWTH BUT SLUGGISH INVESTMENT

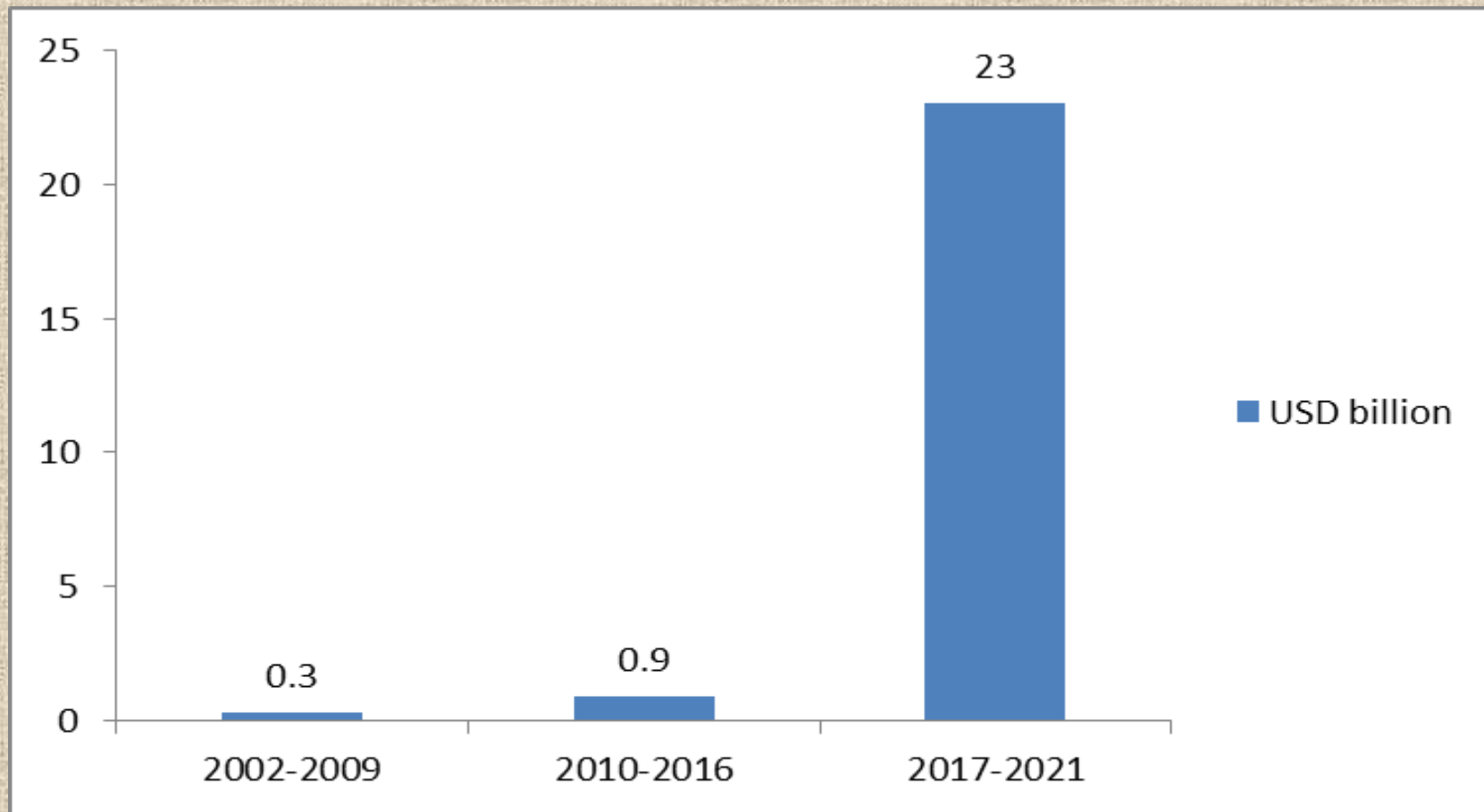


Source: Khan, Mushtaq Husain 2016. Political Settlements and Inclusive Growth in Bangladesh, SOAS Department of Economics Working Paper. London: SOAS, University of London.

8% GDP GROWTH IS BADLY NEEDED!

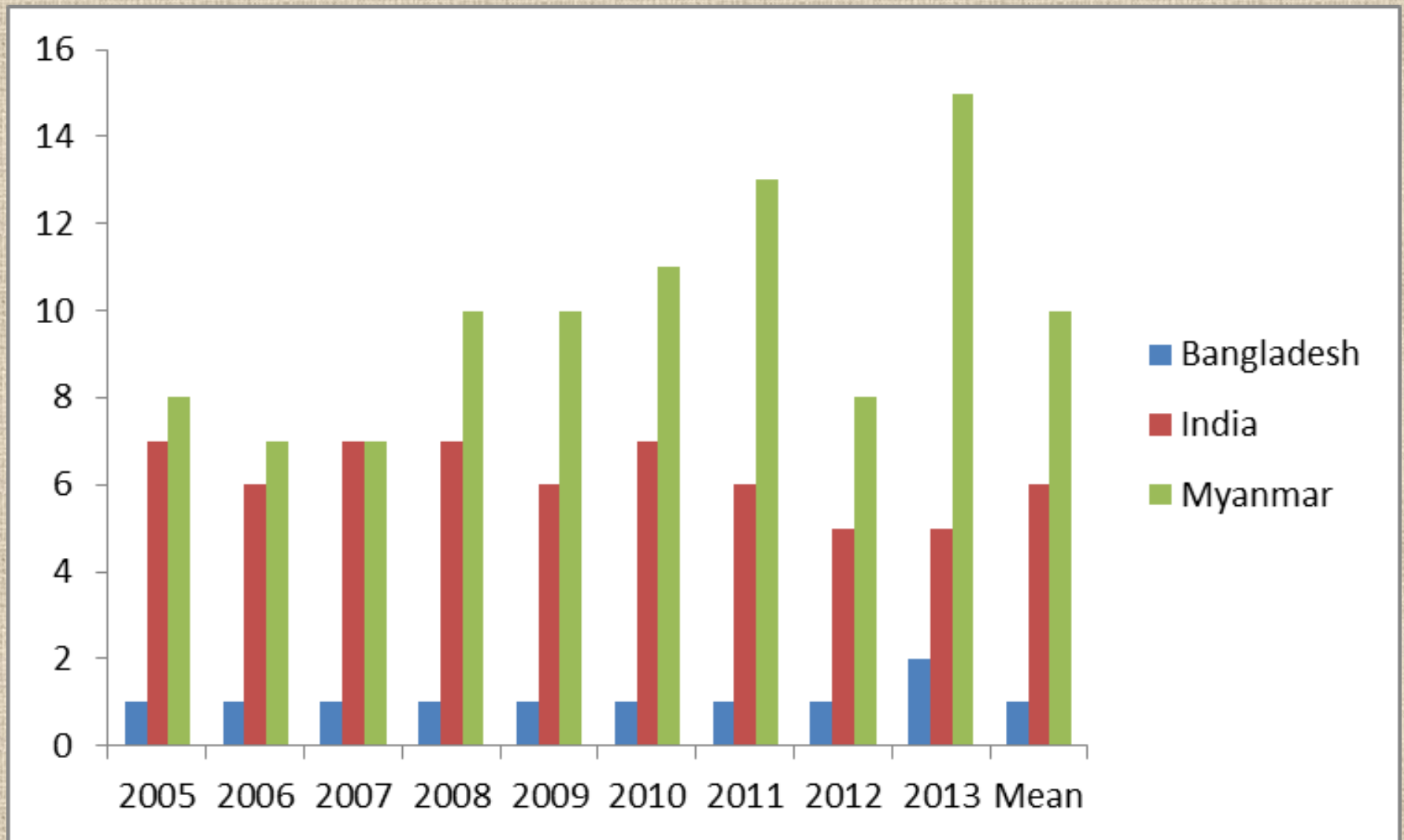
1. Vision 2021 aims 10% GDP growth rate in 2021
2. Bangladesh needs \$100b in 10 years for infrastructure (WB). Government planned large scale infrastructure projects (deep-sea ports, Elevated Expressways, power plants).
3. To attract Chinese investment, Bangladesh has allocated two economic zones in Gazaria and Anwara in Chittagong.
4. Chinese commitment is likely to increase (2002-2009: USD 303m, 2010-16: USD 916m, Next 5 years \$ 23 billion!

CHINESE INVESTMENT COMMITMENT 2002-2021



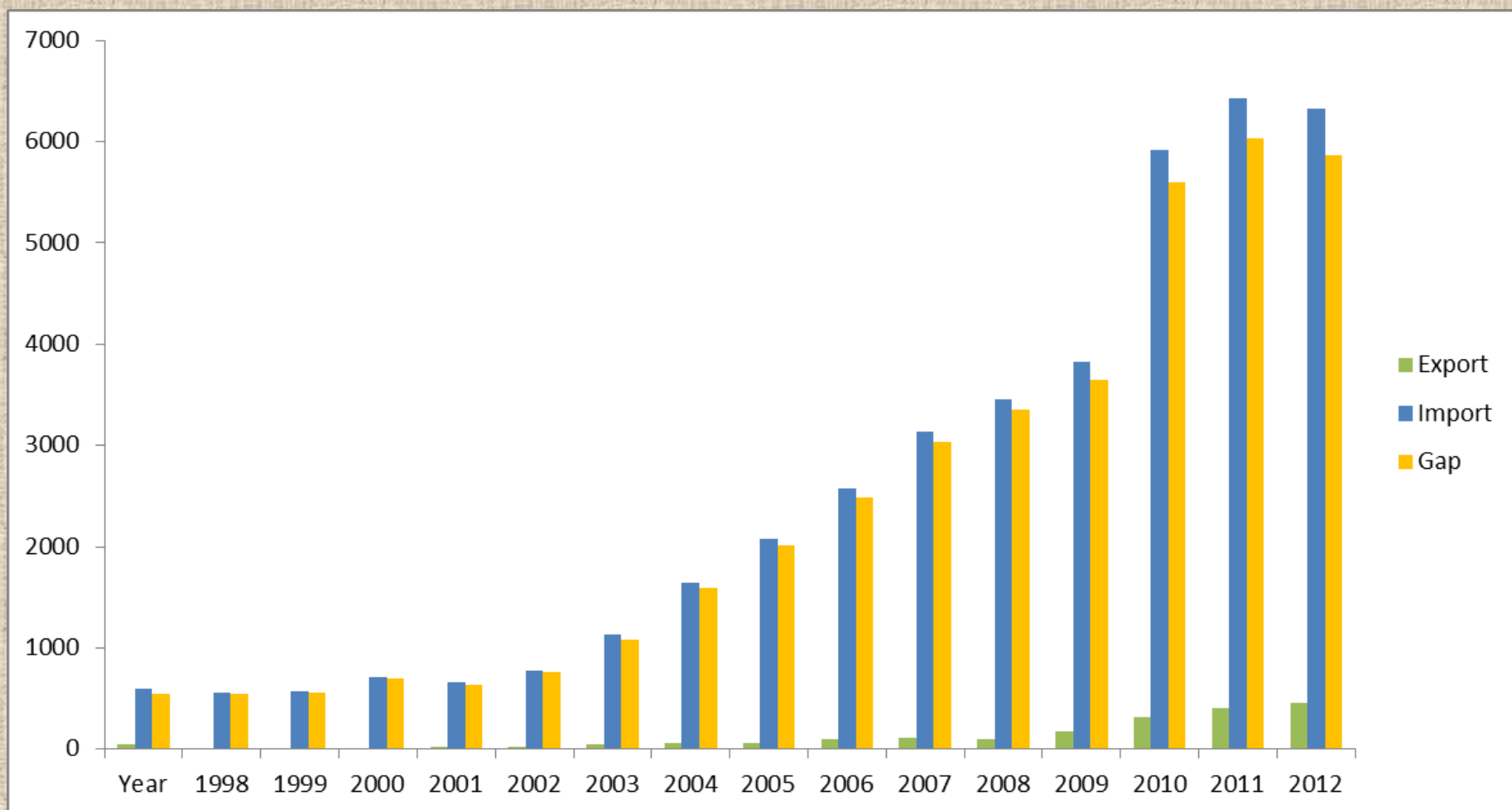
Source: Daily Star (2016)

CHINESE IMPORTS FROM BCIM COUNTRIES CAN INCREASE



Source: Morck and Yeung (2016)

MASSIVE TRADE GAP BETWEEN BANGLADESH AND CHINA



Source: Bangladesh Chambers of Commerce and Industries (BCCI)

CONCLUSIONS

1. Bangladesh economy is growing fast but more investment is required.
2. There is a huge demand for infrastructure investment in Bangladesh in the next few years
3. Regional co-operation amongst the BCIM countries can boost investment
4. BCIM countries should be committed to make not only investment but also increase trade amongst themselves.

THANK YOU !

谢谢

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