

Transition of Bangladesh Economy to Tiger Economy from Bottomless Economy: A Fifty Years (1972-2022) Perspective

Mohammad Main Uddin, Kana Das, & Saruar Alam Sikdar

Abstract

Since gaining independence in 1971, Bangladesh has made significant economic progress despite starting with the lowest per capita GDP, a weak economy, and inadequate infrastructure. Bangladesh's economy, once dubbed the 'bottomless basket', has recently undergone a significant transformation, gaining recognition as a booming economy, sometimes referred to as the tiger economy. This research aimed to provide a thorough evaluation of the economic growth that Bangladesh has achieved since its independence until the present. Furthermore, this research aimed to analyse the primary obstacles and provide strategies to address them. This study analyses the time series data from 1972 to 2022 for 15 key economic, social, financial, and environmental indicators of Bangladesh's economy. We include the following indicators: annual GDP, GDP growth, GDP per capita, GNI, GNI per capita, trade balance, literacy rate, unemployment rate, carbon (CO₂) emissions, life expectancy, access to electricity, external debt, foreign direct investment, total reserves, and annual budget. We obtained the data from the Bangladesh Bureau of Statistics (BBS), the Bangladesh Bank, the Ministry of Finance, and the World Bank. Research findings indicate that Bangladesh has made substantial progress in several economic and social indicators over the last five decades, including high annual GDP, GDP growth rate, GDP per capita, GNI, GNI per capita, literacy rate, life expectancy, access to electricity, foreign direct investment, and the national budget. Although Bangladesh's economy has made significant strides, it still faces many obstacles, including a negative trade balance, a continuously growing unemployment rate, escalating carbon (CO₂) emissions, dependence on foreign external loans, a deficit budget, and the need for climate change adaptation. To tackle the difficulties, it is necessary to integrate many proactive measures. This research provides valuable insights for policymakers seeking to comprehend the current patterns of Bangladesh's growth, as well as the significant obstacles it faces and strategies for overcoming them.



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Economy of Bangladesh

Bangladesh seeks middle-income status. Due to economic reforms, Bangladesh's economy has grown significantly despite several obstacles. Bangladesh is a developing market economy. The Next Eleven emerging market classifies Bangladesh as a medium-income country. In the first quarter of 2023, Bangladesh ranked 33rd in nominal GDP and 25th in PPP. Its 6.0% annual real GDP growth rate in 2023 made it one of the fastest-growing economies in the world. Several development programs seek to turn this country into a "tiger economy." Bangladesh has inspired other countries by lowering poverty, preserving economic growth, increasing per capita food output, and improving literacy, health, and sanitation. Slow economic growth has lowered the nation's middle-income status. Sustainable development requires increasing industrial productivity, structural changes, investment opportunities, and socio-economic balance (Mahmud and Roy, 2024; Manik, 2023).

Bangladesh's Economy Journey towards Developing from Lest Developed

Bangladesh will have successfully transitioned from a least developed country to a developing country in 2021. This review was based on certain criteria related to economic, social, and environmental vulnerabilities (Moazzem and Ahmed, 2021). Experts advise Bangladesh, Lao People's Democratic Republic, and Nepal to transition from least developed countries (LDCs) to developing nations by 2026 due to significant advancements in health and economic conditions. Despite being a small and densely populated country, Bangladesh gained sovereignty in 1971. It had the 10th lowest per capita GDP at the time, as well as a fragile economy with damaged infrastructure and communication. However, in recent years, Bangladesh has experienced significant economic growth, with its GDP growth rate one of the highest in the world (Abdin, 2020). Effectively transitioning the Bangladeshi economy into a developed economy is a significant task. Key challenges facing Bangladesh include removing impediments to industrialization, guaranteeing a reliable and affordable power supply for the industrial sector, fostering the development of stable infrastructure and urbanization, and addressing the risks posed by climate change and natural disasters, among others.

Bangladesh in the Early 70's and Bottomless Basket

The economy of Bangladesh started in 1971 with a negative growth rate of -5.5%. The GDP per capita stood at 134 US dollars. The transport infrastructure, including train, road, and bridges, were severely destroyed due to the impact of war. Additionally, there was a high inflation rate of 300-400% and a lack of adherence to the rule of law. Approximately 70% of the whole population lived below the poverty threshold (Abdin, 2020). In 1972, Bangladesh was among the five most impoverished nations globally, with a per capita income of \$190. Bangladesh was derogatorily labelled as an insatiable recipient of help by former US Secretary of State Henry Kissinger (Khair et al., 2023; Abdin, 2020), implying that it always relies on assistance from other countries without being able to reciprocate (Goswami, 2021). In the 1970s, Bangladesh, a recently independent nation, relied heavily on foreign assistance due to the lack of major foreign investment (Hosen et al., 2016).

Transition of Bangladesh Economy

In the latter part of the 1970s, Bangladesh's economy underwent a shift from relying on assistance to relying on commerce, achieved through a process of structural transformation. Several variables contributed to this phenomenon (Hosen et al., 2016). Over the last five decades, Bangladesh has seen significant growth. In particular, Bangladesh's economy has shown progress in key macroeconomic indicators such as a high growth rate, achieving self-sufficiency in food production, a significant reduction in the poverty rate, decreasing inequality, attracting more foreign direct investment (FDI), improving social safety nets, expanding access

to education, advancing information technology, increasing power generation, and benefiting from overseas employment and remittance earnings. This has positioned Bangladesh as one of the emerging economies (Uddin et al., 2022; Ferdousi and Dehai, 2014; Helal and Hossain, 2013). Bangladesh has demonstrated its ability to design and implement large-scale projects such as the Padma Multipurpose Bridge, Elevated Motorway, Metro Rail, Karnafully Tunnel, Power Plant, Nuclear Power Plant, Power Station, Padma Railway Link Bridge, Deep Seaport Development, Deep Seaport Projects, the establishment of High Tech Park, expansion in mobile banking, an increase in internet users and accessibility, and the implementation of e-governance (Yeasin, 2021). Currently, we classify Bangladesh as a middle-income nation within the low-income category. The shift of Bangladesh's economy from a state of extreme poverty to one of expanding income began in the late 1970s, thanks to several reformative measures undertaken by the government, including those involving the private sector (Hasan, 2020).

Bangladesh Economy Response to COVID19 and Russia-Ukraine War

Bangladesh has a well-documented track record of substantial development and advancement, especially in periods of heightened global instability. Although the Bangladeshi economy has gradually recovered from the impact of COVID-19 and the ongoing conflict between Russia and Ukraine, the recent decline in global economic growth has been impeding the country's recovery. Prior to the COVID-19 era, Bangladesh saw a GDP growth rate of 7.8% in the fiscal year 2018–2019. The growth rate during the COVID-19 pandemic decelerated to 3.45% in fiscal years 2019–2020 before accelerating to 6.94% in fiscal years 2020–2021 and 7.10% in fiscal years 2021–2022. The Bangladesh Bureau of Statistics has announced that in the fiscal year 2022–2023, the GDP growth rate reached 6.02% and the per capita national income reached \$2765 (Chowdhury, 2024 and Chowdhury et al., 2023).

Bangladesh has a well-documented track record of substantial development and advancement, especially in periods of heightened global instability. Despite the numerous positive economic advancements, Bangladesh is facing serious allegations of expanding corruption, dependence on foreign debts, extending the deficit budget, deteriorating environmental indicators, a lack of energy efficiency improvement, deteriorating foreign reserve trends, and so on.

Accordingly, following questions arise:

RQ₁: Has the Bangladeshi economy really transitioned from a 'bottomless basket' to a tiger (growing economy)?

RQ₂: What are the economic progress and development trends in macro-economic, social, financial, and environmental indicators during 1972–2022?

RQ₃: Is Bangladesh really facing any challenges in macro-economic, social, financial, and environmental issues during 1972–2022?

Literature Review

In the last five decades, Bangladesh's economy has progressed through considerable downturns and significant development. Socio-economic progress has been made. Bangladesh's economy has transformed from a fragile one to a stable one. However, there have been many studies at home and abroad on the progress of the Bangladesh economy and its challenges. It is discussed here.

Transformation and Social Development in Bangladesh

Ahluwalia and Mahmud (2004) studied economic transformation and social development in Bangladesh and identified that its economic performance had notably improved due to structural adjustments. Accordingly, the study suggested strengthening its economic and political governance. Helal and Hossain (2013) studied the economic development of

Bangladesh during four decades and reported achievements on major macroeconomic fronts, including maintaining a high economic growth rate, self-sufficiency in food production, substantial poverty reduction, increased national savings and investment, progress in social indicators, and advancing in communication technology. Akanda (2015) evaluated the socioeconomic and environmental progress of Bangladesh in light of the Millennium Development Goals (MDGs), global development indices, and LDC graduation criteria. Hosen et al. (2016) examined in detail the factors that influence Bangladesh's economic growth, including exports, imports, remittances, and foreign aid and grants. In Bangladesh, Hosen et al. (2016) calculated economic growth in relation to real GDP growth. Hosen et al. (2016) also compared trends with those of the other three SAARC countries and recommended that Bangladesh's future growth will depend on promoting and triggering exports and sustaining remittance flows. Sawada et al. (2018) studied economic and social development in Bangladesh. Mahmud et al. (2018) investigated Bangladesh's development transformation from an industrial and societal viewpoint, reporting that three factors, including the spectacular development of ready-made garments, significant infrastructure investment, and the penetration of microfinance institutions and NGOs, fueled Bangladesh's development and progress. Hasan (2020) studied Bangladesh's new improvement and development trends and devised plans, detailing how each strategy is useful for Bangladesh's economic growth. Hasan (2020) proclaimed a history of economic reforms in Bangladesh dating back to the late 1970s, including the implementation of private sector initiatives. Hasan (2020) dreamed that in the next 20 years, the Bangladeshi economy will be competent like Malaysia and Singapore. Over the last four decades, Uddin et al. (2022) investigated the trends and associations between the inflation rate, GDP growth rate, unemployment rate, and per capita income with Bangladesh's annual budget amount and annual budget deficiency. They concluded that Bangladesh has made significant and remarkable socioeconomic progress during this period. Chowdhury et al. (2023) identified the contribution of remittances to the economic progress of Bangladesh, Sri Lanka, and Vietnam using panel data from 1990–2019.

Shortcomings and Challenges of Bangladesh Economy

Mujeri and Mujeri (2021) studied Bangladesh is changing in terms of value addition, trade, employment, productivity, official and informal vocations, and low-skilled worker prospects. Bangladesh's manufacturing sector couldn't create enough jobs or boost productivity. COVID-19 and Storm Amphan imply that Bangladesh needs a disaster-development paradigm. An inclusive, health- and well-being-focused structural transformation may improve Bangladesh's people-centred development by lowering susceptibility and investing in sustainable development to prevent known and unknown disaster dangers. To eliminate poverty and inequality, Bangladesh must solve the "developer's dilemma" of structural transformation through high productivity and equitable development. According to Osmani (2008), the most significant challenges that the Bangladeshi economy will face in the future are the following: foreign debt, internal inflation, heavy use of domestic borrowing to pay significant budget deficits, equality, food safety, expanding population, chronic bilateral trade deficits, labor exports and remittances, and reform of the financial sector. Islam et al. (2020) determined that Bangladesh is among the worst-hit South Asian nations for COVID-19. According to Islam et al. (2020), Bangladesh's primary challenges include limited, well-equipped hospitals, insufficient testing facilities, a lack of awareness and understanding, a poor attitude towards and implementation of regulations, poverty, and insecure work. In Bangladesh, Ferdous (2020) identified several significant challenges in the areas of democracy and governance. These challenges include pervasive corruption, violence, outdated laws, human rights abuses, a lack of accountability, the absence of the rule of law, and excessive politicization of government organizations, including the judicial system. Despite the many challenges and complexities

involved in establishing effective governance in Bangladesh, there is optimism for the implementation of good governance principles in our political processes and administration.

The literature review demonstrates that various authors have examined the parameters of Bangladesh's economy from different perspectives. Some authors have concentrated on macroeconomic variables, while others have focused on social, environmental, and governance variables. Each approach has produced distinct findings and recommendations. Based on this literature, we may discern certain obstacles that come with Bangladesh's development, but in general, we have not come across any similar research on the economic, social, and environmental aspects.

The literature review revealed a lack of comprehensive research on the trends and patterns of key macroeconomic factors such as annual GDP, GDP growth, GDP per capita, GNI, GNI per capita, trade balance, literacy rate, unemployment rate, carbon (CO₂) emissions, life expectancy, access to electricity, external debt, foreign direct investment, total reserves, and Bangladesh's annual budget from 1972 to 2022. Accordingly, this study proposes to identify the trends of annual GDP, GDP growth, GDP per capita, GNI, GNI per capita, trade balance, literacy rate, unemployment rate, carbon (CO₂) emissions, life expectancy, access to electricity, external debt, foreign direct investment, total reserves, and Bangladesh's annual budget from 1972–2022. Furthermore, this study aims to dissect the primary obstacles confronting the Bangladeshi economy and ultimately suggest strategies to surmount them. Accordingly, this study proposes the following objectives:

- i. Assessing Bangladesh's economic transition from a 'bottomless basket' to a thriving economy.
- ii. Describe the trends of economic progress and development in macro-economic, social, financial, and environmental indicators during 1972–2022.
- iii. Identifying the major challenges that Bangladesh has faced in its economic transformation over the last five decades.

Methodological Approach

Data Set

Numerical data of annual GDP, GDP growth, GDP per capita, GNI, GNI per capita, trade balance, literacy rate, unemployment rate, carbon (CO₂) emissions, life expectancy, access to electricity, external debt, foreign direct investment, total reserves, and annual budget of Bangladesh from 1972 to 2022 has been used in this study. Data have been derived from the Bangladesh Bureau of Statistics (BBS), the Bangladesh Bank, the Ministry of Finance, and the World Bank.

Analysis tools

This research primarily focuses on descriptive aspects. Throughout the investigation, we conducted a theme content analysis. In this study, we also used data from several economic, social, and environmental indicators in Bangladesh. We processed the numeric data using Microsoft Excel, evaluating the data sets through trend analysis and interpretation based on graphical presentation and illustration.

Description of Macroeconomic Variables

Table 1: Description of Macroeconomic Variables

Variables	Description	Reporting
annual GDP	Value of the final goods and services produced by all residents in Bangladesh	In U.S. dollars (US\$)
GDP Growth	Annual change in Bangladesh's GDP rate at a market price determined by constant local currency over the designated period of time	In %
GDP Per Capita	GDP Per Capita is the Gross Domestic Product divided by Bangladesh's entire population over a given time period	In U.S. dollars (US\$)
Gross National Income (GNI)	A country's gross national income (GNI) represents the total value and revenue received by its citizens, enterprises, foreign capital, and development assistance regardless of where it is earned.	In U.S. dollars and shown in Billion terms (US\$B)
GNI Per Capita	Gross National Income (GNI) per capita is determined by dividing the GNI by the population	In U.S. dollars (US\$)
Trade Balance	The difference between goods and service imports and exports is known as the trade balance.	In Billions of U.S. dollars (US\$B)
Literacy Rate	The percentage of adults (15 and older) who can read and write about their daily lives in a brief and straightforward statement is known as the literacy rate.	In %
Unemployment Rate	The percentage of the labor force that is unemployed but willing to look for work	In %
Carbon (CO2) Emissions	Carbon (CO2) Emissions are those stemming from the burning of fossil fuels, consumption of solid, liquid, and gas fuels, and gas flaring	In Kilotons
Life Expectancy	Life expectancy indicates the expected years that a newborn child would live if mortality patterns remained constant	In years
Access to Electricity	Access to electricity refers to the percentage of the population who has access to electricity	In % of the population
Foreign Direct Investment	Cross-border equity flows that include equity capital, earnings reinvestment, and other capital.	In U.S. dollars (US\$)
Total Reserves	Total reserve of holding of foreign exchanges	In U.S. dollars (US\$)
Annual Budget	Total of revenues and expenditures for a fiscal year started on 1 st July and ended on 30 th June in Bangladesh	In Tk. and Crore term (BDT Cr)

Analysis and Discussion Bangladesh's GDP in US \$B

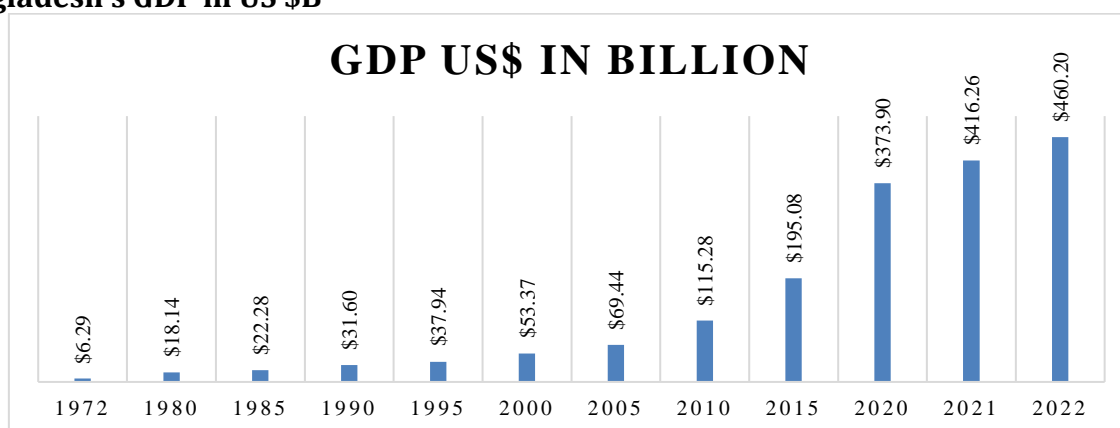


Fig. 1: GDP of Bangladesh from (1972-2022)

Fig. 1 depicts that the annual GDP of Bangladesh has constantly increased over the last five decades. We can observe the robustness of the GDP increase from 2010 to the present. Despite the severe impact of COVID-19 on the national economy, Bangladesh's annual GDP is steadily increasing. Recently, the war between Russia and Ukraine has adversely affected the world economy, including Bangladesh. However, it is encouraging to note that Bangladesh's annual GDP is still gradually increasing.

Bangladesh's GDP Growth (%)



Fig. 2: GDP Growth (%) of Bangladesh (1972-2022)

This Fig. 2 demonstrated the GDP growth rate of Bangladesh, which escalated gradually until 2020 due to COVID-19. It is evident from the graph that the GDP growth rate started at a low percentage in 1972. Subsequently, it rocketed in 1980. After that, the GDP growth rate follows the slightly fluctuating trend from 1985 to 2015. Furthermore, the graph shows that the growth rate reached a low in 2020 because of COVID-19. However, the rate finally rose in the target year, which was satisfactory.

Bangladesh's GDP Per Capita (US \$)

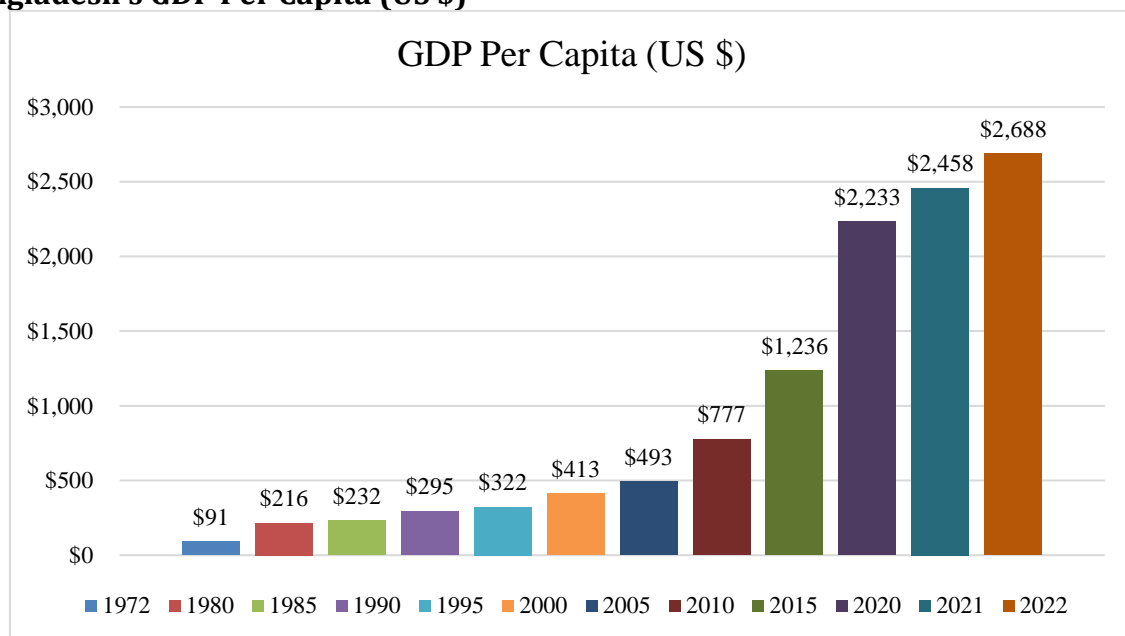


Fig. 3: GDP Per Capita (US \$) of Bangladesh (1972-2022)

Fig. 3 depicts Bangladesh's GDP per capita over the past five decades. According to the figure, it was clear that GDP per capita increased from 1972 to 2022. Between 1980 and 2005, GDP per capita showed an almost identical percentage. Furthermore, the GDP per capita increased significantly over the next 10 years. Subsequently, the graph displays the most significant

variation in the past three years. The investigation revealed that Bangladesh's GDP per capita is still gradually rising.

Bangladesh's GNI US \$B (1973-2022)

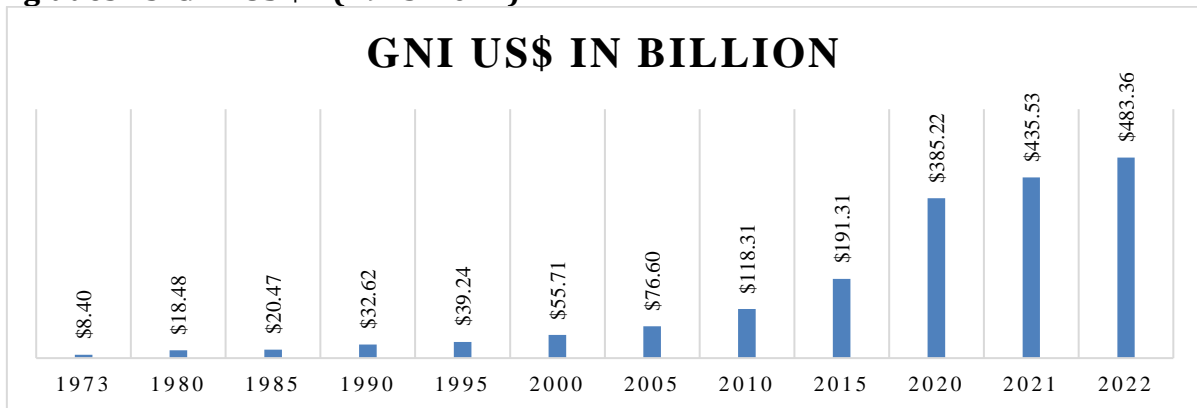


Fig. 4: GNI US \$B of Bangladesh (1973-2022)

Fig. 4 depicts the GNI of Bangladesh between 1973 and 2022. In 1973, the GNI rate started at a low US billion. After that, it rose gradually and stood at \$76.60 billion in 2005. Furthermore, it nearly doubled in value in 2010. Then they started to claim up from 2015 to 2020, which was a striking difference all over the chart. Then, the last two years grew up, as well as in 2021 and 2022, respectively.

Bangladesh's GNI Per Capita (US \$)(1973-2022)

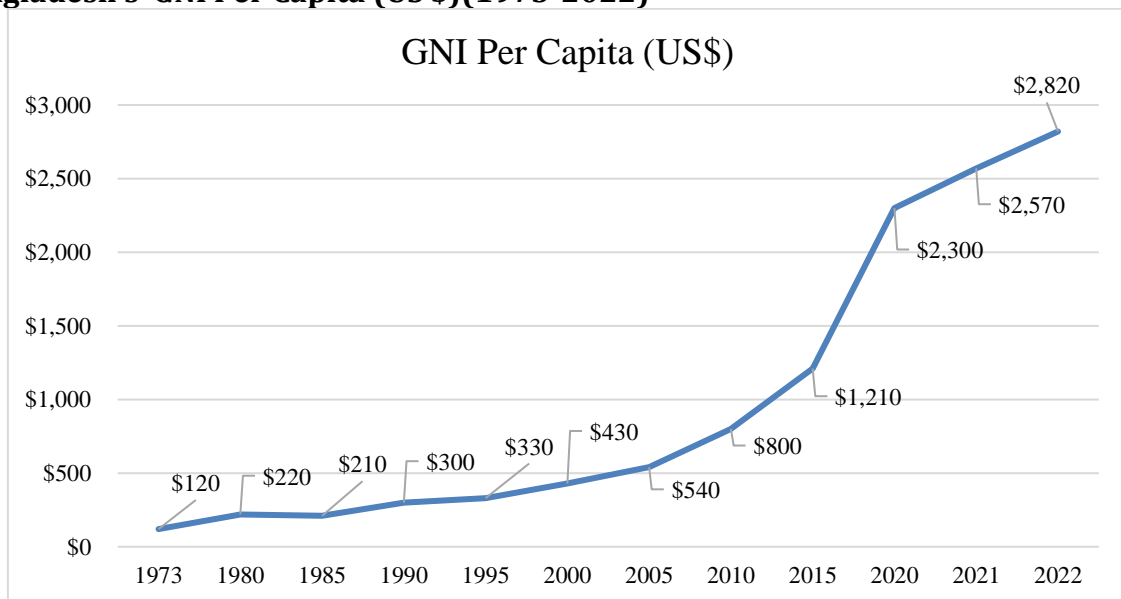


Fig. 5: Bangladesh's GNI Per Capita (US \$)(1973-2022)

Figure 5 compares Bangladesh's gross national income per capita. Immediately, one can observe a satisfying upward trend from 1973 to the present. In 1973, the per capita GDP started at a low level and continued to grow gradually until 2005. Surprisingly, it had begun to rise by 2010. In 2020, it stabilized at \$2300. GNI per capita showed a similar trend from 2010 to 2021. In 2022, Bangladesh's per capita income will peak at \$2820.

Bangladesh’s Trade Balance Billions of US \$ (1972-2022)

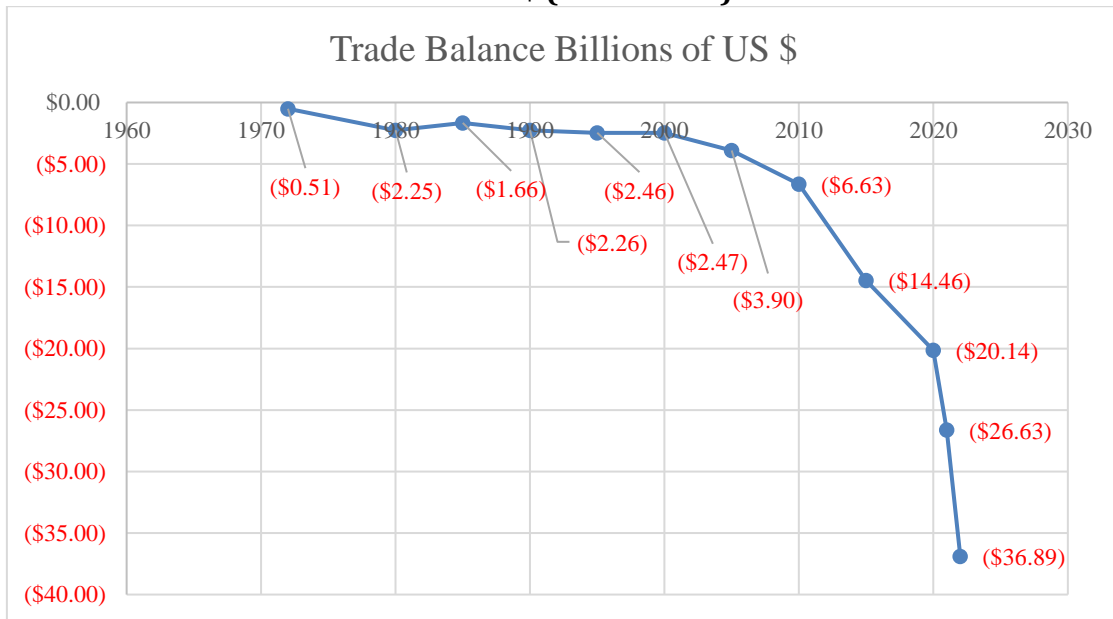


Fig. 6: Bangladesh’s Trade Balance Billions of US \$ (1972-2022)

Fig. 6 illustrates the trade balance of Bangladesh from 1972 to 2022. In 1972, Bangladesh's trade balance was at a low of US \$-0.51 billion. From 1972 to 2000, the trade balance grew marginally, with the exception of 1985. Further, it climbed significantly from \$-3.90B to \$-6.63B between 2005 and 2010. It was also surprising that Bangladesh's trade balance in 2015 escalated in double contrast with 2010. Bangladesh's trade balance for 2021 was \$-26.63 billion, a 32.26% increase from 2020. The data are in current U.S. dollars. The Bangladesh trade balance for 2022 was \$-36.89B, a 38.5% rise from 2021, which was the most striking difference from the graph.

Bangladesh’s Literacy Rate (%) (1981-2020)

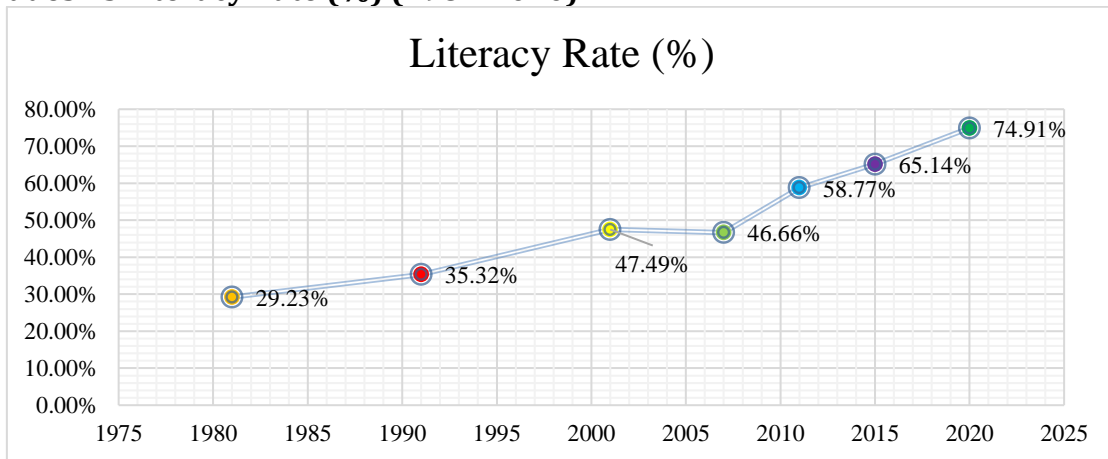


Fig. 7: Bangladesh’s Literacy Rate (%) (1981-2020)

The supplied Fig. 7 exhibits how Bangladesh’s literacy rate changed over a 40-year period, starting in 1980, by 29.23%. By 1995, it had risen slightly to 35.32%. However, it has steadily increased to 47.49% up to 2000. It is also surprising that the literacy rate declined for a very small minority (46.66%) in 2005. Moreover, the literacy rate in Bangladesh soared after 5 years, from 58.77% to 74.91% in 2010 and 2020.

Bangladesh's Unemployment Rate (%) (1991-2022)

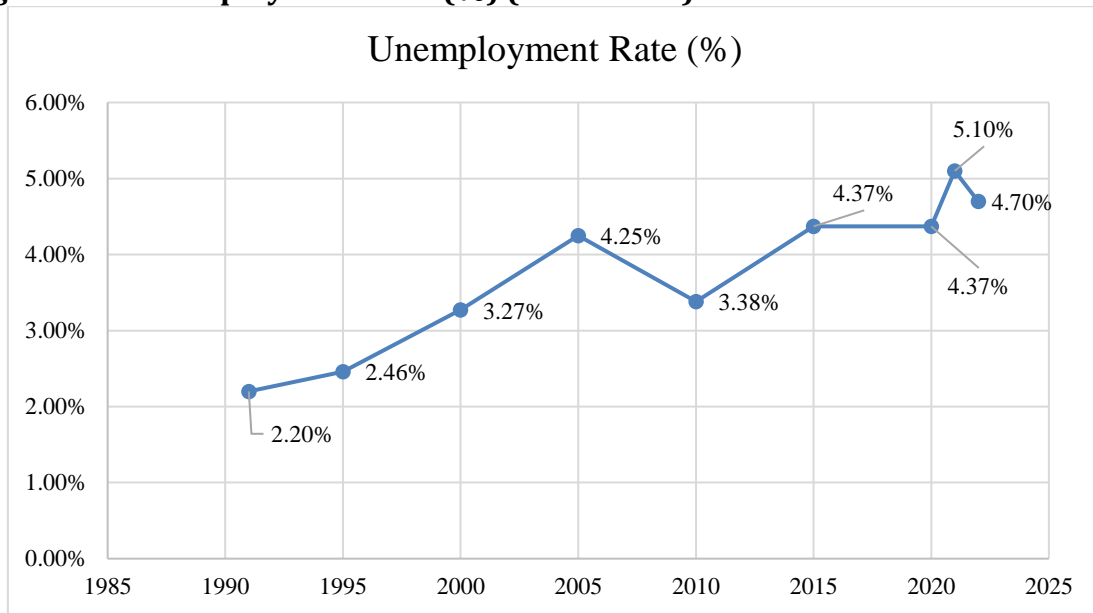


Fig. 8: Bangladesh's Unemployment Rate (%) (1991-2022)

The chart and provided in Fig. 8 show how information about the unemployment rate changed over a 32-year period, starting in 1991, when Bangladesh had a 2.20% unemployment rate. We can immediately see that the unemployment rate has escalated gradually, from 2.46% in 1995 to 4.25% in 2005. This represents the peak compared to previous years. In 2010, it experienced a significant decline of 3.38%. Following that, it experienced a significant increase of 4.37% in 2015, and it remained stable in the same proportion until 2020. By 2021, it had risen to 5.10%, the highest percentage on the entire chart, before it began to decline again.

Bangladesh's Carbon (CO2) Emissions (Kilotons)

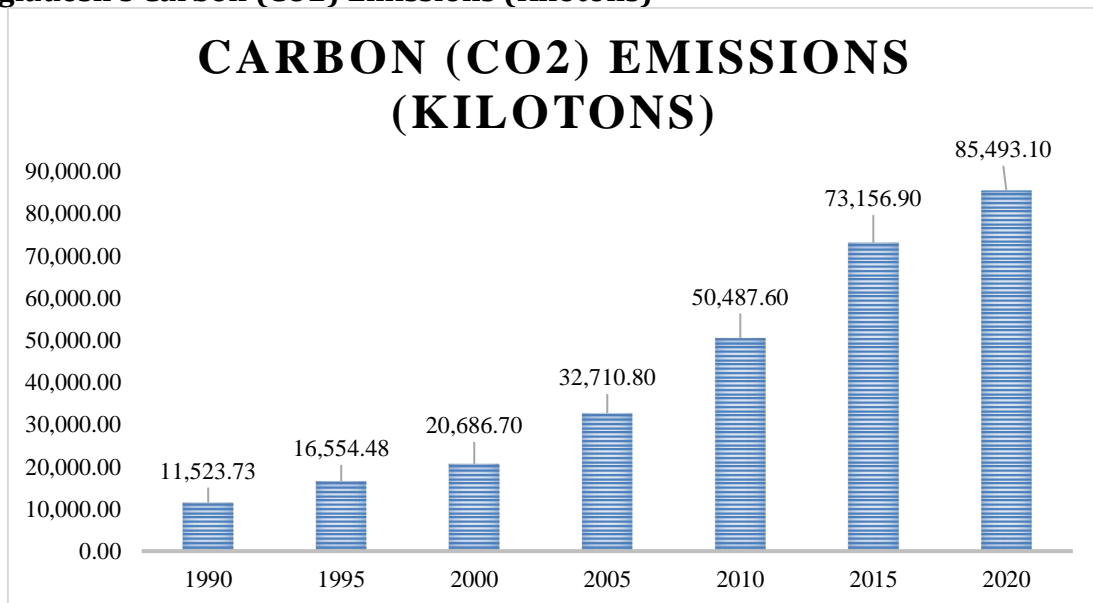


Fig. 9: Bangladesh's Carbon (CO2) Emissions (Kilotons) (1990-2020)

The provided table and bar chart illustrated the changes in data on Bangladesh's carbon (CO2) emissions over a 30-year period. We can immediately see that the data started at a low of 523.73 kilotons in 1990. Furthermore, every five years thereafter, the ratio of carbon emissions

progressively increased, reaching a peak of 50,487.60 kilotons in 2010. Furthermore, it had climbed moderately in 2015 by 73156.90 kilotons. The final year revealed that carbon emissions reached a peak of 85,493.10 in 2020.

Bangladesh’s Life expectancy at birth, total (years) (1972-2021)

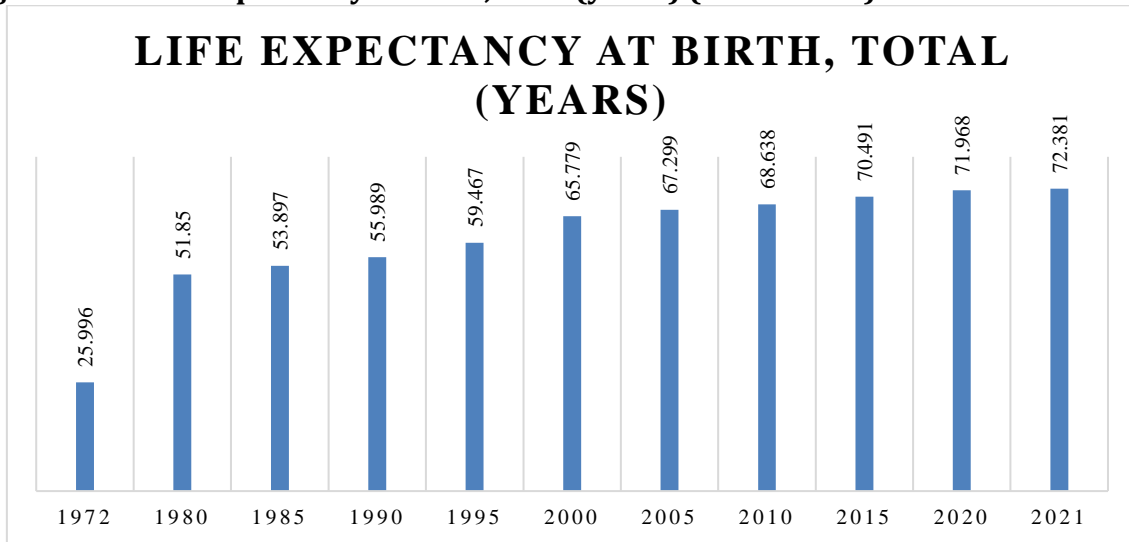


Fig. 10: Bangladesh’s Life expectancy at birth, total (years) (1972-2021)

Fig. 10 illustrates that Bangladesh's population's life expectancy by birth began at a low of 25.996 in 1972. Additionally, after 8 years, it had escalated substantially. Afterward, the rate of life expectancy grew slowly, and the last 3 years manifested in the figures of 70.491, 71.968, and 72.381 in 2015, 2020, and 2021, respectively.

Bangladesh’s Access to electricity (% of population) (1991-2021)

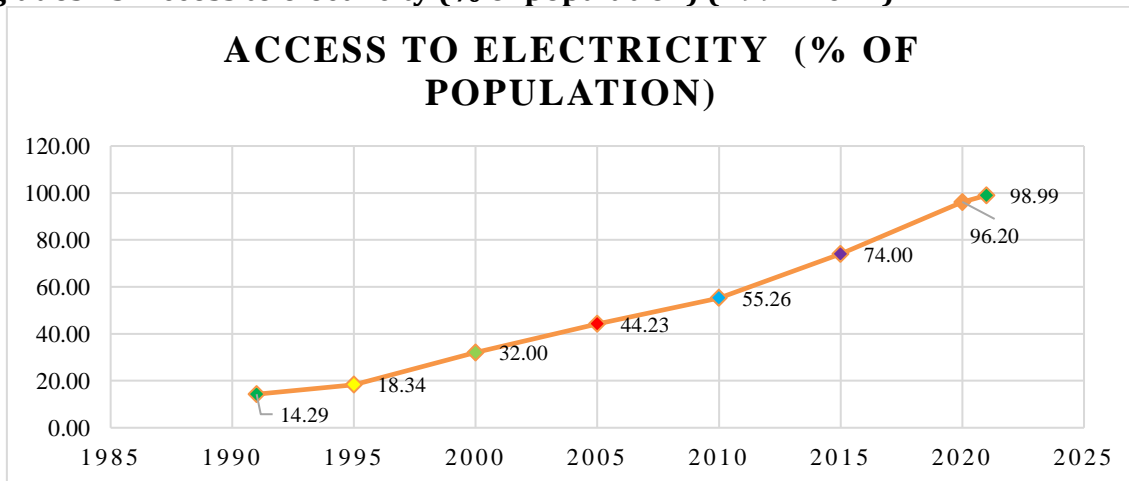


Fig. 11: Bangladesh’s Access to electricity (% of population) (1991-2021)

Fig. 11 clearly shows that the percentage of Bangladesh's population who have permission to use electricity has significantly changed from the first to the final year. By 1991, it started with a very small minority and went to 14.29%. Moreover, this percentage grew significantly to 74% in 2015. Eventually, the pictures reveal that the last two years did not show a different situation; they rose from 96.2% in 2020 to 98.99% in 2021 as well.

Bangladesh’s External debt stocks, short-term (DOD, current US\$) (1973-2021)

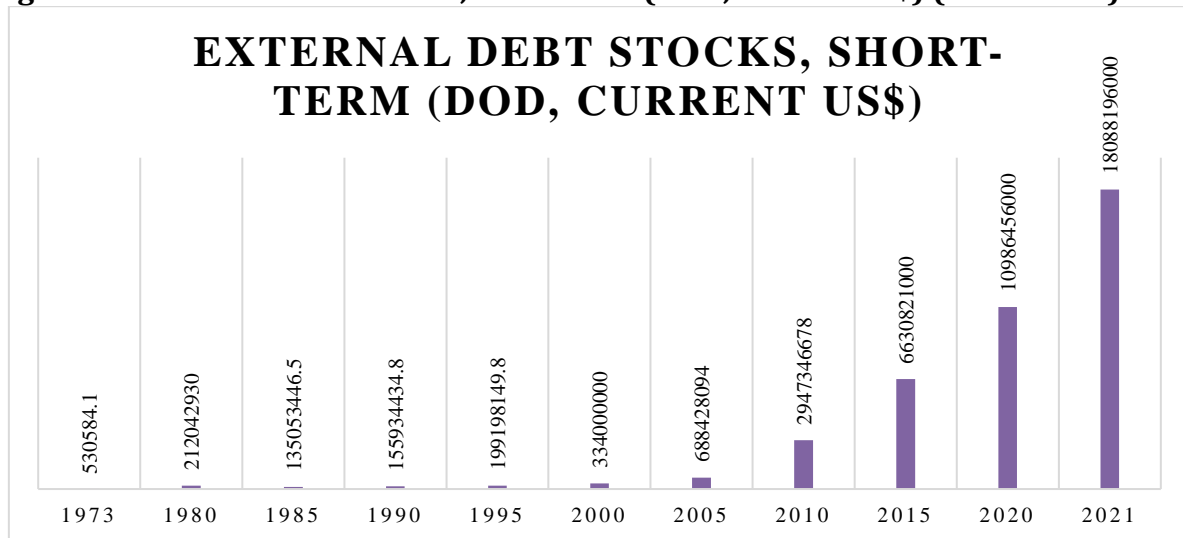


Fig. 12: Bangladesh’s External debt stocks, short-term (DOD, current US\$) (1973-2021)

Based on Fig. 12, it is evident that Bangladesh's external debt stocks and short-term outlook, which started with a relatively small minority, have significantly improved. From 1980 to 2005, the external debt stocks of Bangladesh followed this pattern. In 2010, the value stood at 2947346678 US dollars. Subsequently, the value witnessed a notable surge until the end of 2021, which marked a significant departure from the overall chart, and it nearly doubled in the year 2015.

Bangladesh’s Foreign direct investment, net inflows (BoP, current US\$) (1972-2021):

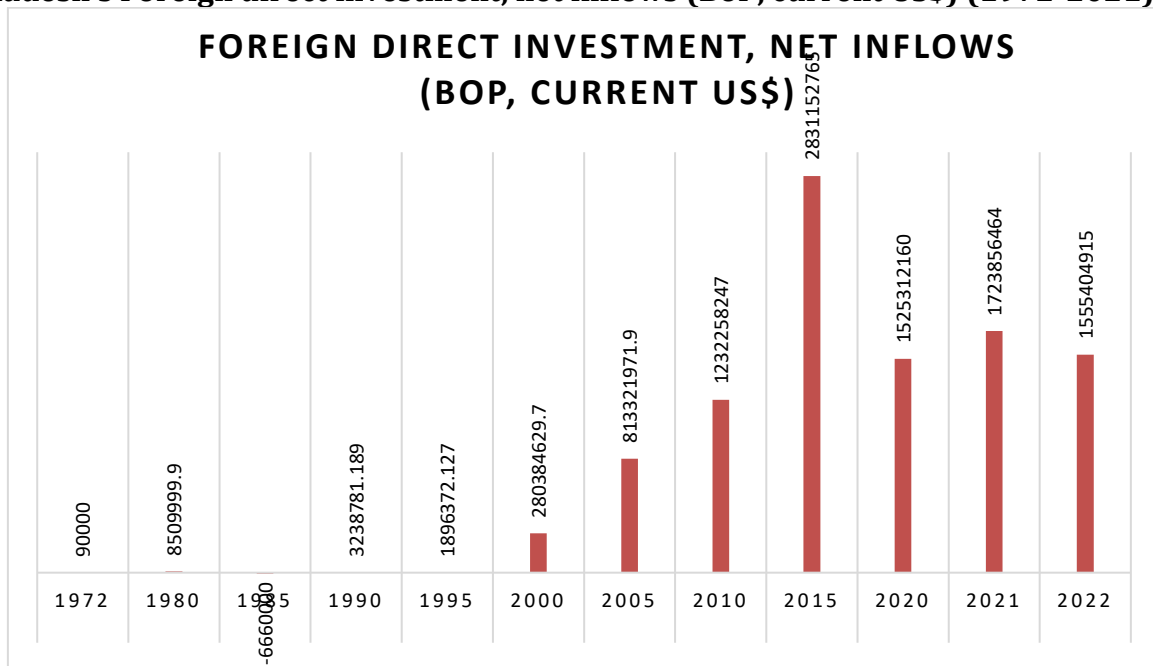


Fig. 13: Bangladesh’s Foreign direct investment, net inflows (BoP, current US\$) (1972-2021).

Fig. 13 illustrates Bangladesh's foreign department's initial investment, which began in 1972 with a negligible amount and remained steady until 1995. Furthermore, it began with a small figure in 2000 and grew steadily until 2010. Surprisingly, it experienced a significant increase in 2015, marking the highest investment in the entire period. Then, the rest of the charts follow the fluctuating trend up to the end of the year.

Bangladesh’s Total reserves ((includes gold, current US\$) (1972-2021):

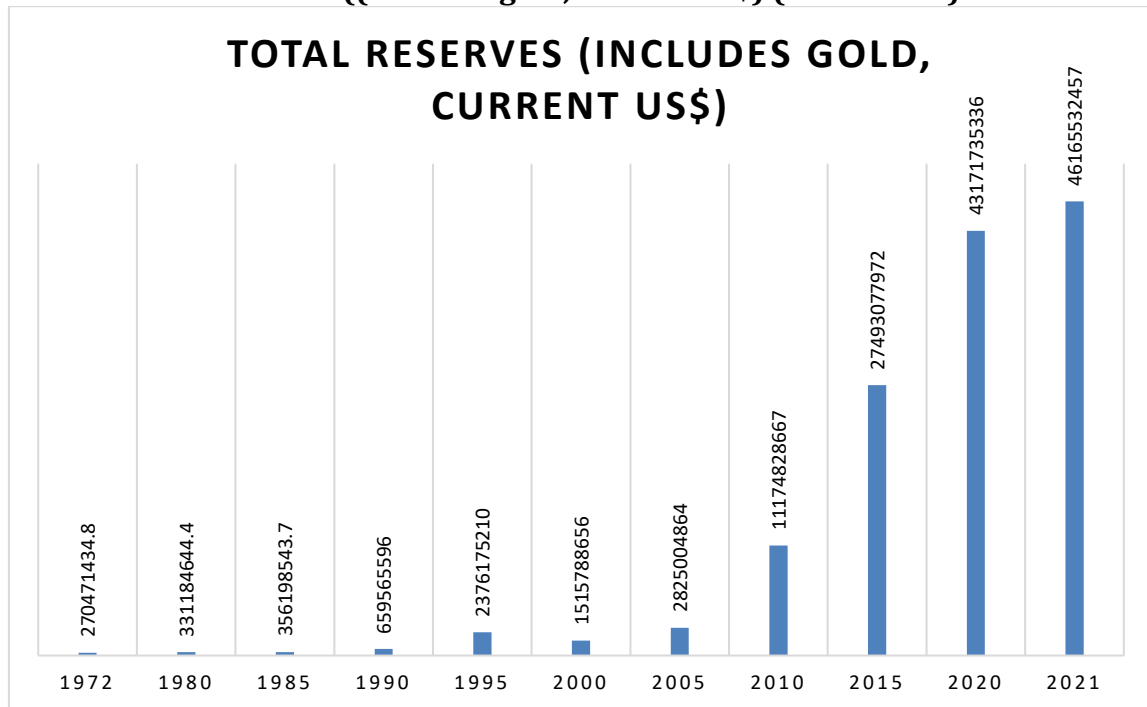


Fig. 14: Bangladesh’s Total reserves ((includes gold, current US\$) (1972-2021)

According to the graphs shown in Fig. 14, Bangladesh's total reserves include gold and the US dollar. The given period began in 1972, with a very small minority contributing to the Reserve in both this year and 2005. By 2010, there had been a significant increase, and the following year saw an almost double growth compared to 2010. Eventually, it also experienced significant growth in the following two years.

Bangladesh’s Total Budget (Tk. in Crore) (1972-73 to 2022-23)

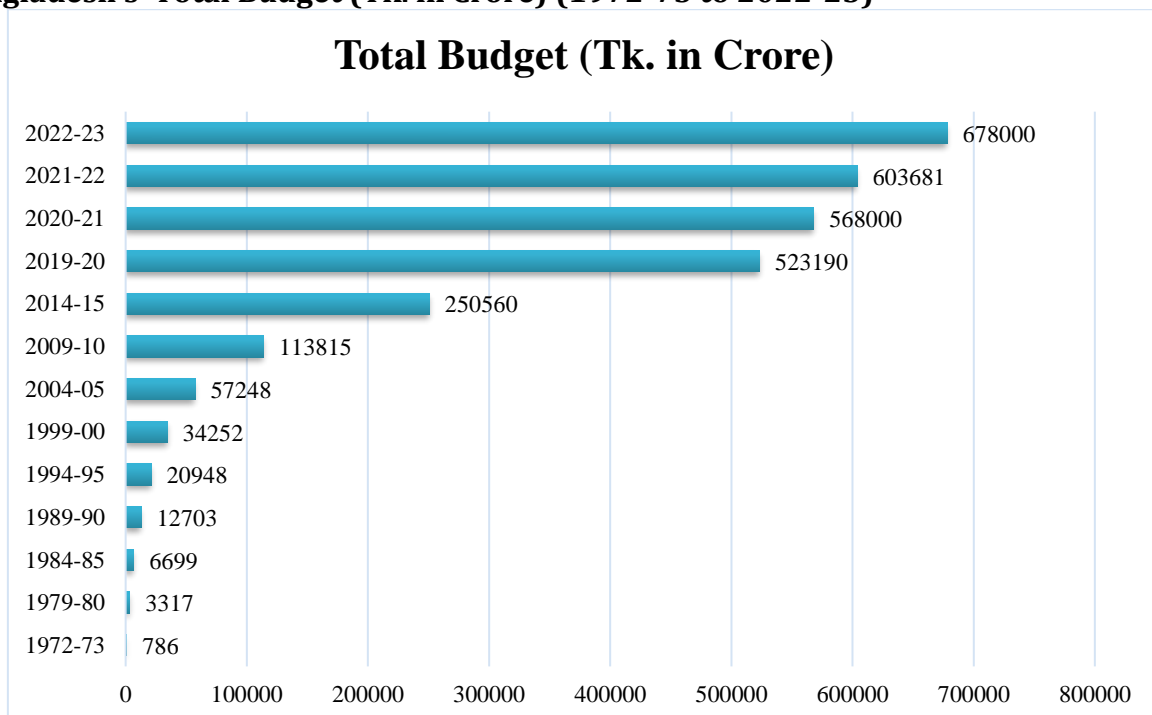


Fig. 15: Bangladesh’s Total Budget (Tk. in Crore) (1972-73 to 2022-23)

Fig. 15 clearly shows a rise in the annual budget amount from the fiscal year 1972–72. In 1972–72, the annual budget amount was Tk. 786 crore; steadily, it is now Tk. 678000 crore.

Conclusion

Bangladesh has achieved a long-awaited milestone in its development after a long journey of five decades. The United Nations (UN) Committee for Development endorsed Bangladesh's graduation from the Least Developed Country (LDC) group for remarkable progress in socioeconomic development. Accordingly, this study identified the trends of the Bangladeshi economy using economic, social, financial, and environmental indicators. Despite the extra pressure from COVID-19 and the recent war between Russia and Ukraine, which is weakening the performance of various macroeconomic indicators such as slowing gross national income (GNI) per capita, rising inflation, and decreasing remittance flows, Bangladesh's annual GDP, GDP growth, GDP per capita, GNI, and annual budget continue to rise progressively. At the same time, the ever-rising trend of negative trade balances, slowing foreign direct investment, ever-rising external debt, and diminishing total reserves appeared as the ultimate challenges. The total population is satisfactorily improving in social indicators such as literacy rate, life expectancy, and access to electricity. The unemployment rate appears to pose another challenge. In the process of improving the Bangladeshi economy, carbon dioxide (CO₂) emissions are increasing, posing a threat to the environment.

Policy Implication

Firstly, this research examines fifteen economic, social, and environmental variables in Bangladesh from 1972 to 2022, contributing to the existing knowledge in this field. Secondly, this research establishes the yearly decrease, providing policymakers with a valuable understanding of the path these 15 indicators take, enabling them to gain a deeper understanding and develop more effective policies. Thirdly, this study aims to provide an initial understanding of the repercussions of COVID-19 on Bangladesh's economy, as well as the direct consequences of the current conflict between Russia and Ukraine. Fourth, there has been much discussion in recent decades about Bangladesh's reserves. This study aims to provide insights into Bangladesh's foreign reserves from 1972 to 2022, thereby improving our understanding of the country's reserve holdings. Fifth, given Bangladesh's inclusion on the list of climate-vulnerable countries, this research may offer valuable insights into Bangladesh's carbon emission patterns from 1972 to 2022. This research will assist in the development and execution of initiatives to embrace and mitigate climate change. Sixth, on an annual basis, the magnitude of Bangladesh's yearly budget expands, concomitantly leading to an escalation in the budget deficit and exerting strain on our domestic financial resources. This study would greatly benefit from addressing this issue. Seventh, empirical research has shown that our trade balance is increasingly shifting towards a negative position, exerting a detrimental influence on our economy and limiting other societal prospects. We have conducted a comprehensive analysis of this topic.

Limitations of the Study

First, this research study's main limitation is its narrow scope, which only includes trend analysis of 15 variables without using any other statistical approaches. Second, this research was unable to identify any causal factors for the observed changes in the indicators across time. Third, the primary objective of this research is to address the concerns it raises without offering any explanations for its discoveries. Fourth, this research does a separate examination of the trends in fifteen variables without assessing the correlation between each parameter.

Future Research Direction

Artificial intelligence techniques could expand this study by forecasting future trends in the selected economic, social, and environmental variables. In the future, researchers will be able to identify the reasons behind the volatility of variables over time. A future researcher might conduct a cross-country study to gain a deeper understanding of the subject and develop effective policy mechanisms.

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