

['Industrial development, urbanisation key to become middle income country'](#)

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Renowned economist Prof Wahiduddin Mahmud has said Bangladesh has to find out a right path for making sustainable industrial development and more urbanisation to turn into a middle income country. It is not possible for Bangladesh to become a middle income country only through agriculture sector, Prof Mahmud said. "The big challenge for Bangladesh is to find a way on how the country ensures sustainable urbanisation, increase people's efficiency and agriculture productivity," he came up with the observation at a lecture on "Launch of IGC Second Phase: Future Direction" at BRAC Inn Centre in the capital yesterday. The event was presided over by Prof Wahiduddin Mahmud who is also a member of UN Committee for Development Policy and was adviser to a caretaker government. Dr Sultan Hafeez Rahman, country director of International Growth Centre (IGC) Bangladesh and also executive director of Institute of Governance Studies and BRAC Development Institute of BRAC University, gave the welcome address at the function. Among others, Dr Jonathan Leape, executive director of IGS and also Associate Professor of London School of Economics (LSE) and Political Science, Prof Robin Burgess, director of IGC and LSE, and representatives of NGOs and civil society were also present at the lecture. Bangladesh is country of more than 150 million people with a few land resources, Prof Wahiduddin said. As the country has to keep a certain amount of lands for agriculture sector to ensure food security, it has to go for more urbanisation through increasing agriculture productivity with technological improvements, he said. "There is no alternative to increase productivity and people's efficiency through technological improvements to reach a middle income country," the renowned economist observed. Wahiduddin also suggested the small entrepreneurs take more measures for expanding their businesses which will ultimately help in reducing the country's poverty rate. Dr Jonathan Leape said Bangladesh's model of pro-poor growth is a standard to follow for many least developed countries. But the ground realities are different in different countries and no country can replicate the other just off the shelf, Leape said and added that's why research collaborations between institutions and countries are so important. The challenge of bringing research findings in to policy is that policy makers want immediate action while researchers want to conduct research for a longer period of time to minimize error, he said. He also opined that the extent of taxation of Bangladesh needs to be increased if it wants to progress further economically.

Understanding the incentive structure and motivation of public servants is very important for improvements in service delivery, he also noted. Prof Robin Burgess gave lecture on "Ideas for Bangladesh, Expansion of Economic Opportunity: Evidence from South Asia" at the event. In his lecture, Burgess focused five areas from which future growth of Bangladesh will come. The areas are---structural change at the bottom, improvements in state capacity, industrial development, more rapid industrialisation and better access to energy. Industrial development is still limited in Bangladesh, he claimed. "There is an urgent need to reform efforts on production, growth and trade," he opined. For reducing the country's poverty rate, he also stressed the need for focusing more on the development of manufacturing and service sector of Bangladesh. Bangladesh is an unsung hero of economic development he said and added that the country has achieved much not only in human development but also in economic progress. "If citizens pay for their own development, then they care more. So taxation is very important," he noted. Development and growth also involves cost of pollution, climate change, environmental degradation, public health hazards which hits particularly hard at the rural poor, he viewed.