



Pathway to Prosperity

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Macroeconomic Wing

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MESSAGE

Many think tanks in Bangladesh complain that the government by and large do not consult with them or consider their views seriously. I do not find any substance in such complaint. I think that in my work as both permanent secretary for almost five years and as Minister now for seven years of two terms I have given great weight to think tanks and research works in public institutions as well. I also feel very strongly that research units in Government organizations are essential and they should function more as improved academic bodies.

Finance Division plays a pivotal role through its enduring contribution to the adoption and implementation of economic policies that help maintain fiscal discipline and macroeconomic stability. It has been relentlessly supporting the endeavors towards achieving the long term vision of the government. To my surprise I found that, this Finance Division, since I left it thirty years ago, have set up a very good system of in-house research work. In fact, the Division draws its strength from a team of competent officers who over time have groomed themselves through a host of capacity development interventions. It has, by now, become a hub of highly committed officers who have demonstrated extraordinary capacity to analyze contemporary global and domestic socio-economic issues and provide insightful findings. Over the last few years, they have produced a good number of excellent policy notes, concept papers, and articles despite their routine hard work.

I have been benefited from the ideas presented in those documents. Notably, some of these papers led to the formulation of a number of milestone policies of the present government. In the last four years, around fifty concept/research papers were prepared. I have gone through all of them and am impressed by their sweep and depth.

This is the first ever effort to compile some of those thought provoking papers in a single publication. It is a timely initiative on the part of the Finance Division to leave something worthwhile for the posterity. This publication will not only enlighten and encourage all the incumbent civil servants but also the upcoming generation of civil servants.

I congratulate the Finance Secretary and officers of the Macroeconomic and Budget wings of Finance Division for taking this initiative. I would also like to take this opportunity to express my deep admiration for the authors and others who were involved in this publication.

Last but not the least; I must put on record my sincere appreciation for the avowed interest shown by Dr. Mohammad Tareque, former Secretary of Finance Division for guiding this team of officials to bring out their best for making a difference. I firmly believe that the policy planners, academics, students and other stakeholders will find this work useful.

PROLOGUE

Finance Division implements a host of innovative policy interventions every year usually articulated through the budget speech presented by the Hon'ble Finance Minister in the Parliament. The policy recommendations are produced in the form of concept papers/ study reports which are, in fact, the result of extensive research conducted by our officers. The contemporary global, regional and national socio-economic issues and challenges generally find place in these highly analytical papers which eventually facilitate the decision-making by the policy makers.

For the first time, Finance Division has taken up the task of printing some of these papers in a single volume. This is an attempt to share their insightful findings with a wider audience. Indeed, the keen interest shown by Hon'ble Finance Minister is the main driving force behind this publication.

The primary contributors for the present volume are Mohammed Yousuf, Dr. Krishna gayen, Rehana Perven, ASM Zakaria Haque, Dilruba Shaheena, Umme Rehana, Urmi Tamanna, Md. Raihan Aktar, Mahedi Masuduzzaman and Sheikh Touhidul Haque. The selected pieces deal with a wide range of economic issues like subsidy, impact of electricity on growth, the size of hidden economy and its implication, tax elasticity in Bangladesh and so on. These papers analyzed pertinent macroeconomic questions from various perspectives underscoring substantive policy recommendations.

Certainly, the authors deserve to be lauded for their extensive works which indeed bear the real stamp of hallmark of their diligence and commitment. I, also, highly commend the efforts of the Macroeconomic wing officials under the leadership of the Additional Secretary (MEW) in bringing out this volume.

I am sure the policy planners, academia, students and others will find the publication as useful reference in the pursuit of their objectives. Suggestion and comments for further improvement of the publication will be greatly appreciated.

(Fazle Kabir)
Secretary
Finance Division

Table of Contents

I. Underground Economy of Bangladesh: An Econometric Analysis		
Sheikh Touhidul Haque	..	1
Introduction	..	2
Causes of Underground Economy	..	3
Underground Economy: Bangladesh Perspective	..	4-6
Literature Review	..	6-8
Empirical Model	..	8
Data Sources, Data Description and Methodology	..	9-11
Econometric Analysis and Empirical Results	..	11-17
Discussion of Results	..	17-18
Policy Implication	..	18-21
Summary and Conclusion	..	21-22
References	..	23-24
Appendices	..	25-30
2. Electricity Consumption and Economic Growth in Bangladesh: Co-integration and Causality Analysis		
Mahedi Masuduzzaman	..	31
Introduction	..	32
Contextual Information of the Study	..	33
Review of Related Literature	..	34-36
Data Description and Research Methodology	..	36-41
Empirical Results	..	41-44
Conclusion and Policy Implications	..	44-45
References	..	46-48
3. Elasticity and Buoyancy of Major Tax Categories: Evidence from Bangladesh and Its Policy Implications		
Mohammed Yousuf and S M Jakaria Huq	..	49
Introduction	..	50
Trends in Major Tax Revenues and Reforms in the Revenue Sector	..	51-54
Literature Review	..	55-57
Data Source and Methodology	..	57-59
Result Analysis and Recommendations	..	60-64
Conclusion	..	64
References	..	65
Appendices	..	66-82

4. An Estimation of Aggregate Production Function of Bangladesh : Policy Lessons

Rehana Perven and Dilruba Shaheena	..	83
Introduction	..	84
Literature Review	..	85-86
Growth Trajectory of Bangladesh	..	86-87
Specification of the Model	..	88-89
Data Sources, Data Description and Methodology	..	90
Econometric Analysis	..	90-95
Result Analysis with the Practical Implication and Policy Lessons	..	95-98
Conclusion	..	98-99
References	..	100-101
Appendices	..	102-103

5. Effect of Public and Private Investment on Economic Growth in Bangladesh: An Econometric Analysis

Sheikh Touhidul Haque	..	104
Introduction	..	105
Literature Review	..	106-108
Patterns of Economic Growth, Public and Private Gross Capital Formation in Bangladesh	..	108-111
Growth Experiences of South Asian Countries	..	111-113
Theoretical Framework and Model Specification	..	113-114
Data Source, Data Description and Methodology	..	114-115
Econometric Analysis and Empirical Results	..	115-117
Discussion of Results	..	117-121
Summary of Findings and Recommendations	..	121-123
References	..	124-126

৬. ভর্তুকি: একটি যথাযথ নীতিমালার অন্বেষণ

মোঃ রায়হান আখতার ও উর্মি তামান্না	..	১২৭
প্রেম্ভাপট	..	১২৮
গত চার বছরে বিদ্যুৎ জালানি ও কৃষি খাতে প্রদত্ত ভর্তুকির সার্বিক চিত্র	..	১২৮-১৩০
ভর্তুকি বিষয়ক পর্যালোচনার যৌক্তিকতা	..	১৩০
ভর্তুকির তত্ত্বগত দিক	..	১৩১
ভর্তুকির ব্যবহারিক দিক	..	১৩১-১৩২

তথ্য ও উপাত্ত সংগ্রহ	..	১৩২
বিদ্যুৎ ভর্তুকি	..	১৩২
২০১১-১২ অর্থবছরে বিদ্যুৎ খাতের কয়েকটি তুলনামূলক চিত্র পর্যালোচনা	..	১৩২-১৩৭
বিদ্যুৎ বিভাগ কর্তৃক প্রদত্ত ২০১২-১৩ অর্থবছরে বিদ্যুৎ খাতের সম্ভাব্য চিত্র (বিদ্যুৎ ট্যারিফ বৃদ্ধি ধরে)	..	১৩৭-১৪০
বিদ্যুৎ খাতে জ্বালানি মূল্য সমন্বয়ের প্রভাব	..	১৪২
২০১১-১২ অর্থবছরে জ্বালানি বিভাগ কর্তৃক প্রদত্ত জ্বালানি খাতের চিত্র	..	১৪৩
পরিশোধিত জ্বালানি তেল	..	১৪৩-১৪৪
অপরিশোধিত জ্বালানি তেল	..	১৪৪-১৪৬
২০১১-১২ অর্থবছরে জ্বালানি খাতের ভর্তুকির আরেকটি সম্ভাব্য চিত্র পর্যালোচনা	..	১৪৬-১৪৭
২০১২-১৩ অর্থবছরে জ্বালানি বিভাগ কর্তৃক প্রদত্ত জ্বালানি খাতের চিত্র		১৪৮-১৫১
কৃষি (সার) ভর্তুকি	..	১৫৪
২০১১-১২ অর্থবছরের সম্ভাব্য লোকসান	..	১৫৫
২০১২-১৩ অর্থবছরের আমদানির সম্ভাব্য চিত্র	..	১৫৫-১৫৭
নীতি নির্ধারণী বিবেচ্য বিষয়সমূহ	..	১৫৮-১৬১
সুপারিশ	..	১৬২-১৬৩
পরিশিষ্ট	..	১৬৪-২০১

৭. বাংলাদেশে পোল্ট্রি শিল্পের সমস্যা ও সম্ভাবনা

ড. কৃষ্ণা গায়ন ও উম্মে রেহানা	..	২০২
ভূমিকা	..	২০৩-২০৪
গৃহীত পদ্ধতি ও সীমাবদ্ধতা	..	২০৪
পোল্ট্রি শিল্পের হালনাগাদ চিত্র	..	২০৫-২০৮
পোল্ট্রি শিল্পের বিকাশে সরকারি ও বেসরকারি সম্পৃক্ততা	..	২০৯-২২১
পোল্ট্রি শিল্পের বিকাশের অন্তরায় এবং সমস্যা দূরীকরণের সুপারিশ	..	২২২-২২৩
প্রস্তাবিত সুপারিশসমূহ বাস্তবায়নের কর্মপরিকল্পনা ও বাস্তবায়ন কৌশল	..	২২৩-২২৭
সংযোজনী	..	২২৮-২৩০