Bangladesh’s Performance and the Millennium Development Goals: A Sketch of Progress

by

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ABSTRACT

Provides a sketch of Bangladesh’s socio-economic performance in the light of the UN’s Millennium Development Goals. After providing some background on these goals and on Bangladesh, this article considers trends in the incidence of poverty and hunger in Bangladesh, access to education and gender equality in Bangladesh, child mortality and maternal health, the incidence of important diseases in Bangladesh and Bangladesh’s progress in achieving environmental sustainability, particularly in relation to its use and development of its energy resources. In addition, Bangladesh’s involvement in global partnerships providing financial and other assistance to it are considered.
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1. Introduction

1.1 What are the Millennium Development Goals (MDGs)?
The Millennium Development Goals are a part of the UN Millennium Declaration adopted by the UN General Assembly in September 2000. This Declaration specifies a set of values that it believes should be followed in this millennium to help ensure a better world. In order to achieve these values, the Declaration sets out several Millennium Development Goals (MDGs) as well as goals other than MDGs that need to be realized. In order to monitor progress towards meeting the MDGs, the Declaration specifies targets that should be met by 2015, mostly in relation to the situation prevailing in 1990. For example, one target is to halve extreme poverty and hunger by 2015 compared to 1990. The structure of the UN Millennium Declaration is summarised in Figure 1 in relation to the MDGs. The nature of the UN Millennium Declaration is outlined and assessed by Tisdell in the chapter in this book entitled “An Assessment of the UN’s Millennium Development Goals and its Millennium Declaration”. 
The UN has encouraged each developing nation to set its own agenda for meeting its MDGs in consultation with agencies of the UN. Bangladesh has done this and has made progress, in some cases excellent progress, in achieving its MDGs, although all targets will not be met by 2015. It is also an unfortunate fact that even if Bangladesh meets all of its targets by 2015 its incidence of poverty, hunger, infant and maternal mortality, and of malaria will still be high. Bangladesh is likely also to remain highly dependent on foreign financial assistance. Nevertheless, this should not be allowed to
distract from the fact that Bangladesh has, and will have made, substantial socio-economic progress.

1.2 Some Background about Socio-economic Features of Bangladesh
Bangladesh now (2006) has a population of almost 150 million and has made substantial economic progress since becoming independent of West Pakistan in 1971. In recent years, the rate of growth of its GDP has been steady at around 5%. Its rate of population growth has been falling and is now just over 2%. Consequently, its average level of per capita income has been rising. Its GDP per capita at purchasing parity prices was estimated to be US$2100. Its incidence of poverty has been falling but still remains high. It is likely that growing inequality of income in Bangladesh has weakened the trickle-down effect of its economic growth in reducing its incidence of poverty.

In this sketch, Bangladesh’s progress towards meeting the target of halving the incidence of poverty and hunger by 2015 is discussed first, and then its progress in increasing access to education and ensuring greater gender equality is considered. Its progress in reducing child mortality, in improving maternal health and reducing the incidence of diseases such as malaria, are subsequently examined. Some aspects of the environmental sustainability goals included in the MDGs are elusive. This is particularly so for aspects involving the conservation of natural resource stock or natural capital. Bangladesh’s performance in meeting environmental goals is outlined paying particular attention to its energy resources. In relation to global partnerships, particular attention is given to Bangladesh’s dependence on foreign financial assistance.

2. The Target of Halving Poverty and Hunger in Bangladesh
The MDGs call for the halving of the incidence of poverty and of hunger by 2015 compared to 1990. The presence of hunger involves serious food deficiency and signals the presence of extreme poverty. Consider these targets in relation to Bangladesh’s performance.
2.1 The Poverty Reduction Target

The incidence of poverty as measured by the percentage of a population below a poverty line can be quite sensitive to the choice of the poverty line. While trends in this incidence may be less sensitive to this choice, they can also be affected by it.

The UN’s target for reducing the incidence of poverty involves a poverty line of US$1 based on purchasing poverty prices (PPP). In 2005, it was estimated that 45-50% of Bangladeshis fell below this line. To meet its target of halving its poverty incidence compared to 1990, Bangladesh will need to reduce its poverty incidence to 29.4% in 2015.

Between 1990 and 2005, Bangladesh reduced its poverty incidence from 58.8% to at the most 45%. This amounts to an absolute reduction of 13.8% or a relative decline of 23.5% in 15 years. In order to reach its target, Bangladesh will have to reduce its incidence of poverty by a larger amount, and by relatively much more in the 10 years to 2015, than in the previous 15 years to reach its poverty target. This will be very difficult. Even if Bangladesh achieves its target, poverty will still be a problem in 2015 because more than 30 million Bangladeshis will remain in poverty, a number greater than the population of Australia.

2.2 Reducing the Incidence of Hunger

The presence of hunger signals the occurrence of extreme poverty. An intake of less than 2100 calories of food per day is frequently used to indicate the presence of lack of food or nourishment, which is extreme food poverty. On this basis, the British Department of International Development (DFID) estimates that in 2005 about 20% of Bangladeshis (around 30 million) suffered from extreme hunger. The FAO estimate of the extent of under nourishment in Bangladesh for 2002 is much higher, namely 42 million as quoted in the National Geographic (Elder, 2006). This means that the depth of poverty in Bangladesh is still quite marked.

Bangladesh’s target is to reduce the incidence of its food poverty to 12% in 2015, half the estimated level in 1990. This also means, to achieve its target, that it will have to reduce its incidence of poverty in the 10 years from 2005 by more than in the
preceding 15 years. This will be difficult to achieve. Again, even if the target is reached, 18 million Bangladeshis will still experience extreme food poverty in 2015.

Although the incidence of food poverty in sub-Saharan Africa seems to be worse, the absolute numbers in food poverty in Asia exceed those in Africa. Asia still accounts for more than half the worlds’ under nourished people despite its considerable reduction in the incidence of poverty.

3. Access to Education and Gender Equality
Two important MDGs are to achieve universal primary education, and to promote gender equality. In relation to the first mentioned goal, the target is to ensure that by 2015 all children are able to complete a full course of primary schooling. The target for the latter goal is to eliminate gender disparity in primary and secondary education by 2005 and at all levels of education no later than 2015.

Bangladesh has virtually achieved the target of providing universal primary education. In 2005, 97% of children of 6–10 years of age were enrolled at primary school. However, Britain’s DFID has pointed out that primary school completion rates are low. Furthermore, school contact hours are low and in many cases, the quality of education is poor.

Bangladesh has made considerable progress towards establishing gender parity. Female-male ratios for enrolments at schools are approximately equal. The Daily Star newspaper (25/2/05) in Bangladesh reported that the World Bank found that “other than Sri Lanka, Bangladesh is the only country in South Asia to achieve parity in male and female enrolment not only at the primary level but also at the secondary level”.

Two important additional MDGs are to reduce child mortality and to improve maternal health. The target for the first is to reduce the under-five mortality rate by two-thirds between 1990 and 2015. The target for the second goal is to lower the maternal mortality ratio by three-quarters between 1990 and 2015. According to DFID, Bangladesh is on track to reduce its under-five mortality rate to 50 deaths per
1000 by 2015. It may also meet its target for 2015 of not having more than 34% of its children under weight. However this would still be a high number.

Although maternal mortality rates in Bangladesh have fallen, this rate still remains high. Currently more than a million Bangladeshi women die each year during pregnancy and childbirth. Bangladesh is not expected to reach its target for reducing maternal mortality by 2015 according to DFID.

Another goal in the MDGs is to combat HIV/AIDS, malaria and other diseases. HIV/AIDS is not considered to be very prevalent in Bangladesh but its incidence may be under reported. However, malaria is a serious problem in Bangladesh. DFID has reported that at least one million Bangladeshis are afflicted by malaria and approximately one per cent of these die each year. Bangladesh aims to halve these figures by 2015 but it is unclear how this target is to be achieved. Mosquitoes in Bangladesh have become increasingly resistant to DDT and malaria itself has shown increasing resistance to drugs aimed at its prevention.

5. Environmental Sustainability and the Use of Energy Resources in Bangladesh

The seventh goal stated in the set of MDGs is to ensure environmental sustainability. Three targets are set for achieving this goal but two have little to do with sustaining natural resource stocks or capital. One of these is to halve the proportion of people without sustainable access to safe drinking water and basic sanitation by 2015. The other is to bring about a significant improvement in the lives of slum dwellers by 2020. Bangladesh will reach the safe water target. It has made excellent progress in providing pathogen-free drinking water for its population. It is expected to be able to provide safe drinking water to all of its urban population by 2015 and also to most of its rural population by then.

A third target subsumed under goal 7 of the MDGs is "to integrate the principles of sustainable development into country policies and programs and reverse the loss of environmental resources". There is little evidence that Bangladesh is making much progress on this front. DFID reports that Bangladesh has a target of attaining 20%
forest cover by 2015 but currently it has a forest cover of only 10%. Furthermore, deforestation continues and Bangladesh’s target for forest cover will not be achieved.

5.1 Energy Resources in Bangladesh and the Environment

A contributor to deforestation in Bangladesh is the heavy dependence of Bangladeshis on wood and organic matter for fuel. Currently, Bangladesh obtains about half of its energy requirements from wood, animal wastes and crop residues. Smoke and particulate matter from the burning of such fuel causes a health hazard and is environmentally unfriendly.

However, Bangladesh has very large natural gas reserves and significant oil reserves. The question is, could these resources help Bangladesh reduce its dependence on organic fuels and assist its poor? How could that be achieved? The size of Bangladesh’s natural gas and oil reserves appears to be of global interest because the Energy Information Administration of the USA notes that “Bangladesh is becoming increasingly important in world energy markets”.

Potentially, there are at least two ways in which Bangladesh’s natural gas and oil reserves could assist its poor: (1) they could provide substitutes for organic fuels presently used by the poor and (2) rents, royalties and other income earned from the extraction of these by the Bangladesh Government could be used to provide assistance to the poor.

The first possibility is, however, not very realistic because the poor lack cash to buy substitute fuels. Most cannot, for example, afford to buy electricity even when it is available. In addition, most do not have the means to purchase appliances to make use of electricity. Poverty can be a barrier to the use of commercially marketed fuels.

According to the Energy Information Agency of the United States, “Natural gas deposits are controversial in Bangladesh as many people within Bangladesh feel that gas reserves should be used for domestic purposes”. However, for the reasons just mentioned, lack of export of these resources will probably provide little help to poor Bangladeshis.
Royalties, rent and other income from the mining of natural gas and oil, can if suitably appropriated by the Bangladeshi Government, provide public funds for assisting Bangladesh’s poor. The Government of Botswana in southern Africa, for instance, obtains significant revenue from diamond mining as a result of joint venture arrangements with a foreign company. It obtains income and royalty payments. These funds are used, among other things, to provide social services and assist the poor in Botswana. (See the contribution in this book by Moepeng and Tisdell).

The Energy Information Administration of the USA also reported that in April 2005 China and Bangladesh signed an agreement on nuclear co-operation. Under this agreement, Bangladesh is to receive Chinese assistance in exploration for nuclear materials and in the construction of a 600 MW nuclear power plant. It is, however, unlikely that such development will assist the poor directly because purchase of electricity is beyond the reach of most. In addition, it is not clear how economic nuclear plants for Bangladesh are compared to alternatives for electricity generation.

Bangladesh has some coal deposits. Some Bangladeshi mines are already operating with assistance from China. An Australian company is developing a large mine in the Phulbari area of Bangladesh. Coal, therefore, can make some contribution to Bangladesh’s energy needs. However, the use of coal is not without environmental problems and neither is the use of nuclear energy. One wonders how Bangladesh will dispose of its nuclear wastes after it begins operating its nuclear power plant.

6. Global Partnerships for Development and Associated Targets in relation to Bangladesh

Goal 8 of the MDGs stresses the importance of global partnerships to foster development. A large number of targets (six) are outlined for pursuing this goal. The first mentioned target is to “develop further an open, rule-based, predictable, non-discriminatory trading and financial system” (World Bank, 2004, p.xxii). Presumably this means an international economic system that operates in accordance with WTO rules. To some extent, however, this may conflict with the next target mentioned, namely “to address the special needs of the least developed countries (including tariff- and quota-free access for exports of the least developed countries; enforced debt relief for heavily indebted poor countries and cancellation of official bilateral debt; and
more generous official development assistance for countries committed to reducing poverty)” (World Bank, 2004, p.xxii). Such conflicts are highlighted by Sheela Rai in her contribution to this book.

Bangladesh is classified as a least developed country. Nevertheless, this status does not appear to have provided it with much debt forgiveness or with many trade concessions to access the markets of more developed countries. Debt forgiveness has been mostly for African countries and with the end of the Multi-Fibre Agreement, Bangladesh has lost any special advantages that it previously had for the access of its garments to the market of more developed countries. Despite this, Bangladesh has retained its market share for garments in these countries.

Nevertheless, Bangladesh is a significantly indebted country; the level of its public debt is reported to amount to 46% of its GDP and foreign aid is said to provide Bangladesh with around 40% of its government revenues and 50% of its foreign exchange (CIA, 2006). This high degree of dependence on external financial assistance may reduce the economic and political independence of Bangladesh. According to the British DFID, foreign aid to Bangladesh needs to be doubled if Bangladesh is to have a reasonable change of meeting all of its MDGs. Whether an increase in aid would be desirable from Bangladesh’s point of view is debatable – it would make Bangladesh even more dependent on external forces and could test Bangladesh’s capacity to absorb such funding effectively.

7. Concluding Observations
The general picture emerges that Bangladesh has made considerable progress towards meeting its MDGs. Nevertheless, not all of its targets will be achieved, and if they are, its socio-economic situation will still be far from ideal. This paper has indicated that Bangladesh has recorded a substantial reduction in its incidence of poverty and the occurrence of hunger since 1990 but is unlikely to reach its target of halving their incidence by 2015. It has been much more successful in pursuing universal primary education and ensuring gender equality in education. It will satisfy its targets in this regard, although doubts have been raised about the quality of the education provided. In relation to the welfare of children and maternal welfare, the picture is mixed. Bangladesh is expected to reach its target for reducing the mortality rate of children
under 5 but not that for lowering the proportion of its under weight children. Bangladesh’s target for reducing maternal mortality is not expected to be satisfied. Furthermore, there is no evidence that it has been able to reduce the incidence of malaria and its target of halving the incidence and deaths from malaria will not be met.

Bangladesh’s record in relation to environmental sustainability presents a varied picture. In relation to the provision of safe drinking water, Bangladesh will reach its targets. On the other hand, in relation to conservation of its natural capital, it will not. Its forest resources continue to dwindle and air pollution is a growing problem in its cities. As predicted by the environmental Kuznets curve for low income countries, Bangladesh’s natural environmental problems continue to worsen as its economic growth proceeds because it is still in an early growth phase. While Bangladesh has relatively abundant natural gas reserves and other hydrocarbon reserves, their use will not benefit the poor immediately and their benefit to the poor will depend on the ability of the Bangladeshi Government to extract rents from the development of these energy reserves and channel these to assist the poor.

Much has been made of global partnerships as vehicles for attaining the MDGs but the targets set for these by the UN are not concrete and are open to much interpretation. In particular, it is not clear to what extent the target of promoting a non-discriminatory trading and financial global system should be or is to be relaxed to provide for the special needs of least developed countries (of which Bangladesh is one) by making trade and financial concessions available to these countries. On the whole, more weight appears to have been placed on the former rather than the latter concessionary aspect by more developed countries. Bangladesh still remains very dependant on foreign financial assistance and has not been a significant beneficiary of debt relief. Furthermore, it is not clear that it enjoys substantial trade concessions.

An important contributor to income in Bangladesh in recent times has been remittance from Bangladeshi working abroad, particularly in oil-rich countries in the Middle East. While these seem to provide Bangladesh with a relatively stable source of foreign exchange, its export-base is relatively narrow, that is, it shows little diversification. This makes it economically vulnerable. Furthermore, Bangladesh is subject to climatic vagaries. Since most of Bangladesh’s poor live in rural areas, they
are vulnerable to adverse weather conditions such as floods, cyclones and droughts (Latif, 2002). It is, therefore, a continuing struggle for Bangladesh to sustain its considerable gain in poverty reduction and to further reduce its incidence of poverty so as to achieve its MDG targets by 2015. There is still a long way to go before it can be claimed that poverty and extreme poverty are things of the past in Bangladesh. Nevertheless, Bangladesh has made more progress in poverty-reduction and in increasing the economic welfare of its people than most would have dared to predict in the 1970s.

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