

Bangladesh Economic Update

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Acknowledgement:

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Education, Health and Poverty: A Reality Check

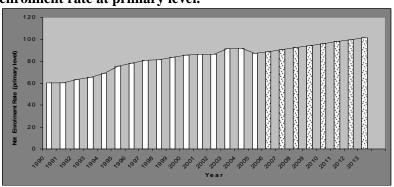
The current issue of the Economic Update focuses on health, education and poverty. The Update makes a reality check of the current states of the targets set out in Vision-2021.

Education Related Targets of Present Government

The election manifesto of the present government pledges to ensure 100 percent enrollment at primary level by 2010, which was 90.8 percent in 2008 (DPE, 2009). A projection exercise carried out based upon past data reveals that, Bangladesh is not in a position to achieve the target that was declared by the present government in their election manifesto as this is the last month of the target year. The average annual increase in the net enrolment rate at primary level was 1.81 per year during the period of 1990-2005. A net enrolment rate of 100 percent may be feasible by 2013, if the current rate of growth continues (Figure 1).

If the current rate of growth continues, net enrolment rate of 100 percent may be feasible by 2013.

Figure 1: Current situation and future projection of net enrolment rate at primary level.



Source: Author's calculation based on BANBEIS 2006 data.

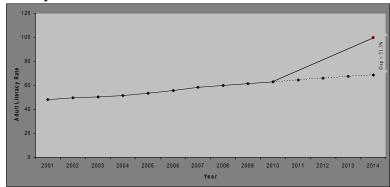
Another prioritized issue of the present government as stated in its election manifesto is to attain full literacy by 2014. Without 100 percent coverage of adult literacy it is quite impossible to attain full literacy in a country. Based on the current situation, the progress rate of the adult

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The progress rate of the adult literacy at the end of 2014 might stand at 68.73 percent, falling considerably short of 31.3 percent from the target of 100 percent.

literacy at the end of the government target year (2014) might stand at 68.73 percent, falling considerably short of 31.3 percent from the target of 100 percent (Figure 2). To achieve the target by the year 2014, the required average annual growth rate over the remaining years (2010-2014) are estimated to be as high as 9.31 percent.

Figure 2: Current situation and future projection of adult literacy rate



Source: Author's calculation based on MDG progress report of Bangladesh, 2010

Health Related Targets of Present Government

Health is a crosscutting issue in a development agenda. Any significant change requires ensuring of accessible and improved health facilities to its citizen. The present government puts targets as: i) infant mortality rate to come down to 15 percent per thousand live births by 2021; ii) maternal mortality to reduce to 1.5 percent by 2021; iii) contraceptives use rate to increase to 80 percent by 2021; iv) longevity to increase to 70 years by 2021; v) supply of pure drinking water for the entire population by 2011; and vi) each house is brought under sanitation by 2013.

If the current situation continues infant mortality may stand at 13 per thousand live births by 2021, which is lower by 2 than that of the required target of 15.

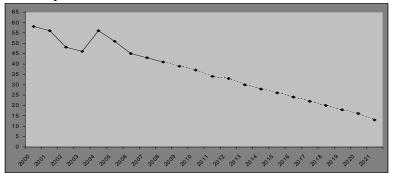
Current Situation and Future Projection

Infant Mortality

The rate of decline in infant mortality is well on track visavis the target (Figure 3). The rate of infant mortality has decreased impressively during the period 2000-2008. The average annual reduction rate of infant mortality during that period was 2.13. For achieving the target the government requires to reduce the rate to an annual average of 2.04

percent. So, if the current situation continues, the infant mortality may stand at 13 per thousand live births by 2021, which is lower by 2 than that of the required target of 15. Bangladesh may be able to achieve the target before the time limit.

Figure 3: Current situation and future projection of infant mortality



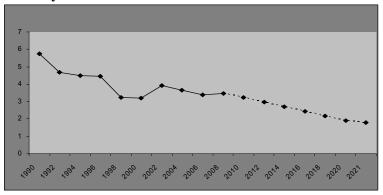
Source: Author's calculation based on BBS data, 2009

Maternal Mortality

The rate at which reduction in maternal mortality has taken place since 1990, the trend does not suggest achievement of the target of 1.5 percent by 2021. Though, government claims the rate of decline is on track, the rate of reduction does not collaborate (Figure 4). The average annual rate of reduction was 0.13 percent between 1990 and 2008, and is yet considerably lower than the required target (0.15 percent). If such rate of decline of maternal mortality continues, Bangladesh might be behind the target of Vision-2021, which might stand at 1.79 percent by 2021 indicating a gap of 0.29 percent.

The average annual reduction rate of maternal mortality was 0.13 percent between 1990 and 2008, and is yet considerably lower than the required target of 0.15 percent.

Figure 4: Current situation and future projection of maternal mortality



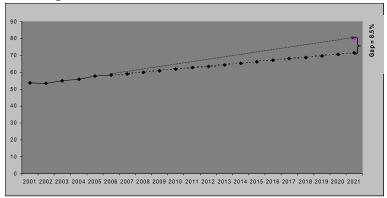
Source: Author's calculation based on BBS data, 2009

Under the business as usual scenario, the rate of contraceptive use might stand at 71.5 percent in 2021 against the target of 80 percent.

Contraceptives Use

The rate of contraceptive use in Bangladesh increased from 53.9 percent in 2001to 58.3 percent in 2006 with an annual average of 0.88 percent. To achieve the target of Vision-2021 (80 percent), the government needs to increase this rate to an annual average of 1.45 percent. Under the business as usual scenario, the rate of contraceptive use might stand at 71.5 percent (Figure 5), as opposed to the target of 80 percent in 2021, indicating a gap of 8.5 percent.

Figure 5: Current situation and future projection of contraceptive use



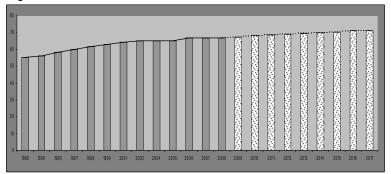
Source: Author's calculation based on BBS data, 2007

The annual increase of life expectancy between 1985 and 2008 was 0.51 years, which is higher than the required rate of 0.25 years.

Life Expectancy

The average life expectancy was 55.15 years in 1985 and has increased to 66.60 percent in 2008. To achieve the target (70 years) as stipulated in Vision-2021, Bangladesh needs to increase annually 0.25 years. But, the annual increase between 1985 and 2008 was 0.51 years, which is higher than the required rate of increase. If such rate of increase remains the same, the target would be achieved before the set year of Vision-2021 (Figure 6).

Figure 6: Current situation and future projection of expectation of life

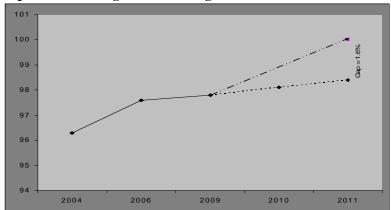


Source: Author's calculation based on BBS data, 2009 Bangladesh Economic Update, December 2010 The percentage of the improved drinking water supply has increased at an annual average rate of 0.30 percent during the period of 2004-2009 against the target of 0.52 percent.

Supply of Improved Drinking Water

Supply of improved drinking water is another prioritized issue of the government. The Vision-2021 sets a target of 100 percent coverage of the supply of improved drinking water by 2011. Though there is a controversy with the definition of safe drinking water, the BMICS data are used here. The percentage of the supply of improved drinking water has increased at an annual average rate of 0.30 percent during the period of 2004-2009 against the target of 0.52 percent. Under the business as usual scenario, the percentage of the improved source of drinking water might be 98.4 percent by 2011, indicating a gap of 1.6 percent between the projected value and government's target.

Figure 7: Current situation and future projection of improved drinking water coverage



Source: Author's calculation based on BMICS data, 2009

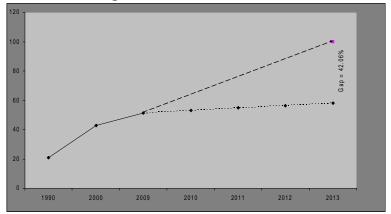
Hygienic Sanitation Facility

Hygienic sanitation facilities as defined by the Government in Bangladesh National Sanitation Strategy includes: i) flush or pour-flush toilet/latrine to – piped sewer system; septic tank; ii) pit latrine with slab and water seal; iii) pit latrine with slab and lid, no water seal; iv) pit latrine with slab and flap, no water seal; v) ventilated improved pit (VIP) latrine; and vi) composting latrine. By government's standards, 51.5 percent of households in Bangladesh were using hygienic sanitation facility in 2009 (Figure 8). The average increase in the percentage between 1990 and 2009 was 1.61 per year against the required target of 3.43 percent by 2013. Based on the current situation, the hygienic sanitation coverage might reach to 57.94 percent in 2013. This indicates a huge gap of 42.06 percent between the

The average increase in the percentage between 1990 and 2009 was 1.61 per year against the required target of 3.43 percent by 2013.

projected (57.94 percent) value and the government's targets of 100 percent sanitation coverage.

Figure 8: Current situation and future projection of sanitation coverage



Source: Author's calculation based on BMICS data, 2009

Poverty Related Targets of Present Government

Despite considerable thrust on poverty alleviation in all plan documents since the independence of Bangladesh, a significant number of population still lives below the poverty line. It is a constitutional obligation of the government to provide a decent living standard for the citizens by alleviating poverty. In its election manifesto, the present government has therefore laid special emphasis on poverty alleviation and pledged to reduce poverty. They made a commitment to reduce the rate of poverty to 15 percent in 2021 from 40.4 percent in 2005. If a projection is made based upon the past, with the assumption of business as usual, the rate of poverty may come down to 27.9 percent in 2021, which is higher by 12.9 percent than the targeted rate of 15 percent (Figure 9). According to the latest available national statistics on poverty, based upon Head Count Ratio using Direct Calorie Intake (DCI) method, in 2005, the incidence of absolute poverty were 40.4 percent at the national level with the yearly average rate of decrease by 0.78 percent from 2000. People living below poverty line in 2000 were 55.8 million, which increased to 56 million in 2005. Though, the number of poor people increased by about 2 million during this period, it increased at a slower rate than those of the previous decade. The business as usual situation may be further exacerbated due to lower rate of growth, slump in investment, rise in

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According to business as usual, the rate of poverty may come down to 27.9 percent in 2021, higher by 12.9 percent than the targeted rate of 15 percent.

inflation and increase in unemployment than those of the 1990-2005.

Figure 9: Current situation and future projection of poverty rate

Source: Author's calculation based on Bangladesh Economic Review data, 2010

Conclusion

The projections provided in this Update suggest that, the country is on the track to achieve some of the Vision-2021 targets within the time limit, but many of these may remain far behind from expected levels. It will be difficult to reach the targets unless efforts are accelerated. Lack of the choice of creative strategies, departing from the orthodoxy, suiting to the context and the capacity to deliver are the major obstacles to the development of the country, as well as is responsible for not achieving such targets. Theoretically some of the strategic documents and policy papers are sound and seems to be implementable, but in reality, the outcomes are yet to be discernible. The government needs to be creative in renewing and revising strategies and approaches for implementation, responding to the current challenges by not only resorting to old failed policies packaged in new covers. Otherwise the aim of Vision-2021 may remain elusive and distant dreams, which the nation can not afford to do.

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