

## Bdst 2 topic 5: Structure and Change in the Economy since 1947

**primary**– extract raw materials from earth or sea(agriculture/forestry/fishing/mining)

**secondary** – process and manufacture primary products; also construction and assembly(garments/sugar refining/jute processing/steel/machinery)

**tertiary** – service industries

Growth of agriculture:

- No mark for just stating 'green revolution' but 1 mark for each feature of the green rev that is referred to e.g.
  - use of high yielding seeds
  - use of fertilizers
  - increased irrigation
  - use of pesticides
  - govt subsidies for fertilizers
- Dev marks for explaining how features of the green rev led to growth

Reasons for the decline in employment in agriculture

- people moving to towns and cities/rural-urban migration/push-pull factors
- opportunities for jobs in services and industry
- consolidation of land holdings/land scarcity
- greater use of machinery

The most important sector for Bangladesh's people is agriculture

- most people work in agriculture/live in rural areas/villages
- food is most basic requirement/self sufficient
- very fertile soil
- suitable climatic conditions to produce agricultural crops
- jute/sugar cane important raw materials

What is meant by industrialisation

- Country moves from agricultural to manufacturing society / increasing secondary sector / growth of industry

## Growth of manufacturing:

- garment industry
- shrimp processing
- Big demand from other countries
- mostly small scale enterprises based on existing skills and/or low levels of technology
- not requiring high levels of investment
- investment by multi national companies or foreign investment
- government support
- political stability
- cheap labour
- Dev marks for explaining how one or more of these features led to growth.

Suggest why the secondary sector contributes a higher percentage to GDP than it does to employment

- Higher value added
- greater use of machinery
- better trained workers
- goods exported so adding to GDP

## The important industries of Bangladesh

### Garments:

- export orientated, increasing home market, 80% employees female, dependent on imported raw materials, growing industry, products (include shirts, jackets, trousers), main markets EU and USA, use of machinery, small scale, labour intensive

### Jute:

- declining, synthetic materials more popular, many debts/losses, electricity failures, changes in government policy, products include carpet backing, sacks, bags, caps, canvas

### Leather:

- export orientated, mainly to EU, Brazil, Singapore, increasing with government support, products include shoes, jackets, bags

#### Craft:

- cottage/small scale industry, family based, local raw materials, low capital, traditional techniques, products include textiles, pottery, bamboo, cane, brass

#### Paper:

- modern mills privately run, use imported pulp, some use recycled paper or jute and straw cuttings, not sufficient for local demand

#### Benefits of industrial growth

- provides employment
- reduces reliance on imports
- goods can be exported
- earns foreign exchange/increase GNP/income/economic development
- more scope for adding value than agricultural products
- encourages investment
- more resources
- more formal employment

What factors led to the improved industrial growth rate in Bangladesh, and what do you think needs to be done to improve it further

#### Factors:

- increased privatisation and liberalisation
- opening up of markets – less domestic tariffs, quotas and subsidies increased power/energy production
- smaller industries e.g. garment sector – simple technology

#### Improvements:

- encourage foreign investment – MNCs improve infrastructure
- political stability
- fewer strikes
- management training loans

#### Difficulties facing industrial development

- lack of finance/loans/state benefit
- shortage of skilled workers

- weak home market/people cannot afford to buy goods
- exports face tariff barriers/quotas
- shortage of power/blackouts
- lack of raw materials
- poorly developed infrastructure/transport
- lack of technology
- can't compete with imports
- political instability
- corruption

Economic development in Bangladesh depends on the expansion of its industry

- industry provides more jobs
- industry can create more wealth
- scope for using higher levels of technology
- create goods for export
- attract foreign investment
- increase foreign exchange/GNP
- reduce imports

More manufacturing industries are needed to improve the economy

- higher value goods
- productivity higher than agriculture
- export goods
- earn foreign exchange
- high-wage employment
- employment

Increasing the service sector is the best way to improve the economy

- attracts finance
- high value-added services
- informal service sector not so valuable/increases employment of poor/unskilled
- education key to development – more teachers
- allow a named service if linked to development

Developing the service industry is the best way forward to improve the economy of Bangladesh

### Informal sector –

- employs unskilled
- employs many people/lowers unemployment
- provides earnings/taxes/reduces poverty

### Formal sector –

- high-value services such as finance, medicine, research, IT
- earn money/foreign exchange

### Problems with developing the service sector

- need agriculture to feed the population
- need industry to provide goods
- to reduce import bill
- employs both educated and unskilled people
- if informal – cannot export/earn foreign currency
- poorly paid

### Importance of developing infrastructure

- Many rural areas lack good roads and electricity
- Allows development of industries in rural areas
- Improves access to markets, which increases trade, increases income

### Job creation is Bangladesh's top development priority

- reduces unemployment
- jobs gives a population the means to support itself
- jobs produce vital things such as food, manufactured goods and services
- creating jobs outside farming increase wages
- jobs in secondary / tertiary sector create more economic wealth
- jobs create the opportunity to break out of the cycle of poverty / informal jobs do not break the cycle of poverty.
- more people paying taxes
- increases GDP

Explain the impact that continued economic growth will have on poverty and quality of life in Bangladesh

poverty:

- will decline
- people will earn more money / more people with jobs
- more taxes will be paid which can be used for development

quality of life:

- will improve
- better health care
- better sanitation
- electricity supply

Human development indicators

- infant mortality/literacy rate/life expectancy/numbers of doctors or nurses per 100 000 people/ maternal mortality/access to clean water/access to improved sanitation/ proportions living on less than \$1 per day, etc. Accept GNP

What do the development indicators show about the level of development of Bangladesh

- GNP – wealthier, increase in economy, etc.
- life expectancy – improving – better health care, nutrition, education/awareness, hygiene, etc.
- population per doctor – still many people per doctor but improving, better education, improving health care, etc.
- Allow development of points

Human development indicators

- life expectancy
- how long person can expect to live
- adult literacy
- the per cent of adults who can read and write
- death rate
- the number of deaths per thousand of the population per year
- infant mortality rate
- the number of babies who die under 1 per 1000 live births per year