The Structure of the Bangladesh Economy

Economy refers to how products or goods and services are produced, sold, and used in a country or region.

Three economic sectors are:

- i. Primary sector
- ii. Secondary sector and
- iii. Tertiary sector



The primary sector:

• Economists define the *primary* sector as the economic activities that involve using natural resources. These activities include agriculture, fishing and mining.

Example: Major businesses in this sector include <u>agriculture</u>, <u>agribusiness</u>, <u>fishing</u>, <u>forestry</u> and all <u>mining</u> and <u>quarrying</u> <u>industries</u>.



The secondary sector:

- The **secondary sector of the economy** includes those economic sectors that create a finished, usable product: <u>manufacturing</u> and <u>construction</u>.

Example: Garments industry or shoe industry.

The tertiary sector:

- The *tertiary sector* is the service sector, which includes both low-productivity services, such as domestic service or pulling rickshaws, as well as very high productivity services, such as the modern financial sector.

Example: These range from commercial services (e.g. shops, banks, and transport) to personal services (e.g. hairdressers). The sector also includes public utilities, such as the supply of water, sewage treatment and electricity.

- The **primary sector** which covers raw products from farming, fishing, and mining, and so on.

- The **secondary sector** which covers manufacturing of goods.

- The **tertiary sector** which covers a range of services, provided to people and companies.

Informal service sector:

- An informal service sector is the part of any economy that is neither taxed nor monitored by any form of government.

Example: street vending, scavenging (waste re-cycling), Para transit (also known as informal transport or mini-transport) and begging.

The characteristics of employment in the informal sector:

- relies on local materials
- It is family run
- > It is small scale
- It requires no or simple technology
- > It requires traditional life skills
- > It does not require formal education
- > The informal sector is unregulated and has no government controls
- But it has long working hours and
- It has low wages.

Why the informal sector is an important part of Bangladesh's economy?

- Informal sector provides much needed employment
- · It helps to counteract underemployment
- · It boosts household income of the poor
- · It produces cheap goods
- · It provides some basic services
- · It often involves recycling waste.

Disadvantages of the informal sector:

The informal sector does not help economy – as no taxes are being paid.

- No protection is given to the employees
- The employees can be exploited
- There is no security for the workers
- It does not contribute to the development of Bangladesh
- The informal jobs may be unsafe
- There is no quality control in the production
- The workers are given low wages.

The formal sector:

&A formal service sector is a segment of any economy in which all employment has regular hours and pay, and it is recognized as a source of revenue that must be taxed.

Features of the formal service sector work:

- & In the formal sector, a worker:
- Has pre-defined work conditions and job responsibilities

- Is part of an organized group of people working in the same environment and is legally and socially aware of his rights.

The importance of manufacturing and RMG (Ready-made Garment) industries for our country's future:

- The manufacturing industries such as RMG (Readymade Garments) Industries provides employment.
- Manufacturing industries produces goods for export that can earn foreign currency.
- № It Reduces the dependency on agriculture.

Reasons for the growth of the ready-made garment industry in Bangladesh:

- & Cheap labour
- & Access to raw materials (cotton) and ready import of cheap fabrics and yarns
- & Foreign investment
- & Huge global market for products

Why garments are an important export for Bangladesh:

- & Competitively priced garments, thanks mainly to the availability of cheap labour.
- & Garments sell well in the global marketplace because they are perceived as offering good value.

What are 'cottage industries' and why are they also important for Bangladesh?

- Small-scale production units, often family-owned and operating on small amounts of capital are known as cottage industries.

- & It is a part of the country's heritage.

Features of cottage industries:

- ▶ originated in rural areas but many found now in towns and cities.

Differences between a cottage industry and a large-scale industry:

	COTTAGE INDUSTRY	LARGE SCALE INDUSTRY
Example:	weaving, handicrafts, pottery	jute, textiles, sugar, garments,
		furniture, paper mills, etc.
Labour:	family/few workers	more than 10 workers, higher wages
	low wages	skilled
Machinery:	simple/traditional technology	sophisticated, expensive, automated
Export and	little export, low earnings,	high export, 80% value
earnings:	20% value	foreign exchange

The importance of transport network to our country's development:

It covers the whole country.

It is moving commodities and goods from their sources to markets.

It is moving people to and from work/commuting as well travelling

for business.



The Padma Bridge

How education can help reduce the level of poverty:

- Education Improves personal skills and makes people more employable.
- Education makes people more ambitious and more aware of ways to break out of the cycle of poverty.
- Education Makes people more aware of the need to limit family size

Women empowerment:

- Women empowerment refers to the activities undertaken to improve the social, economic and political status of women in the world.
- Why it is important that Bangladeshi girls should receive the same level of education as Bangladeshi boys:
- It means that they also will be able to find secure work and thus help increase household income.
- This might lead to a raised standard of living.
- Educated mothers are likely to produce more able and ambitious children.
- Educated women are likely to be better informed about the need to, and ways of limiting family size.

Girls' education in Bangladesh

