



**GDP & GNP (size, growth rate, per capita): along with
comparison with another SAARC country**

Submitted To:

Dr. Rezai Karim Khondker

Submitted by:

Shahriar Mahmud Rizvi

ID-1530380

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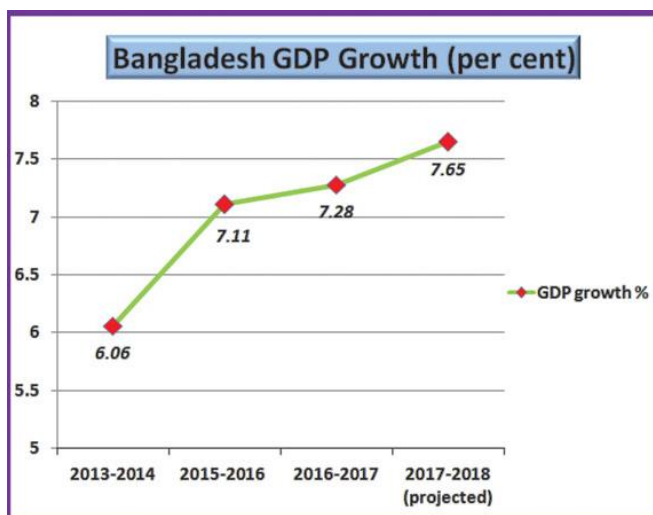
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Introduction: Bangladesh's economy has grown roughly 6% per year since 1996 despite prolonged periods of political instability, poor infrastructure, endemic corruption, insufficient power supplies, and slow implementation of economic reforms. Pakistan and Bangladesh are both Muslim majority nations, which had once been together and hewed out of pre-independence India, creating a uniform frame of reference. But among them Bangladesh is relatively more liberal, multicultural, hounds minorities less, allows women a greater role in public life and cracks down on religious zealotry more effectively. Bangladesh topping Pakistan's GDP within few years. The recent growth rate is higher than Pakistan's GDP growth rate. Here we will discuss about Bangladesh and Pakistan's GDP.

Objective of this report:

1. To acquire some overall fact and figures of GDP of Bangladesh and Pakistan.
2. Comparison between both countries' movement in economy.
3. Understanding the macroeconomics through the discussion and analysis of those facts and figures.

Economic overview of Bangladesh: Our half of GDP is generated through the services sector, almost half of Bangladeshis are employed in the agriculture sector, with rice as the single-most-important product.



Garment exports, the backbone of Bangladesh's industrial sector, accounted for more than 80% of total exports and surpassed \$25 billion in 2016. The sector continues to grow, despite a series of high-profile factory accidents that have killed more than 1,000 workers and crippling strikes, including a nationwide transportation blockade orchestrated by the political opposition during the first

several months of 2015. Steady export growth in the garment sector combined with remittances from overseas Bangladeshis - which totaled about \$15 billion and 8% of GDP in 2015 - are key contributors to Bangladesh's sustained economic growth and rising foreign exchange reserves.

Figure 1: Bangladesh GDP growth (Projection for 2017-2018)

The projection of GDP growth was 7.65% for 2017-2018 fiscal year. Bangladesh has achieved the highest-ever 7.86% GDP growth in the 2017-18 fiscal year, widely surpassing the estimated growth of 7.65%. The per capita income has increased to \$1,751 in FY2017-18 from \$1,610 in the previous fiscal year, according to Bangladesh Bureau of Statistics (BBS).

The Gross Domestic Product (GDP) in Bangladesh was worth 249.72 billion US dollars in 2017. The GDP value of Bangladesh represents 0.40 percent of the world economy. GDP in Bangladesh averaged 49.21 USD Billion from 1960 until 2017, reaching an all-time high of 249.72 USD Billion in 2017 and a record low of 4.30 USD Billion in 1960.



Figure 2: Bangladesh's GDP in last few years

Economic Overview of Pakistan: Decades of internal political disputes and low levels of foreign investment have led to slow growth and underdevelopment in Pakistan. Pakistan has a large English-speaking population. Nevertheless, a challenging security environment, electricity shortages, and a burdensome investment climate have deterred investors. Agriculture accounts for one-fifth of output and two-fifths of employment. Textiles and apparel account for most of Pakistan's export earnings; Pakistan's failure to diversify its exports has left the country vulnerable to shifts in world demand. Pakistan's GDP growth has gradually increased since 2012. Official unemployment was 6% in 2017, but this fails to capture the true picture, because much of the economy is informal and underemployment remains high. Human development continues to lag behind most of the region.

In 2013, Pakistan embarked on a \$6.3 billion IMF Extended Fund Facility, which focused on reducing

energy shortages, stabilizing public finances, increasing revenue collection, and improving its balance of payments position. The program concluded in September 2016. Although Pakistan missed several structural reform criteria, it restored macroeconomic stability, improved its credit rating, and boosted growth. The Pakistani rupee, after heavy depreciation in 2013, remained relatively stable against the US dollar in 2015-17. Low global oil prices in 2016 contributed to a narrowing current account deficit and lower inflation. Remittances from overseas workers continued to be a key revenue source, also mitigating the impact of the lack of foreign investment and a growing trade deficit on the country's current account.



Figure 3: Pakistan GDP in last few years

The Gross Domestic Product (GDP) in Pakistan expanded 4.71 percent in 2016 from the previous year. GDP Growth Rate in Pakistan averaged 4.91 percent from 1952 until 2016, reaching an all-time high of 10.22 percent in 1954 and a record low of -1.80 percent in 1952.

Pakistan is one of the poorest and least developed countries in Asia. Pakistan has a growing semi-industrialized economy that relies on manufacturing, agriculture and remittances. Although since 2005 the GDP has been growing an average 5 percent a year, it is not enough to keep up with fast population growth. To make things even worse, political instability, widespread corruption and lack of law enforcement hamper private investment and foreign aid. This page provides - Pakistan GDP Growth Rate - actual values, historical data, forecast, chart, statistics, economic calendar and news. Pakistan GDP Growth Rate - actual data, historical chart and calendar of releases - was last updated on November of 2018.

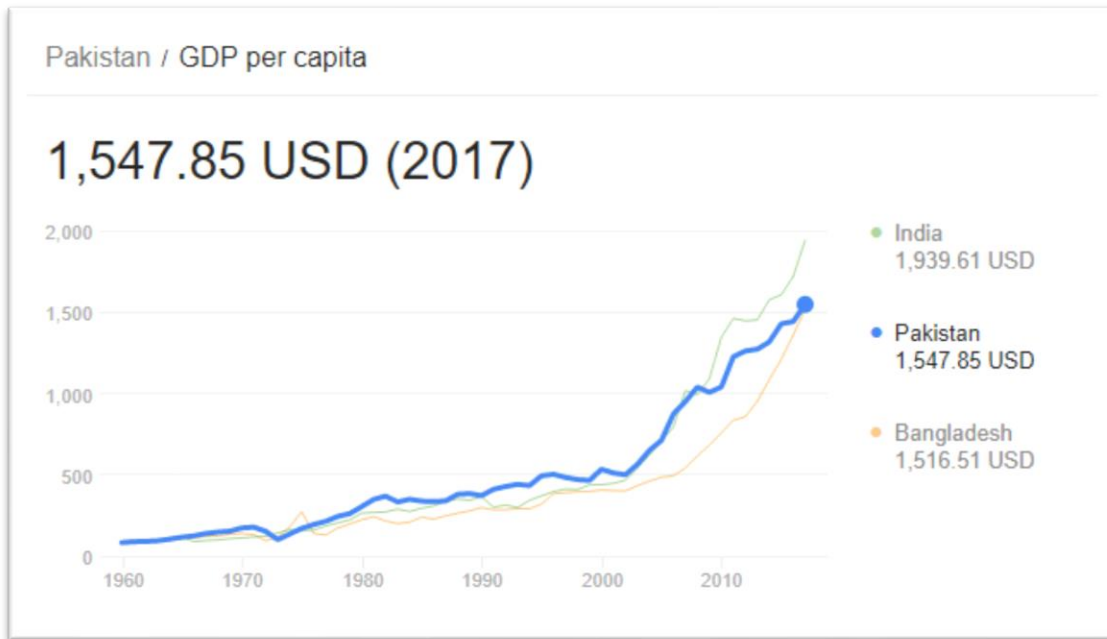


Figure 4: GDP per capita Pakistan

GDP Comparison & Analysis: When Bangladesh won independence from Pakistan in 1971, it was much poorer than the country it left. Industry accounted for only 6-7% of its GDP, compared with over 20% in Pakistan. The battle for independence had killed or displaced millions, damaged roads and railways, and severed ties with Pakistan's bankers and industrialists. A caveat should be noted. A dollar stretches further in Pakistan than in Bangladesh because prices in the former tend to be lower. So Pakistan's \$1,470 per person actually has more purchasing power than Bangladesh's \$1,538. This is nonetheless a good moment to celebrate Bangladesh's economic progress. Its annual growth has averaged more than 6% over the past ten years and has run above 7% over the past two. Industry accounts for 29% of its GDP. A country that once lacked cloth for shrouds now exports more ready-made garments than India and Pakistan combined. Working conditions are still far worse than they should be. They are also far better than they once were. Bangladesh's GDP per person received a boost from another source. Its last census, in 2011, led to a large revision of the country's population, larger even than Pakistan's. But in Bangladesh's case, the revision was downwards.

Year	Bangladesh	Growth	Pakistan	Growth Rate %
2013	150 billion USD	6.00%	231.2 billion USD	4.40%

2014	172.9 billion USD	6.10%	244.4 billion USD	4.70%
2015	195.1 billion USD	6.60%	270.6 billion USD	4.70%
2016	221.4 billion USD	7.10%	278.7 billion USD	5.50%
2017	249.7 billion USD	7.30%	305 billion USD	5.70%

Figure 4: GDP comparison (Source: World Bank)

Conclusion: Starting her journey from a relatively much weaker economy in comparison to Pakistan in 1971, the remarkable progress of Bangladesh could be attributed to all post-liberation governments, progressive NGOs and vibrant private sector. Bangladeshi economy has a steady growth in Garment industry, cement, food processing and other sectors Whereas Pakistan losing its traditional strong areas. And Bangladesh is trying to make things better, but Pakistan is embroiled in internal and external political issues and policy making is Nonexistent.

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