

INTERNATIONAL DEVELOPMENT RESEARCH CENTRE

COUNTRY PROFILE

005882



BANGLADESH

*prepared by
G. Sarage
IDRC*

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OTTAWA. CANADA.

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BANGLADESH

HISTORY

An independent Bangladesh government has existed since March, 1971 when West Pakistan Military forces occupied what was then East Pakistan to put an end to the civil disobedient movement. The overwhelming electoral success of the Awami League Party in 1970, made Sheikh Mujibur Rahman who campaigned on the basis of a six point plan for regional autonomy the undisputed leader of the East. His party also secured a majority of seats in the National Assembly. Following discussions between Sheikh Mujibur Rahman and President Yahya Khan in January, 1971, it was announced that the National Assembly would meet on March the 3rd. Mr. Bhutto, the leader of the Pakistan People's Party, refused to agree to Sheikh Mujibur Rahman's six point Plan and subsequently President Yahya Khan postponed the convening of the National Assembly. The Civilian Governor of the then East Pakistan was removed and replaced by a military Governor. The increasing severity of military rule inevitably led Sheikh Mujibur Rahman to demand an inquiry into allegations of brutality by military authorities. In the months that followed, there was extensive guerilla war-fare and frequent border clashes between Indian and Pakistani forces and a state of emergency was declared. On December 4th the Pakistani Airforce attacked Indian armed forces and India was placed on a war footing. India intervened on the side of the Bangladesh Freedom Fighters in November 1971 to stop the tidal wave of refugees pouring into India. The Pakistani forces were compelled to surrender on December 17, 1971. The Bangladesh government in exile returned to Dacca and Sheikh Mujibur Rahman who had been under house arrest in West Pakistan returned to head the new Government

of Bangladesh.

GEOGRAPHY

Bangladesh lies between 20° - 30' and 26° - 45' North Latitude and 92° - 56' East Longitude. It is bounded on the West, North, East by India and on the South, the Bay of Bengal and Burma.

There are three geographical areas: (1) Hilly and Foothill Region (2) Coastal Region and (3) Lower Ganges Region. Average annual rainfall varies from 50 inches to 200 inches.

AREA

55,126 square miles.

POPULATION

The population of Bangladesh is predominantly rural and at mid-1972 was estimated at 75 Million, giving a density of about 1,360 people per square mile. The current rate of population growth is 3% a year. The population of the main cities are:

Dacca - Capital	-	950,000
Chittagong	-	500,000
Khulna	-	403,400
Naryanganj	-	389,000

RELIGION AND LANGUAGE

About 85% of the population is Muslim. Hindus, Buddhists and Christians constitute the rest.

Bengali is the official language and English is widely used.

CONSTITUTION

The constitution of the People's Republic of Bangladesh was passed by the Constituent Assembly of Bangladesh on the 4th of November, 1972, and came into force on the 14th of December, 1972. The Constitution sets out "the principals of nationalism, socialism, democracy and secularism, constitute the fundamental principles of State policy". The Constitution guarantees the fundamental rights of the individual, freedom of the press, of association, of assembly and of religion; the rights of property and equality before the law. Further, it guarantees a certain number of seats to women. It is an ambitious constitution from a State that has just suffered one of the most atrocious wars in living memory. It shows a genuine desire on the part of the Government of Bangladesh to set up a just and equitable society.

THE EXECUTIVE

The President of Bangladesh is elected by the Members of Parliament in accordance with the provisions contained in the second Schedule of the Constitution. The President, as Head of State, "takes precedence over all other persons in the State and exercises the powers and performs the duties conferred and imposed on him by the Constitution and any other Law". The President acts in accordance with the advice of the Prime Minister.

PARLIAMENT

There is a Parliament consisting of 350 seats. In the recent elections, on the 7th of March this year, the Awami League was returned to power with an overwhelming majority.

THE CABINET:

The Cabinet of Bangladesh is headed by the Prime Minister comprising such ministers as the Prime Minister from time to time may designate. The Cabinet is collectively responsible to Parliament and all Executive actions of the Government are taken in the name of the President. The President appoints the Prime Minister who must be a Member of Parliament and who commands the support of the majority of the Member of Parliament.

President:

Justice Abu Sayeed Choudhary

Cabinet:

Prime Minister and Minister of
Defence:

Minister of Finance and Planning:

Minister of Foreign Affairs:

Minister of Industries:

Minister of Communications:

Minister of Flood Control and
Water Resources:

Minister of Relief and
Rehabilitation:

Minister of Agriculture:

Minister of Education, Cultural
Affairs and Sports:

Minister of Labour and Social
Welfare:

Minister of Food and Civil
Supplies:

Minister of Law and Parliament-
ary Affairs:

Minister of Commerce:

Minister of Local Government,
Rural Development and
Co-Operatives:

Cabinet (cont'd)

Minister of Public Works and Urban
Development:

Minister of Health and Family
Planning:

Minister of Posts, Telephones and
Telegraphs:

Minister of Forests, Fisheries and
Livestock:

Minister of Information and
Broadcasting:

Minister of Home Affairs:

Minister of Land Administration
and Land Reforms:

Minister of Shipping, Inland Water
Transport and Airways:

Minister of Power, Natural Resources
and Scientific and Technological
Research:

POLITICAL PARTIES

There are three main political parties -

The Awami League, the party now in power; successfully led
the campaign initially for regional autonomy and eventual independence.

National Awami Party and the National Socialist Sramik Party.

JUDICIARY

The judiciary is independent and its independence is
guaranteed by the Constitution.

There is a Supreme Court - the Supreme Court of Bangladesh
comprising the Appellate Division and the High Court Division. The

Supreme Court is headed by a Chief Justice and a number of other judges as the President may appoint to each division. The High Court Division hears appeals from the Appellate Division and other Subordinate Courts. The Appellate Division have jurisdiction to hear and determine appeals from judgment, decrees, orders or sentences of the High Court Division.

OTHER COURTS

There are subordinate courts in all Administrative Units headed by magistrates. Also, there are two administrative tribunals with jurisdiction in respect of matters arising out of or relating to the terms and conditions of persons in the service of Bangladesh (b) the acquisition administration, management and the disposal of any property vested in or managed by the Government (c) any administrative law which is brought before the tribunals.

LOCAL GOVERNMENTS

Local government is established in every administrative unit of the Republic and is composed of elected representatives. Their functions are (a) administration and the work of public offices (b) the maintenance of public order, (c) the preparation and implementation of plans relating to public services and economic development. The powers of local government authorities include power to impose taxes for local purposes, to prepare budgets and to maintain public funds. However there are plans for the complete reorganization of Local Government to be announced shortly.

Rajshahi Division	- Districts Dinajpur, Kangpur, Bogra, Rajshahi Pabna,
Khulna Division	- Districts Kashtia, Jessore, Khulna, Bakerganj.
Dacca Division	- Districts Mymensingh, Dacca District Faridpur
Chittagong	- Districts Sythet, Comilla, Noakhali,

Chittagong District, Chittagong Hill Tracts.

ARMED FORCES

Following the War of Liberation, the East Pakistan Armed Forces were completely disrupted and the maintenance of law and order was in the hands of the Indian Armed Forces which were withdrawn in March, 1972. The military forces at present are composed of Bengali Troops and the Mukhti Bahini guerilla forces pending the formation of a regular Army, Navy and Airforce.

INFORMATION

Press:

Dailies -

Azad	Bengali
Dainih Bangladesh	Bengali
Ittefag	Bengali
Morning News	English
Paigam	Bengali
Bangladesh Observer	English
Sangbab	Bengali
Eastern Examiner	English
Unity	English

Selected Weeklies -

Begum	Bengali
Cinema	
Dacca Times	English
Dhaka Prakash	Bengali
Eastern Herald	English
Jugabheri	Bengali
Natum Khabar	Bengali
Purbodesh	Bengali
Pak Samachar	Bengali
Saigik	Bengali

Selected Periodicals -

Dilneba (monthly)	Bengali
Education	Bengali and English

Selected Periodicals (cont'd)

Hamdard (monthly)	Bengali
Jute and Jute Fabrics (Monthly)	English
Khelaghar (monthly)	Bengali
Mah-i-Nau (monthly)	Bengali
Mohammadi (monthly)	Bengali
Mrilliha (quarterly)	Bengali
New Values (bi-monthly)	English
The Republic (quarterly)	Monthly

NOTE: The above list was checked with the Bangladesh High Commission in Ottawa.

Radio

Radio Bangladesh started broadcasting in December 17th, 1971.

It broadcasts in Bengali, English and Urdu.

Bangladesh Television Corporation was founded in 1964 and was taken over by the Government of Bangladesh in December, 1971.

EDUCATION

Under the old Pakistan Constitution of 1962, universal free primary education was a constitutional right but less than half the children in East Pakistan received it, and only about 10% received technical and secondary education. No more than 15% of the population is literate.

Rate of Growth in Enrolment 1969/70:

Primary Stage I - V	-	6,300,000	
Middle Stage VI - VIII	-	1,040,000	
High State IX - X	-	395,000	
Intermediate Stage	-	200,000	
Primary	-	29,000	1969/70
Middle	-	2,000	
High School	-	3,900	
Secondary Vocational Institutions	-	218	

EDUCATION (cont'd)

Special Schools	-	51
Other Schools	-	4,480
Arts and Science Colleges	-	320
Professional Colleges	-	29
Agriculture	-	1
Commerce	-	2
Engineering	-	1
Fine Arts	-	1
Home Economics	-	1
Law	-	7
Medicine	-	6
Tibbia	-	1
Social Work	-	1
Teacher Training	-	7
Physical Education	-	1

SOURCE: Pakistan Year Book 1971.

University of Chittagong

Included in the figures above and

Affiliated College Students	-	21,153
Students in the University Proper	-	1,211
Postgraduate Students	-	999
New Admission (to the University Proper)	-	683
Affiliated Colleges	-	44

EDUCATION (cont'd)

Faculties and Deans

Arts	-	Professor A. Karim
Commerce	-	M. A. I. Khan
Education	-	A. H. M. Mohsew
Engineering	-	Wahiduddin Ahmad
Law	-	U. N. Siddigin
Medicine	-	A. F. Z. Rahman
Science	-	Professor M. R. Hagul

University of Dacca - 1921

Men	-	36,959
Women	-	<u>8,232</u>
		<u>45,101</u>

Included in the figures above -

Students in University Proper	-	8,151
Constituent College Students	-	7,925
Affiliated College Students	-	29,115
Postgraduate Students	-	7,337
Affiliated Colleges	-	59
Constituent Colleges	-	16

Faculties and Deans

Arts	-	Professor A. B. M. Habibullah
Arts and Crafts	-	
Education	-	Professor M. N. Hag
Law	-	M. Shahabuddin
Medicine	-	K. A. Kaleque
Science	-	Professor M. I. Ali

EDUCATION (cont'd)

Agricultural University 1961 (formerly East Pakistan
Agricultural University)

1968-69

	<u>Full Time</u>	<u>Part Time</u>
Men	1,952	-
Women	-	-
Total	1,952	-
Postgraduate Students	140	
New Admissions	396	

Faculties and Deans

Agriculture	-	Professor A. Haque
Agric-Economics	-	Professor M. S. Islam
Agric-Engin. & Technology	-	Professor S. M. N. Haque
Animal Husbandry	-	Professor A. Quddos
Veterinary Science	-	Professor M.U.A. Chowdhury

University of Engineering and Technology - 1961

(formerly East Pakistan University of Engineering and
Technology)

	<u>1969-70</u>
Men	1,652
Women	9
Total	1,661

Faculties and Deans

Architecture and Planning:	Professor S. A. Zahiruddin
Engineering:	Professor M. Ibrahim

EDUCATION (cont'd)

University of Rajshahi - 1953

<u>1969-70</u>	<u>University Teaching Depts.</u>	<u>Affiliated Colleges</u>
Men	3,234	26,663
Women	<u>461</u>	<u>2,149</u>
	<u>3,695</u>	<u>28,812</u>

Affiliated Colleges - 59.

Faculties and Deans -

Arts:	Professor K. M. Jamil
Education:	M. N. Karim
Engineering:	M. Kabiruddin
Law:	Professor S. S. Z. Rahman
Medicine:	M. R. Choudhury
Science:	Professor A. Husain

SOURCE: Commonwealth Universities Yearbook 1971. London 1971.

THE ECONOMY

With a population of 75 million people within a geographical area of 55,000 square miles, Bangladesh is one of the poorest countries in the world. The average per capita is no more than \$ 6,045 per annum. 93% of the population live in rural areas. Three out of every four families (on the average consisting of six persons) work in agriculture from an average plot of 2.5 acres of land. Agriculture is organized on inefficient traditional methods which give low output. The yield of rice, the overwhelmingly important crop, is about 1/3 per acre. The manufacturing industries set up during the past two decades mainly to process available indigenous raw materials and only in very recent years where limited

capacities created in producer goods, for example, fertilizers and steel. Traditional cottage industries notably hand loom weaving, receive no support from the Pakistan policy makers and were systematically discriminated against in favour of the large scale manufacturing industries located in what was then, West Pakistan. During 1972, Bangladesh imported nearly 3 million tons of food grain. Corresponding import during 1973 is estimated at 2,666,000 tons. Bangladesh has committed \$ 140 Million, one-third of her foreign exchange earnings, to pay for about 1,200,000 tons of food grain hoping that the world community will give the rest. The excessively high imports of food is necessary because of the failure of four successive crops. Even if the crops had been normal, Bangladesh would still have to import about 500,000 tons of food. Bangladesh is also heavily dependent on imports of other major basic consumer goods, for example, more than half the required edible oil and sugar. Raw material for textiles as well as yarn and woollens have to be obtained from abroad as there is no domestic production. The country has few known minerals and fuels except natural gas. Her entire requirement of coal, petroleum, limestone and cement, are imported. The manufacturing industries and agriculture depend heavily on imported supplies, of chemicals, pesticides and fertilizers. Nearly all the machines and equipment required for industrial expansion have to be imported. Compared to her import needs, Bangladesh has limited capacity to earn foreign exchange. Jute in raw and manufactured form, constitutes about four-fifths of exports. Over the past two decades, the policies of the Pakistan government were aimed at providing maximum protection to the Pakistani owned jute textiles by exploiting the full advantage of a monopoly position. Pakistan succeeded in initiating a process of slowly pricing Bangladesh jute out of the world market. As a result, Bangladesh has lost a great part of her share of the raw jute market. The Government's policy is to expand jute export by 1974.

Leather, fertilizers and fish appear to be the most promising exports but even if the rates of growth are high, total export would get a relatively small boost since the existing shares of these commodities in exports are small. The Bangladesh economy is structurally heavily dependent upon imports to an extent that can be met only fractionally by exports. For example, imports during the next fiscal year, July 1973 to June 1974, are expected to be about 1,000 Million Dollars US while exports even under favourable conditions, are not expected to be more than \$ 450 Million Dollars US. Unless the gap is met by capital inflow, either the people will starve or industries will work at a lower capacity than planned, or the Development Plan will be seriously curtailed. The gap between the supply and demand of domestic resources is also wide. Much of the tax revenue is expected to come from customs duty and sales tax on imports. If imports are reduced and if there is a lower foreign capital inflow, government revenue would correspondingly decline. Even with the expected level of imports, total tax revenue would be small, perhaps by no more than 6% of Gross Domestic Product. Industry and trade form a small proportion of total economic activity. Subsistence agriculture and small scale industries comprise an overwhelmingly proportion of the economy and are not amenable to taxation measures in the conventional way and it will not be easy to generate a high rate of savings in these conditions. At any rate, the extreme poverty, underdeveloped industries and capital starved agriculture, all call for a high rate of investment and the capacity to generate savings is rather limited. Besides the food deficit will have to be overcome, structural changes will be required in the textile and manufacturing industries, which the Government has now embarked on in the Current Annual Plan, emphasis will have to be geared to the development of small scale enterprises, often based on traditional

techniques. Unskilled labour will have to be committed to transport, power distribution and flood control. It should be possible not merely to stop the decline in jute exports but to reverse it. Exports will have to be diversified and new markets found and the tax system will have to be strengthened in order to augment domestic savings. Much will also depend on the Government's ability to generate a surplus in the nationalized industries and the Government's policy to reduce the birthrate over the next decade, which is a mammoth task.

BUDGET

Between 1960 and 1965, gross domestic product at constant factor cost in Bangladesh, grew at an average annual rate of 4.3% but between 1965 and 1970 the growth rate slowed down to 4.1% a year. Between 1960 and 1970 grossdomestic product per head of population grew by only 1% a year.

The first Bangladesh Budget for 1972/73 estimates expenditure at 2,184 Million Taka. Revenue was estimated 2,854 Million Taka leaving a surplus of 670 Million Taka which will finance part of the development budget. The main sources of ordinary revenue are custom duties, excise duties and the nationalized co-operations. The annual plan for 1972/73 forecasts total expenditures of 5,010 Million Taka of which 982 will be allotted to transport and communications and 772 for agriculture and 660 for relief and rehabilitation. The financing of the plan is as follows: 650 Million Taka from ordinary budget surplus; 610 Million of deficit financing and 750 Million in foreign aid.

TABLE I - SOURCES OF FINANCE FOR THE ANNUAL PLAN

	<u>TAKA</u>
1. Expenditure	501.0 Crores
2. Sources of Finance	
Revenue Surplus	65.0 Crores
Deficit Finance	61.0 Crores
Foreign Aid	375.0 Crores
	<hr/> 501.0 Crores

SOURCE: The Annual Plan 1972-73 Planning Commission, Government of Bangladesh, 1972.

BANKING

Bangladesh Bank is the central reserve bank and responsible for the issuing of Banknotes and Coins - the Taka and the Paisa. Notes of 100, 10, 5, 1 Takas and Coins of 50, 20, 10, 5 and 1 Paisa. In March 1972 Bangladesh notes and coins became legal tenders replacing the Pakistani rupee. In March 1972 the following banks were nationalized except foreign banks:

Habib Bank

Muslim Commercial Bank

National Bank

Standard Bank

BANKING (cont'd)

Bank of Bahawalpur

United Bank

Foreign Banks

Chartered Bank

Commerce Bank

National and Grindleys

State Bank of India

United Bank of India

Exchange Rate - 7.8 Takas = \$ 1 US.

TABLE II MONETARY STATISTICS

	CRORES OF TAKA				
	1969-70	1970-71	17th December 1971	21st April 1972	26th May 1972
1. Currency in Circulation	221.85	311.25	363.04	404.84	417.71
2. Currency with Public	213.34	301.75	358.48	382.79	397.45
3. Demand Deposit	145.76	169.77	180.90	261.04	268.90
4. Time Deposit	159.76	145.68	158.52	178.52	194.57
5. Money Supply (1 + 3)	367.61	481.02	543.94	665.52	686.61
6. Holdings of Gold and Foreign Assets	N.A.	N.A.	---	41.88	76.70
7. Commercial Bank Borrowing from Bangladesh Bank	28.25	79.90	66.90	74.13	56.65
8. Statutory Reserve Requirement of Commercial Bank	15.28	16.84	16.97	21.98	23.17
9. Excess Reserve	N.A.	N.A.	4.60	50.82	56.97

SOURCE: The Annual Plan 1972-73 Planning Commission Government of Bangladesh 1972.

AGRICULTURE

Agriculture is the most important single factor of the economy but its contribution to GDP has dropped from 62% in 1959/60 to 55% in 1969/70. About 60% of the land area is cultivated. A total of 28.4 Million acres in 1970/71 of which 24.2 million acres were under rice cultivation. Rice is the main food crop, jute and tea are the principal cash crops.

About 80% of the population earn their livelihood by agriculture. Due to the dislocation of the war, agriculture suffered very disasterously and the rice crop for last year declined - 26% below the production level of 1970. Total production of rice in 1971 was estimated at 2.19 Million tons. The total output of rice has therefore been significantly below the 1970 level. However the Government has embarked on plans on a massive program to accelerate rice production and it seems likely that the total rice output in 1973 may just remain at the 1971 level.

Jute is the main cash crop and principal export. Given favourable weather conditions, it is hoped that 2.65 Million bales would be exported this year. The output of sugar cane and tea are likely to decline sharply. Tea output during the current year, is estimated at 55 Million pounds compared to the average of nearly 60 million pounds. Equally, a decline in sugar cane production is just as serious as that of jute. In a country heavily dependent on agriculture to meet its import needs, the 1972/73 program for the construction and development, is quite ambitious as far as agriculture is concerned.

TABLE III- PROJECTED EXPORT RECEIPTS 1972-73

CRORES OF TAKAS

<u>Commodities</u>	<u>Amount</u>
Raw Jute	109.40
Jute Manufacturers	91.10
Tea	14.60
Paper and Newsprint	7.30
Miscellaneous	37.60
	<u>\$ 260.00</u>

SOURCE: The Annual Plan 1972-73 - Planning Commission, Government of Bangladesh, 1972.

TABLE IV - EXPORTS

CRORES OF TAKAS

	<u>February 1972</u>	<u>March 1972</u>	<u>April 1972</u>	<u>May 1972</u>
Raw Jute	5.95	11.20	6.78	7.74
Jute Textiles	7.38	10.26	15.12
Leather	0.04	2.67	2.35
Others	0.02	0.27	0.17	0.81
TOTAL	<u>5.95</u>	<u>18.89</u>	<u>19.88</u>	<u>26.02</u>

SOURCE: The Annual Plan 1972-73 - Planning Commission, Government of Bangladesh, 1972.

INDUSTRY

Industry contributes about 6% of GDP and employs about 1% of the labour force. All manufacturing industries suffered during the 1971 War of Liberation and most came to a virtual standstill. The Government took over the responsibility of managing all industries and in March, 1972, all jute mills, cotton textile and sugar mills valued at 1.5 Million Taka were nationalized. The Government has now set up ten co-operations with the responsibility of overseeing the nationalized enterprises in a given sector. These far reaching changes means that over 80% of all industry is now owned by the Government.

Jute textile, the biggest industry, is now in full production. By the end of May last year, the rate of weekly output was about 85%. The recovery is particularly remarkable in view of the fact that jute textiles earn more foreign exchange than any other industrial export. Matches, steel, petroleum products and cement have also made rapid recovery. Paper and fertilizers have not been returned to full production but there are plans in the current Annual Plan for a rapid expansion of these two industries. Progress has been slow in cotton textiles, the second largest industry. This has been due to two reasons, first, the industry is heavily dependent on import and second, the cessation of trade with Pakistan meant temporary shortage until supplies could be obtained elsewhere. The Government has embarked on a program to encourage small scale and cottage industries. Preliminary estimates show that the average monthly output during January to May, 1972, has been about 10 Million yards or roughly, a fifth of what would be normal production. From January to May last year, the government has invested 107 Million Taka for relief, rehabilitation

and reconstruction of industries. However, it is too early to be speculate on the direction in which industry is going to expand in Bangladesh. Much will depend on the Government's Annual Plan and whether Bangladesh can regain some of her former export markets. The most important industrial sector is the jute industry where output and employment has risen rapidly since the end of the War of Liberation. There is a small iron and steel plant and an oil refinery at Chittagong as well as several cotton textile plants and small chemical and fertilizer factories based on local natural gas supplies. In March 1972 the Government nationalized all the jute textile, cotton textile and sugar mills with assets of over 1.5 Million Taka.

TABLE V - PRODUCTION IN SELECTED INDUSTRIES IN RECENT MONTHS

Name of Industry	Unit of Output	Monthly Average Output in 1969-70	Recent Monthly Output and Time Period	Recent Monthly Output as Index of 1969-70 Monthly Output
Jute Textiles	Thousand Tons	48.3	40.9 in May, 1972	85
Newsprint	Tons	2,978	1,985 in May, 1972	67
Paper	Tons	3,518	1,568 in May, 1972	45
Petroleum Products	Tons	99.1 in Jan/71	75.8 in May, 1972	76
Cement	Tons	4,417	3,238 average April, May, 1972	73
Fertilizers	Thousand Tons	7.9	3.3 average March - May, 1972	42
Steel Mill	Metric Tons	3,238 in Jan/71	3,806 average March-May, 1972	118
Cotton Cloth	Thousand Yards	4,929	500 estimated average for Jan.-May, 1972	10
Cotton Yarn	Thousand Tons	8,808	2,800 estimated averages for Jan.-Mar./72	32
Matches	Thousand Gross Boxes	1,080	1,059 estimated for May, 1972 from a sample	98

SOURCE: The Annual Plan, 1972-73 - Planning Commission Government of Bangladesh, 1972.

MINING

Bangladesh is poor in mineral resources except natural gas. The main fields are at Titas, Bakharabad and Habiganj. Estimated revenues of about 7.61 Million Cubic Feet. Major coal reserves have been discovered in the Bogra region estimated at 700 Million tons. Limestone, cement and glass sand have also been found. Total installed electric power capacity to the end of June, 1972, was about 525 Mn.

THE DEVELOPMENT

The emphasis in the current Annual Plan 1972-73 is on massive reconstruction and rehabilitation of the economy. Taka 354 is the estimated expenditure (See Table VI below) the largest amount going to the Bangladesh Water and Power Development Authority Taka 325.614 Million. The priorities are the reconstruction of ports and waterways damaged during the war. The rehabilitation and resettlement of Bengalis returning from India, and the promotion of a balanced development in the Country especially between the urban and rural areas. It is not surprising therefore that most of the foreign aid apart from food has been on transport (see Table VII below). Besides the Foreign Aid from Governments, the United Nations and Voluntary Organizations (see Table VIII below) is contributing to the Government's Development programme. Much remains to be done and if Bangladesh is to meet her current needs, massive foreign aid is necessary for the foreseeable future.

TABLE VI DEVELOPMENT PROGRAMME FOR 1972-73

Name of Sectors	Provision for 1972-73		Foreign Exchange Required for 1972-73		
	Total	On-going	New	Total	Own Resources Project Aid
1. Chittagong Port	25.55	23.00	2.55	11.33	0.98 10.35
2. Chalna Port	1.05	1.05	---	0.05	0.05 ---
3. B.R.T.C.	1.30	0.30	1.00	1.30	--- 1.30
4. B.I.W.T.A.	33.08	32.68	0.40	23.37	--- 23.37
5. Bangladesh Rly.	142.14	137.74	4.40	115.68	--- 115.68
6. Roads and Highways	92.96	88.66	4.30	55.41	6.73 48.68
7. Bangladesh Biman	8.96	0.75	8.21	8.04	1.00 7.04
8. Civil Aviation	4.70	3.70	1.00	---	--- ---
9. Post Office	7.23	7.23	---	1.65	1.65 ---
10. T. & T. Department	88.50	77.50	11.00	41.82	4.95 36.87
11. Bangladesh Television Corporation	5.52	5.52	---	1.80	1.80 ---
12. Radio Bangladesh	10.20	10.20	---	3.64	0.20 3.44
13. Meteorological Department	2.50	1.00	1.50	0.44	0.40 0.04
14. Transport Survey	0.43	0.43	---	---	--- ---
	424.12	389.76	34.36	264.53	17.76 246.77

SOURCE: The Annual Plan 1972-73 Planning Commission, Government of Bangladesh, 1972.

TABLE VII - FOREIGN AID TRANSPORT

Bilateral and Multilateral Aid Cumulative Totals Since December 16, 1971,
In Million US Dollars

	Relief Cargo	Sea Transport	Inland Waters	Railways	Roads	Air Transport	Total
Canada	--	--	2.50	14.30	--	--	16.80
India	--	6.23	--	10.67	11.00	2.10	30.00
Japan	--	0.80	0.90	--	0.60	--	2.30
Netherlands	--	--	5.09	1.39	--	3.94	10.42
Romania	--	--	--	9.60	--	--	9.60
United Kingdom	--	N.A.	0.43	0.25	1.31	0.08	2.07
United States	--	--	5.02	--	15.50	--	20.52
USSR	1.00	12.66	--	N.A.	--	--	13.66
Yugoslavia	--	17.50	--	--	--	--	17.50
World Bank - IDA	--	--	5.74	--	4.18	--	9.92
UNROD	26.92	10.69	4.66	4.85	15.50	--	62.62
Voluntary Agencies	2.83	--	1.90	--	0.78	--	5.51
Others*	0.08	--	2.80	0.63	2.36	1.10	6.30
TOTAL	30.83	47.86	28.32	41.74	51.23	7.22	207.22

SOURCE: United Nations Emergency Relief Operations

NA - Data not available.

* - Includes Australia, Belgium, Denmark, France, Sweden, UNICEF, West Germany.

TABLE VIII - AID 1971-72¹
In Million of US Dollars

	Bilateral	Multilateral ²	Voluntary Agencies	Total	% of Total
Canada	67.50	8.37	4.60	80.47	6.31
India	259.36	--	2.59	261.95	20.53
Sweden	28.10	6.92	5.91	40.93	3.21
United Kingdom	14.74	29.90	2.89	47.53	3.73
United States	172.33	137.88	36.76	346.97	27.20
USSR	136.39	--	--	136.39	10.69
West Germany	12.03	7.13	20.19	39.35	3.03
World Bank	--	107.10	--	107.10	8.39
Yugoslavia	50.00	--	--	50.00	3.92
Others	91.19	41.16	33.02	165.07	12.94
Totals	831.34	338.46	105.96	1,275.76	100.00
Percentage	65.16	26.53	8.31	100.00	--

1. Preliminary estimates of commitments at December 31, 1972; Cumulative totals since December 31, 1972.

2. Includes all multilateral aid channelled through UNROD, UNICEF, IDA, WFP.

SOURCE: "The Times", March 26, 1973. London.

TRANSPORT AND COMMUNICATIONS

Motor transport is of major significance in Bangladesh which was severely destroyed. Out of some 800 vessels in use prior to the War of Liberation, only 300 are still servicable. Chittagong, one of the principal ports, has been expanded to meet the growing volume of freight.

Railways

The former Pakistan Eastern Railway was nationalized in January, 1972. There were in 1972, 1,750 miles, mostly metre gauge connecting all the major cities.

Roads

There were approximately 15,000 miles of tarred roads and 100,000 miles of secondary roads.

Rivers

There are 5,000 navigable water ways.

Ports

The main ports are Chittagong and Chalna.

Airports

Dacca and Chittagong are international airports and there are also airports at Bogra and Rajshahi and a number of landing strips. STOL airports are now under construction in four cities.

Weights and Measure

The Imperial system of measure is still in use but the Government has announced that the metric system will be introduced shortly.

1 Maund	-	82.27 pounds
1 Seer	-	2.057 pounds
1 Tola	-	180 grains.

OUTLOOK

Of the nations that have emerged from colonial rule in the past thirty years, none has been able to revert to its pre-colonial era, picking up the threads as it were, where they have been cut off. Bangladesh, as a country, is the product of one partition of the undivided India under the British Raj until 1947 - and then a further partition by the breakup of the two halves of Pakistan. This separation existed geographically from the beginning with Muslim Bengal on the one side of India and West Pakistan on the other. Bangladesh is a country with no problems of language and culture and Bengali is more of a binding force. Moreover, Bengali as a language and as a culture, is richer and more binding than are the other languages that operate in some Indian States or in Pakistan. The strength of the language helped the resistance movements against Pakistan.

At any rate Bangladesh social structure is far less divisive than its neighbours. Feudal landowners which dominate an illiterate peasantry as part of an archaic social structure in many if not all of the Muslim countries including Pakistan, is non-existent." No such land owning feudal classes has ever existed in Muslim Bengal". Bangladesh has fewer than most of the supposed barriers to democratic equality. This is explained in part by the secular character of the Country and in part by the fact that those who did rise to the top financially were the Hindus. When India was divided, the landlords and merchants who went to West Bengal on the Indian side of the border, were the Hindus. Of the Hindus who remained in Bangladesh, at least half were "untouchables" and the rest of low castes, lacking any special status in society. This removes the causes that might have been made for class deference. Even the industrialists who fled the

Country when Bangladesh became an independent State in December 1971, were all Pakistanis. The social and financial as much as the religious factors, will keep Bangladesh firmly independent. Obviously, the social and political factors are counterbalanced by the grim economic conditions in Bangladesh. For the foreseeable future, standards of living are likely to be low but economic difficulties alone have rarely obstructed or divided a state where the political foundations are sound. The question now is, how far the new constitution adopted in December last year and Sheikh Mujibur Rahman's overwhelmingly majority in the recent elections have launched the new State into peaceful political conditions. No one could criticize the Constitution as it guarantees all kinds of human rights, an impartial and independent judiciary, resting on a parliamentary system of democracy. Of course, there are those who argue that the dominance of the Awami League simply makes Bangladesh a one party State. In a democracy such as Bangladesh the natural instinct of the people is to find the way to political agreement. They not only want "a father of the nation", they want a political force that will give effect to a national objective. That there is much discontent within the Awami League and many allegations of corruption against its members, does not invalidate this wish for agreement. One has only to look at the durability of the Congress Party in India. For all its faults the Congress Party does reach down to the roots of Indian society. For all its faults the Awami League too, may do the same and offer some stability to Bangladesh. The annual gamble of food and population is bad enough in this poorest and most over populated part of Asia. What Bangladesh needs for years to come, is a national unanimity that will heal the political divisions and provide a reasonable stability so that plans for rural development can bring hope to hardpressed peasants.

IDRC RESEARCH PROJECTS

At present there are no research projects supported
by IDRC.

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