Problems of Development in Bangladesh: Causes and Remedies

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Abstract: The word development has become a blazing topic in the milieu of scholars, think tanks and civil society in Bangladesh for the last few years. Even some development experts claimed to have modified the present development approaches in Bangladesh. The purpose of this paper is to identify the problems of the conventional development system in Bangladesh and to provide a model of development that will serve the people best. To address the aims of this study both qualitative and quantitative methods are used, where primary and secondary data are utilized. After analyzing the data, this paper argues that a number of flaws remain in the conventional growth based development system in Bangladesh. Such as, not all growths are positive, an increase of personal income does not translate into well-being, and absence of inclusive development. In addition, the faults can be eradicated by introducing freedom of choice, because if freedom of choice ensues then the inclusive development, human development, as well as good governance, would ensue in Bangladesh.

Keywords: development, human development, freedom of choice, good governance

Introduction

The word development has much air in the current era of global economy, where the development of a country is measured by the amount of GDP and GNP. That means the developed states must have high GDP, GNP and per capita income as well. The happiness, prosperity, and development of people are measured by some numbers and statistics. To measures development with those numbers and statistics of GDP, GNP or per capita income, has some fundamental problems. Firstly, development is seen as economic growth where all growth is seen as positive, for example, the growth of tobacco product, the growth of arms and ammunition. On the contrary, household work of women or even some productive work of women does not count in the GDP. Secondly, income is seen as an indicator of happiness and prosperity, not as an input. Thirdly, this type of thinking overlooks the pocket poverty of a country. Fourthly, it does not represent all residents of a country. For example, in Bangladesh, the control of its 90% of GDP lies in the hands of only 8%-10% of its residents. Therefore, the purpose of this study is to explore the above-mentioned problem in the context of Bangladesh. Also, to propose another development approach, which contradicts the so-called growth based development and gives greater emphasis on inclusive development and freedom of choice.

To meet the objectives of the study a combination of both quantitative and qualitative approach is used, which appears to be the best fit as one approach would supplement the other for a comprehensive understanding of the problem at hand. Thus, this study is conducted through mixed methodology. Mixed methods research takes advantage of using multiple ways to explore a research problem. For the quantitative approach, the data collection method followed the questionnaire survey and for the qualitative

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approach in-depth interviews. The respondent of the survey consists of final year or the graduate students who have studied a course in development studies, and on the other hand, the interviews are taken of the rickshaw pullers, slum dwellers and the middle-class people of Dhaka city. The respondents selected for this study is based on convenient sampling, because the population is just too large and access to all is impossible. Despite that, the findings of this paper, after taking into consideration the concerned policy makers, will be able to suggest better and sounder policy in this area.

**Literature review**

While searching the discourses and vital intellectual tradition of development, we found two patterns of development discourse. The development approaches initiated during the cold war period and after the cold war period. For example Todaro (1997), in his books revealed the traditional development system. Likewise, the other scholars during the cold war also viewed development as the amount of the gross domestic product (GDP), gross national product (GNP) and per capita income (PCI). The amount of PCI appears as the final standard of national progress and prosperity. Many scholars like Szirmai (2005) supported this line of thought and opined that development denotes the capacity of the national economy to generate and sustain an annual increase of its GNP at rates of perhaps 5 to 7 percent or more. However, few Scholars like Stiglitz et al., (2009), did not agree with them. Similarly, other traditional scholars like Hicks & Streeten, (1979) also opposed that view. They claimed that, the scholars who adhered to the GDP, GNP, PCI philosophies, actually judged development by looking at some statistics only. They try to calculate the economic activity, not development. Development is a broad term, it cannot be confined within some numbers and statistics.

Later, when the cold war concluded, the notion of the welfare state became popular. Throughout the world, liberalization of economic activities, free trade area, open market and the tariff barrier free economy came into focus. Gradually the earlier notion of development changed, and instead included new and creative thoughts on development. Scholars like David, (1979), Haq (1995), Sen (1999) and Van der Gaag (2011) brought new ideas of development. They included better nutrition and health services, greater access to knowledge, more secure livelihoods, better working conditions, security against crime and physical violence, satisfying leisure hours, and a sense of participating in the economic, cultural and political activities of their communities as the indicators of development. So, during this period most of the prominent scholars focused rather on human development (HD). In most studies conducted abroad as well as in Bangladesh, research in this area is absent. Thus, this paper will try to meet this research need and give greater emphasis not only on human development but also on inclusive development and development viewed as freedom of choice.

**Operational definitions**
Development
Generally, development, as we mentioned in the previous section, is thought of as economic growth expressed in total numbers and statistics (Griliches, 1990). The well-being of people or development is measured in monetary terms (Campbell, 1976), where country’s development is measured as GDP, GNP and per capita income (Kormendi & Meguire, 1985). The GDP is the sum of all goods and services produced within a country’s territory, and GNP is the total production of all its citizens wherever they live (Robinson, 1979; Streeten, 1979; Hoogvelt, 1982; Callen, 2008). However, this paper will present development as inclusive development that will be more comprehensive, participatory, innate, and coherent. Thus, this connotation of development will carry people’s freedom choice.

Human development
The idea of human development (HD), as we discussed in the literature review, was introduced in United Nations by Mahbub-ul-Haq (Haq, 1995), theorized and operationalized by Amartya Sen (Sen, 2000; Fukuda-Parr, 2003). Moreover, it gained popularity through the initiation of Human Development Index (HDI) by United Nation since 1990 (McGillivray, 1991). It aimed at challenging the traditional growth-based economy and the development policies dictated by Washington consensus in the 1980s (Gore, 2000). Generally, human development is composed of indicators of income, health, and education (Noorbakhsh, 1998). The human development visualized for this paper is the people’s freedom of choice along with income, health, and education.

Freedom of choice
The term freedom of choice is not well-defined in the academic arena (Klemisch-Ahlert, 1993). It has diverse meaning to different scholars in different societies (Dowding & Van Hees, 2009). Economist Amartya Sen stated that enhancing our freedom should be the object and the means to achieving development and hence welfare (Sen, 1999; Sen, 2005). Thus, there are varied purposes of freedom of choice; instrumental versus intrinsic, axiomatic (Puppe, 1996; Klemisch, 1993). However, for the Pattanaik and Xu (2000), freedom of choice rather indicates the opportunity for preference. In spite of those varieties, this paper will look to the intrinsic meaning of freedom of choice, that is, power to take a decision, an authority to improve inclusiveness and set up pluralism in Bangladesh.

Conceptual framework
The following conceptual framework is hypothesized; this is not a clear-cut description, rather it guides the discussion of this paper.
Problem of Development Approach in Bangladesh

Why

Not all growth are positive
Income indicator is not the only end
Absence of inclusiveness in decision-making

Remedies

Promote Freedom of choice

Increase Inclusive Development
Enhance Human Development
Establish Good Governance

Figure 1: Conceptual Framework of Causes and Remedies on the Problems of Development Approach in Bangladesh

Problems of development in Bangladesh
Not all growths are positive

Bangladesh follows the traditional ways of Development. That means the development of economic growth or monetary development, where all growths are considered positive. The problem with this view is that it never differentiates economic growth from the negative and positive points of view. Rather it takes a close look at some numbers and statistics of GDP and GNP. If the GDP and GNP rate is high it proves that the country’s development is going well. For example, the Asian Development Bank’s chief economist Shang-Jin Wei opined that high economic growth in Bangladesh indicates the country’s continuing improvements in political and business environment (Saha, 2014). That means they assess the final happiness, prosperity, definitive satisfaction, thriving, even sadness and poverty, of the people based on those statistics. For instance, the planning ministry of Bangladesh claimed that in the fiscal year of 2016/17 the country’s GDP growth would hit a record 7.24 percent and the National Economic Council remarked that this would beat all previous record of development in Bangladesh (The Daily Star, 2017).

However, the significant issue of such speculation is that the GDP of Bangladesh would hike up even from the money or income from negative sources such as income from tobacco (cocaine, heroin, Dauphine, ganja) and from destructive objects (arms, ammunitions, other military equipments, explosives, all harmful to the human body). Interestingly, in Bangladesh Hakimpuri Jorda (a tobacco product) owner, Kaush Mia came to the limelight in the country over the last three years as a top taxpayer (Karmakar, 2016). Besides there are ten to twelve tobacco companies with thousands of factories in Bangladesh which also contribute to the growth of GDP (LCW, 2015). Everyone knows how devastating these are. With blind eyes, we accept those products as indicators of development. Besides the above-mentioned indicators, the income indicator includes the cost of leisure and relaxation (TV, Cinema, Air condition, tourism, mobile, laptop). Yet, valuable work at home, family unit work of poor women, or as volunteer work in families such as rearing and raising children, or serving family will not quantify as development because these sorts of work do not create cash!

Income indicator is not the only end

Another problem of conventional understanding of the term development is that it eventually measures the prosperity, happiness, success, joy and wellbeing looking at income and salary. That means more income is perceived as more happiness or better salary seen as more satisfaction. However, income does not translate automatically into happiness and prosperity (Palley, 2005). Rather income is input only, not the end. For instance, increase in personal income in Bangladesh does not always prove a woman's access to resources or her personal consumption. So, this growth-based development does not take into account non-monetary deprivation of women. Besides, it is not true that if my salary is double-digit and your one is four digits so that I am half as happy or cheerful as you are. For example, the rickshaw pullers often earn five to seven hundred BDT on a day but said they are happy with these earnings (A. Mazid and H. Ali, personal communication, April 12, 2017). On the contrary, some diagnosis center owner in their interview claimed that after earning five to ten thousand a day they are not happy and satisfied (O. Gani and M.
Begum, personal communication, May 5, 2017). These two groups of people live in the same city with
different occupations; their earnings are different and has a huge discrepancy. Despite the fact, happiness
varies. Thus, the idea of more income bring more happiness is lame. Rather happiness, prosperity, and
well-being depend on the freedom of choice.

Absence of inclusiveness in decision making
This type of conventional growth-based development does not represent all residents of a country. If we
look at the concept behind large donor-funded or government-subsidized undertakings in this country, such
as projects of large bridges, power plants, and flyovers, it is found that the government takes the decision
to build them not knowing or much caring for the public needs. In spite of those large and expensive
development constructions, there are thousands of people living in the slums. Over 1.5% people of the
country live in slums across the country, a total of 2.23 million people live in slums (The Dhaka Tribune,
2015). One can see both the largest flyover and slums in Dhaka city. For example, 54.9% slums are located
in Dhaka city as well as 90% of the flyovers (Islam et al., 2009). These scenarios reveal the two opposite
conditions of a country. That means the growth based conventional development overlooks the pockets of
poverty of a country.

The scholars and economist like Dr. Mohammad Yunus opined on several occasions that in Bangladesh
90% of its GDP is controlled by merely 8%-10% of its people (Yunus, 2016). Thus, it creates social
imbalance and hardship. For example, the country’s 160 million people are divided into two segments. One
is a small number of extremely powerful people, no more than one million and another is extremely
powerless people comprising of 159 million (Barkat, 2016). This situation is better explained by an ordinary
slum dweller, who opined that the people of this country have one foot on the chunk of ice and another foot
on the burning coal. No one focuses on the plight of the poor people. They are the exploited ones (S. Mia,
personal communication, April 24, 2017).

According to the latest survey the Gross Domestic Product per capita in Bangladesh is 972.88 US dollars
(Trading Economics, 2017). This amount is increasing day by day. This national income trickles down from
those 8% individuals of this country. For example, Business tycoon Salman F Rahman has been placed on
the billionaire’s list of Hurun Global, with assets worth about $1.3 Billion (Dhaka Tribune, March 9, 2017).
Therefore, the per capita income is increasing because of the income of men like them. The GDP does not
change the lifestyle of rest of the populace of Bangladesh. However, a nation’s GDP of some number of
dollars does not generally say anything clear in regards to any of the citizens of that country. Therefore, the
number and statistic of measurement do not automatically translate into well-being because those total figures do not explain the unequal wealth distribution.
Remedies: Freedom of choice

Inclusive development

In Bangladesh, the demand for inclusive development is well accepted. The survey of this study found that among the respondents 70% are in favor of inclusive development. Rest of the 30% respondents who opposed the inclusive development mentioned three reasons for opposing it. First, 61% of the respondents who opposed the inclusive development believe that most people are uneducated, they do not have enough idea about the development, while 27% of the respondents thought that if every time the government takes decision from the populace, then the opposition political parties will take this chance to jeopardize the development projects. On the other hand, 9% of them thought that the inclusive development will increase bureaucratic complexity in Bangladesh. Rest of the respondents mentioned other difficulties like procrastination and that the opinion of a member of parliament is the opinion of people itself.

From the above-mentioned survey result, two things are clear; the majority of the respondents are in favor of inclusive development, and the people who opposed it lack the knowledge about inclusive development. Generally, the word inclusive means covering everyone of a certain place (Malinowski, 1994). In addition, literally, it denotes including all the services, facilities, or items normally required (Merriam-Webster Dictionary). There is, however, no agreed and common definition of inclusive development available in the academic arena (Rauniyar and Kanbur 2010). The term is understood by some scholars as development combined with equal opportunities. That means the idea of inclusive development consists of economic, monetary, social and institutional dimensions and entails a process of shared prosperity (Conceição et.al, 2001).

The strength of this inclusive development distinguishes it from other development thoughts. Reasonably, it is pro-poor and comprehensive development. It is pro-poor because it reduces income poverty, for example, it removes the lower-income inequality and the increment of income accrues disproportionately (Rauniyar and Kanbur 2010). Thus, inclusive development brings a better environment to human beings and conveys better system for individuals. However, it also ensures the flexibility in decision-making that means the freedom of choice. The inclusive development and freedom of choice are mutually reinforcing because freedom of choice in decision-making also guarantee equal opportunities, irrespective of people's power and background. Therefore, a multi-dimensional process facilitates the active contribution of every member of the society in all aspects of life, including civic, social, economic, political, and decision-making. That is why if Bangladesh takes this strategy then the development will benefit the whole community regardless of gender and class. In addition, it will ensure inclusion, equal opportunity and enhance the ability of all members of the society.

Human development
Human development is multidimensional (Alkire, 2002). However, the existing human development indicators do not meet the growing challenges of gender disparity. For instance, a report in 1975 by ILO had found that while women and girls make up almost 50% of the total population, 33% of official labor force, and covers 66% of working hours, they receive just one-tenth of the world’s pay. This was during the cold war when the golden age of growth-based economy ruled the world. Almost a quarter century later, United Nation's UNDP Human Development Report 1994 found that, despite advances in labor force participation, education and health, women still constitute 66% of the world's illiterates, hold less than half of the employments available on the market, and are paid half as much as men for work of equal esteem (Jahan et.al, 1996). Bangladesh needs human development that focuses on inclusiveness. In the current human development milieu the family context is absent. Nevertheless, the linkages between family and human development are substantial (Bronfenbrenner, 1986). Because the family factors such as, daycare, peer groups, school, social networks, the place of work, all of these need to ensure human development. In addition, this decision is dependent on individual’s freedom of choice. If an individual is not able to uphold these issues to decision makers then how could human development be possible?

Good governance

Even though the term governance is as old as humanity, it has become the center of intellectual debates among researchers when UN-related thoughts as decolonization and human rights came to the limelight after the Second World War (Weiss, 2010). Thus, the broad concept of governance is applied in different contexts in global, national, institutional and community levels (Graham et.al, 2003, p. 4). Later, poor governance is reasoned as the most important cause and imperative reason of state failure and underdevelopment (Ciborra et.al, 2010). Kofi Anan had appropriately enunciated that good governance is perhaps the single most vital factor in eradicating poverty and advancing development. Transparency and accountability are the central components of good governance (Santiso, 2001).

However, the inclusive development or freedom of choice has a good connection in ensuring good governance, because inclusive development helps to maintain transparency and accountability. It acknowledges the bottom-up approach, which implies choice originating from the grassroots level, where common populace chooses what they require and what they do not need. Therefore, in light of their choice government will take up the formative tasks and developmental projects. For example in Bangladesh when the administration takes their development projects, every time, it faces common people’s uprising, whether it is nuclear electric power project or metro rail ventures or the recent public protest against the Rampal electric power plant, which attracted criticism from abroad as well. Several protests have been held in Dhaka and other Bangladeshi cities. The protesters were showing their disapproval of a new coal-fired power plant at Rampal. They claimed that it poses threats to the nearby Sundarbans mangrove; the largest mangrove forest in the world, as well as to the health of thousands of local residents (Erickson-Davis, 2017). Similarly, the protest over building a new mega international airport
in Arial Beel area of Munshiganj also came in the limelight because the village people took up arms to protect their agricultural land (Islam & Tusher, 2011). Many feared displacement and expressed unwillingness to sacrifice the wetlands (Ray, 2011). Thus, people revolted to protect the Arial Beel. The battle highlighted that the rural-agrarian periphery would not like to be ordered by the urban political center to swallow a mega project (Morshed, 2011). These two examples indicate that the inclusive development or the bottom up approach is best suitable in Bangladesh. That's how the good governance can be maintained.

Moreover, another important element of good governance is the practice of democracy and protection of human rights. Democracy is all about freedom of choice. If one wants to establish democracy (vote-based system), one need to establish freedom of choice first. Between democracy and freedom of choice, a direct causal relation exists. On the other hand, human rights encourage uniformity of people regardless of their race, color, sex and nationality. The inclusive development additionally has the same value. For example, inclusive development gives an opportunity to decide what one wants. Human rights also contain the same value of equal opportunity for all. This is how the two ingredients: freedom of choice and inclusive development help to establish democracy and human rights and hence, good governance.

**Conclusion**

Development is a necessary component for the wellbeing of a country because it signifies progress and growth. The mismanagement of development approach is a major factor why developing countries are lagging behind. As a developing country, Bangladesh also faces the same reality. The development system Bangladesh follows has some problems that increase the bureaucratic complexity as well as the people is deprived the necessary services. In Bangladesh the money from harmful production is included in GDP and GNP but the productive work of women at home is not considered. The per capita income is considered as the indication of happiness but happiness does not lie in income only. Moreover, the major problem of this development system is the lack of inclusiveness. The decision makers have little connection to the general people; the large development projects are taken based on a decision made by the elite society of the country for their own benefit.

In concluding it can be said that, the practice of freedom of choice would be appropriate to remove the barriers to development in Bangladesh, because it can enhance inclusive development, human development as well as good governance in Bangladesh. Based on the public perception of this study in supporting inclusive development, further study on how to initiate the inclusive development needs to be conducted, where the detail direction should be placed so that the policy makers can use it and implement projects smoothly.
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