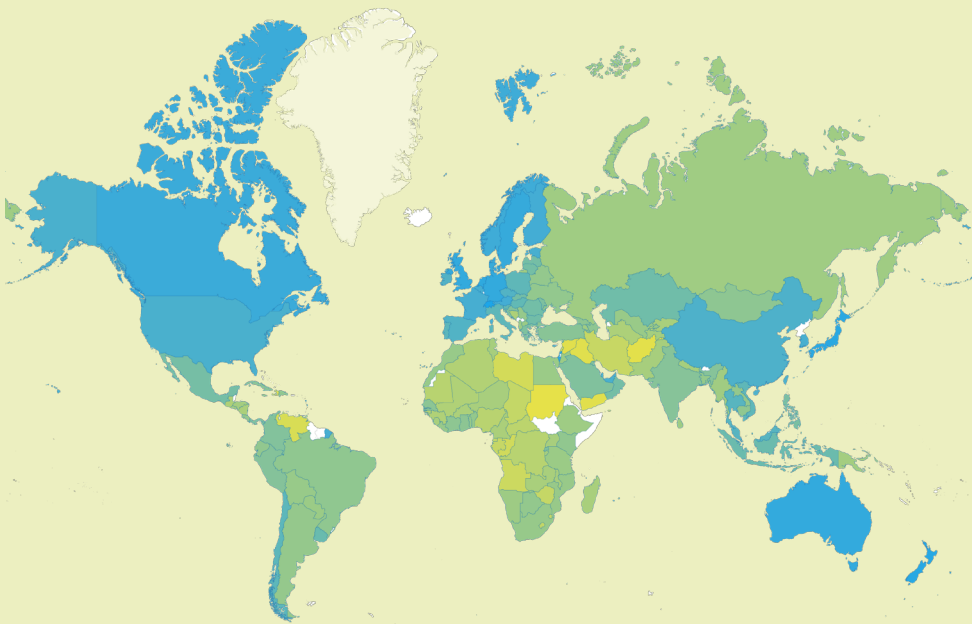


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# ELITE QUALITY REPORT 2023

## Bangladesh: On a positive trajectory towards Vision 2041

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## 4.1 Country Scorecards: Deep-dive analyses

### Bangladesh: On a positive trajectory towards Vision 2041

The elites of Bangladesh have set a lofty national strategic target of becoming a developed economy by 2041, through the adoption of the so-called “Vision 2041” (GED, 2020). As per this plan, Bangladesh will increase per capita income, private investments, tax revenues, export earnings, and life expectancy by maintaining double digit growth rates over a sustained period of time, while providing universal health care and developing the education infrastructure. Despite the global challenges of COVID-19 and inflation, Bangladesh exhibited stellar economic performance in 2022, reflected by the leap in its overall EQx ranking (from rank # 100 in the EQx2022 to rank # 80 in the EQx2023). In order to achieve Vision 2041, Bangladesh has to overcome its systemic challenges and build on successful policies.

56 Political Power (I, rank # 110) is centralized and concentrated with a business elite that exerts considerable influence on the government (Ahmed, 2020), a fact that is reflected in the State Capture Pillar (i.1, rank # 96). The business elite exerts its influence to draft favorable legislation, as indicated in the Regulatory Capture Pillar (i.2, rank # 111), an important source for capital accumulation. It is interesting to note that not only do business elites dominate the political landscape, but politics is also used as an entry point for business (The Daily Star, 2023). The consequences of State and Regulatory Capture are visible in the Coalition Dominance Pillar (ii.4, rank # 82), particularly in the export sector, which is dominated by the ready-made garments industry. However, positive drivers in the Economic Power Index Area include high numbers of SMEs per 1,000 people (SME, ii.5, rank # 24), while *Governmental support to entrepreneurship* has been made a national priority (GSE, ii.6, rank # 50) for both existing and aspiring entrepreneurs, and especially for women (IWE, ii.6, rank # 58) through targeted reform policies.

Despite lacking in the Political Power Index Area, Bangladesh’s political elites provide considerable value as is seen in the Indicators for the Political Value Pillar (iii, rank # 56). Life expectancy has improved drastically, both for men and women (LEW, iii.7, rank # 85; LEM, iii.7, rank # 62) over the decades, and the *COVID-19 vaccination rate* has been exemplary (VAX, iii.7, rank # 1). Furthermore, the government is set to increase the General expenditure on education (GEE, iii.7, rank # 139) as part of the Vision 2041 agenda. It has also taken initiatives to realize infrastructure megaprojects such as the building of the Padma Bridge, funded with no external debt, while *Government debt as % of GDP* (DBT, iii.8, rank # 20) is relatively low.

In order to make Vision 2041 a reality, Bangladesh elites must work on fostering an environment where Economic Value (vi, rank # 82) can be realized by encouraging innovation. One of the biggest challenges the country faces is its failure to attract Foreign direct investment (FDS, iv.10, rank # 145), which is in part due to low *Trade freedom* (TRF, iv.10, rank # 115).

All in all, the general direction in which the powerful ruling elite coalitions are driving Bangladesh’s development is positive. The country is ahead of its projections to become a trillion-dollar economy by 2041 due to productivity-increasing infrastructure development initiatives and policies that have resulted in tangible economic growth momentum.

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# Bangladesh

## EQx2023 Country Scorecard

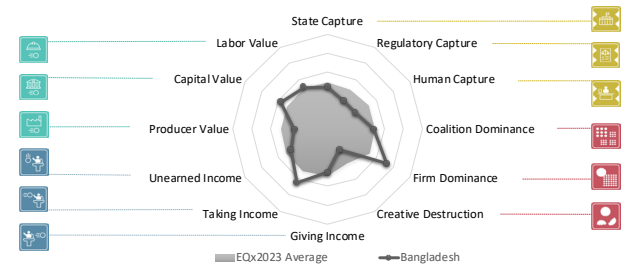
Population **169.4 million**  
 GDP (nominal) **416 billion USD**  
 GDP per capita **2'458 USD**



<b>Level 1 - Index</b>	<b>EQx Rank / 151</b> <b>80</b>	<b>EQx Score</b> <b>46.6</b>	<b>NextGen VCB Rank</b> <b>Rank 111</b>	<b>Middle Quality Elites</b>
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Level 2 - Sub-Indices & Index Areas	EQx Sub-Indices				EQx Index Areas							
	Power		Value		Political Power (i)		Economic Power (ii)		Political Value (iii)		Economic Value (iv)	
	Rank / 151	Score	Rank / 151	Score	Rank / 151	Score	Rank / 151	Score	Rank / 151	Score	Rank / 151	Score
	<b>90</b>	<b>40.4</b>	<b>72</b>	<b>49.7</b>	<b>110</b>	<b>39.7</b>	<b>78</b>	<b>40.8</b>	<b>56</b>	<b>52.3</b>	<b>82</b>	<b>48.3</b>

Level 3 - Pillars	Rank / 151	Score
<b>Political Power (i)</b>		
State Capture	96	44.4
Regulatory Capture	111	34.3
Human Capture	133	34.5
<b>Economic Power (ii)</b>		
Coalition Dominance	82	48.6
Firm Dominance	6	71.8
<b>Political Value (iii)</b>		
Creative Destruction	107	25.0
Giving Income	100	45.5
Taking Income	9	65.0
<b>Economic Value (iv)</b>		
Unearned Income	113	44.5
Producer Value	129	35.2
Capital Value	33	56.8
Labor Value	80	50.9



Level 4 - EQx Indicators	Rank / 151	Score
<b>State Capture (i.1)</b>		
COR Political corruption	144	15.2
COC Control of corruption	118	29.8
OPG Open government	90	31.5
RTC Government's responsiveness to change	57	53.5
EPR E-Participation Index	70	53.5
PFD Press freedom	137	18.7
NJK Nr. of journalists killed per 1 million people (2yrs avg.)	48	59.1
PDE Political decentralization	120	23.3
ADE Administrative decentralization	64	50.5
PGL Political globalization	71	51.4
WPI Women's Power Index	56	53.5
MOB Social mobility (upward) (dev. fm optimum)	122	8.5
INE Top 10% share of pre-tax national income	51	59.1
GWL Gini coefficient on net national wealth dist. - level	37	66.4
GWC Gini coefficient on net national wealth dist. - 3-year growth	73	51.7
GIL Gini coefficient on income dist. - level	37	65.7
GIC Gini coefficient on income dist. - 1-year growth rate		
<b>Regulatory Capture (i.2)</b>		
ECR Ease of challenging regulations	77	40.2
CGP Constraints on government power	103	26.1
REQ Regulatory quality	115	30.3
REN Regulatory enforcement	106	27.6
PRI Property rights	114	31.6
<b>Human Capture (i.3)</b>		
CRO Crony capitalism		
INO Informal output as a % of GDP	84	44.9
GSI Global Slavery Index	69	58.1
FDP Forcibly displaced population as % of population	77	56.3
HRI Human Rights Index	99	33.9
AFI Academic Freedom Index	120	11.5
GRI Religion - Government Restriction Index	106	37.8
LIN LGBT+ inclusiveness	134	19.1
WSB Women self made billionaires		
WBL Women, business and the law	135	10.2
WMA Proportion of women in senior and middle mgmt positions (	102	2.3
<b>Coalition Dominance (ii.4)</b>		
IEE Top 3 industries exports as % of exports	128	12.8
IEO Top 1 industry exports as % of exports	128	15.8
IVA Top 3 industries as % of VA	68	41.3
HHI Domestic market diversification	39	65.7
ECI Economic Complexity Index	114	21.2
PUE Public employees as a % of total employment	5	79.1
MIL Military expenses as % of GDP (dev. fm optimum)	31	65.5
UNI Unionization rate (dev. fm optimum)	22	68.7
BSN Barriers in service & network sectors		
CRA Criminal actors	56	58.3
<b>Firm Dominance (ii.5)</b>		
SME SMEs per 1,000 people	24	51.4
FAM Family business revenues as percentage of GDP		
BIW Billionaires' wealth as % of GDP	1	61.6
FKG Top 10 firms market cap as % of GDP	5	63.5
FRG Top 3 firms revenues as % of GDP	1	77.9
FRR Top 30 firms revenues as % of GDP	1	100.0
<b>Creative Destruction (iii.6)</b>		
ENT Entrepreneurship	122	23.0
GSE Governmental support to entrepreneurship	50	42.7
VCK Venture capital finance	64	20.7
VCA Venture capital availability	104	30.6
RND R&D as a % of GDP		
EXR Firm exit ratio		
BCD Billionaire's creative destruction	50	34.4
IWE Index of Women Entrepreneurs	58	0.0
<b>Giving Income (iii.7)</b>		
LEW Life expectancy women	85	51.5
LEM Life expectancy men	62	57.1
VAX COVID-19 vaccination rate	1	100.0
COM COVID-19 mortality rate, age-adjusted	26	74.5
COF COVID-19 fatality rate, age-adjusted	69	57.5
COV COVID-19 excess deaths, age-adjusted		
CLS COVID-19 lost schooldays	138	14.8
SCI UHC Service coverage index	89	28.7
PTR Pupil-teacher ratio	107	39.3

	Rank / 151	Score
<b>Giving Income (iii.7)</b>		
EDU School life expectancy	101	40.1
PIS PISA mean scores		
UNV Top universities		
GEE Government education expenditure	139	15.8
OSI Online Service Index	71	56.1
NRI Network Readiness Index	84	37.3
INT Internet access	128	22.4
FSQ Global Food Security Index - availability, quality & safety	65	46.0
GPS Expenditure on general public services as % of GDP (dev. fm		
GEX General government expenditure as % of GDP (dev. fm optirn	101	16.2
SNT Subsidies and transfers as % of expenses	49	58.8
REG Regional redistribution as % of government budget	16	75.1
<b>Taking Income (iii.8)</b>		
SUB Death rates from substance use per 100,000 people	4	98.6
BRD Battle-related deaths per 100,000 people	117	54.2
HOM Homicide rate	103	54.2
SUI Suicide rate per 100,000 people	23	68.1
DTR Tax revenue as % of GDP (dev. fm optimum)	63	59.5
DCT Corporate tax rate (dev. fm optimum)	80	46.1
DPS Delta public vs private sector salaries		
FDE Fiscal decentralization		
GCI Global Cybersecurity Index	57	61.0
GEG Gender education gap (dev. fm optimum)		
<b>Unearned Income (iii.9)</b>		
CRM Criminal markets	67	52.3
DBT Government debt as % of GDP	20	71.3
NRR Natural resources rents as % of GDP	29	68.6
GPA Green patents	137	10.7
EPI Environmental Performance Index	147	11.5
DER Deforestation Rate	55	56.4
FUS Fertilizer usage kg per hectar	122	39.1
TLP Terrestrial land protected	133	20.8
CDO CO2 emissions (metric tons per capita)	32	68.6
AIR Air quality index	94	0.0
HAZ Hazardous Waste per capita	8	54.2
WPC Waste collected per capita	10	61.7
MWR Municipal Waste Recycling Rate	37	43.9
FIS Fishing consumption as % of population	121	30.0
MET Red meat consumption kilograms per capita	1	100.0
<b>Producer Value (iv.10)</b>		
PAT Nr. of patent applications per 100,000 people	100	44.1
FBH Financial burden of healthcare	126	0.0
HEI Health Efficiency Index		
DMS Density of medical staff	117	29.2
FSA Global Food Security Index - affordability	87	28.4
FDS Inward FDI as a % of GDP, Stock	145	39.4
BTF Barriers to FDI		
OFB Open for business	34	52.5
EGL Economic globalization	142	11.4
TRF Trade freedom	115	32.4
IPM Share of imports targeted by protectionist measures (flow)	42	58.2
IPS Share of imports targeted by protectionist measures (stock)	55	64.3
DGI Share of discriminatory government interventions as % of totc	15	68.0
DGS Share of discriminatory government interventions as % of totc	39	63.3
<b>Capital Value (iv.11)</b>		
DOI Inflation (dev. fm optimum)	59	56.6
DEF GDP deflator index growth rate (dev. fm optimum)	31	57.8
DNI Neutral interest rate (dev. fm optimum)		
FMI Financial Markets Index	62	45.2
GFC Gross capital formation	27	71.0
DMA M&A as % of investment - 3 yrs rolling avg. (dev. fm optimum)		
GOL Gold demand as % of GDP		
UNC Unicorns per 1 million people		
BSG Billionaires self-made nr. per 1 million people		
BSM Billionaires self-made as % of total billionaires		
<b>Labor Value (iv.12)</b>		
LPG Labor productivity growth	8	63.0
WLP Delta real wage vs labor productivity increases		
LFP Labor force participation rate	91	46.5
LFR Labor force participation ratio - male vs female	134	15.9
UEM Unemployment rate	63	61.8
YUN Youth unemployment rate	74	57.1
BRN Human flight and brain drain	110	29.9

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