

THE DEVELOPMENT PLAN OF BANGLADESH
WITH SPECIAL REFERENCE TO
AGRICULTURE

BY

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B.A. DACCA UNIVERSITY, 1977

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A MASTER'S REPORT

Submitted in partial fulfillment of the requirement
for the degree

MASTER OF ARTS

Department of Economics
KANSAS STATE UNIVERSITY
Manhattan, Kansas, 1979

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Acknowledgements

I am especially grateful to Professor P.J. Gormely who looked at my report with great patience.

My thanks are also extended to Professor E.W. Nafziger and Professor E.S. Bagley for their helpful and stimulating discussions concerning my report.

Kansas State University is thanked for offering me a Graduate Teaching Assistantship which helped me a great deal.

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INTRODUCTION

Economic and Social conditions differ from country to country. But in the later part of the 1970's the development strategies and goals chosen by most of the less developed countries are quite similar. Their basic target is nation-building. Most of the countries seek to mobilize human, natural and financial resources to expand and diversify the production of goods and services, to increase employment opportunities, to eliminate extreme poverty, to increase self-reliance, and above all to improve the income level and its distribution.¹

It was believed in the past that higher levels of per capita income and higher rates of growth of the total production were very important objectives for economic development.²

But economic growth is not economic development. Economic growth is a necessary but not a sufficient condition for economic development. There are some countries where growth has taken place without development. Some of the oil-producing countries have per capita incomes which are very high, but many of them are not developed. Economic development is a process whereby the real per capita income of a country increases over a long period of time, with an improvement in the distribution of income and a reduction of the number of people below the absolute poverty line.³

Bangladesh has stressed an overall development program. During the period when Bangladesh was part of Pakistan, the development effort stressed industry. Agriculture was very much neglected. But the vast majority of the people live in the agricultural sector and the income of these people increased very little. People from the agricultural sector could not make any effective demand for industrial products. But Bangladesh has stressed the overall development of human resources (education, health, nutrition), employment, and income distribution, with highest emphasis placed on the development of food, agriculture and population control.

The following sections of this paper discusses the economic condition of Bangladesh, country's first five year Plan especially the Plan towards agriculture, its implementation and achievement.

A. Economic condition of the country before 1971

Bangladesh is a very old land, but a new nation. It has problems inherited from years of under development and neglect from the past. In 1947, the undivided India under British colonial power was divided into two independent countries, India and Pakistan. The division took place on the basis of religion. Pakistan, an Islamic country, was composed of two parts, West Pakistan (the present Pakistan) and East Bengal (later East Pakistan, now Bangladesh). Within a short period of time, the peoples of East Bengal realized that East Bengal

was not even a junior partner of Pakistan.⁴ The formation of Pakistan was just a change of masters for the people of the Eastern part of Pakistan. Other than religion, there was nothing in common between the two parts of the country. Economically, East Bengal was exploited. The financial resources of East Bengal were diverted to West Pakistan. This was possible because the central government of Pakistan controlled the economy politics and the armed forces, and the central government was mostly controlled by the West Pakistani people. The regional government of East Bengal had very little say in the formation of economic policy. The common currency allowed the earnings of the West Pakistani businessmen in East Pakistan to be reinvested in West Pakistan.⁵ The proceeds of the export of jute and jute manufacturers were diverted for the development of West Pakistan. Up to 1962-63, East Bengal had a substantial surplus in trade with foreign countries. In the years 1948-49 to 1969-70, East Bengal's share of Pakistan's total foreign exchange earnings was more than half, and East Bengal's import share was only about 30 percent, whereas West Pakistan used 70 percent of total foreign exchange earnings.⁶ The movement of resources to West Pakistan was one of the principal factors which led the country into civil war and later to the independence of Bangladesh.