Preface

‘Bangladesh Economic Review 2008’ has been published by the Finance Division, Ministry of Finance as one of the background documents of the national budget of Bangladesh. The Bangladesh Economic Review 2008 focuses on trends of macroeconomic indicators, development policy, strategy and sectoral progress of Bangladesh economy. In this English version of the Review, the data in most cases is updated up to June 2008. The Bangladesh economy once again showed its resilience as it emerged stronger than expected notwithstanding the combined adverse effects of price hike of oil and essential imported commodities and political unrest that affected our economy. Achievement of 6.21 percent GDP growth in FY2007-08 together with a sustainable budget deficit, commendable growth of exports, a comfortable foreign exchange reserve, augmented national investment, increased credit expansion to private sector are some of the key indicators of success in macroeconomic management. Central to these achievements is implementation of a set of pragmatic policies and reforms by the Government.

Despite the global financial crisis, stalemate in conclusion of the Doha Round negotiations, unprecedented price hike of crude oil as well as commodity prices and supply side constraint, Bangladesh’s foreign trade remains at a satisfactory level. Like FY2006-07, the remarkable growth of import-export trade, current account surplus, upsurge in the flow of remittance kept the external sector stable in FY2007-08. In an attempt to keep the external sector competitive necessary steps have been taken to enhance our capability in handling foreign trade and diversification of exports.

‘Bangladesh Economic Review 2008’ reflects the socio-economic progress attained by the Government during the year while indicating the challenges that lie ahead.

We put on record our appreciation to the Ministries/Divisions/Agencies who provided us with valuable information and data. We shall feel our endeavours amply rewarded if the data and information presented in the Review prove useful to the policy planners, readers, researchers, academics, students and concerned agencies.

I extend my sincere thanks to the officers and staff of Economic Adviser’s Wing of Finance Division who put in their unrelenting efforts in preparing this document.

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