

Bangladesh to be 24th largest economy by 2036 : CEBR

A Monitor Report

Date: 01 January, 2022



Dhaka : Bangladesh is going to be the 24th largest economy out of 191 countries by 2036, said the CEBR. It attributes the growth to the country's ability to attract large foreign investments, the rising RMG demand, and macroeconomic stability.

The Centre for Economics and Business Research (CEBR) disclosed the findings in its annual World Economic League Table (WELT 2022) report on December 26, stating that Bangladesh has been one of the world's fastest growing economies over the last decade.

CEBR forecasts Bangladesh to reach 41st in 2022 up from its current position of 42nd, reaching 34th place in 2026, before finally jumping to 24th in 2036. The data resembles an economic boom during the current and the next decade.

Earlier, the country held 58th, 59th, and 46th positions in 2006, 2011, and 2016 respectively. This indicates an upward trend in the economic performance and growth consistency of Bangladesh.

As of 2021, CEBR categorises Bangladesh as a lower middle-income country. In its report, the Bangladesh government's efforts to maintain a low debt-to-GDP ratio and operate a fiscal deficit of 5.9 per cent in FY21 was highlighted with appraisal.

The report also mentioned, a large amount of foreign investments is being made in the Bangladesh's telecommunication industry, driven by a competent and skilled workforce. Not to mention, there is a rising international demand for the country's ready-made garments (RMG). This ensures a hefty amount of income from exports

anyway.

CEBR also mentioned that, despite the coronavirus pandemic, the country's economy expanded by 3.5 per cent in 2020. It recognised the development as a rare achievement compared to international standards. This growth was a result of strong remittance inflows and rebound of exports, the report added.

The think tank expects Bangladesh to have 4.6 per cent economic growth this year. However, the report added, the country's economy might face multiple hurdles as it is still to diversify exports beyond RMG, incorporate sustainable production processes for zero net emissions, and address infrastructural gaps for reducing disparities across geographical regions.

Bangladesh is currently the second largest economy in the region, after India, stated the report, and will continue to keep its position till 2036 with a GDP size of USD 884 billion at constant prices (currently USD 325 billion).

Currently the top three economies in the world are the US (1st), China (2nd), and Japan (3rd) while China is forecast to become the largest within the next decade.