

THE BANGLADESH DEVELOPMENT STUDIES

Volume XXXII

September 2009

No. 3

Articles

- D. Suresh Kumar : Participation in Self-help Group
Activities and Its Impacts: Evidence
from South India
- Al Amin : Trade, Economic Development and
Chamhuri Siwar : Environment: Malaysian Experience
Nurul Huda
Abdul Hamid
- Mohammad Yunus : EU Ban, HACCP Compliance and
Shrimp Exports from Bangladesh
- Md. Mizanur Rahman : An Econometric Model of Agricultural
Wages in Bangladesh

Published: September 2009

Price: Tk 100.00, US\$ 17.5

Annual Subscription Rates (Four issues): US\$ 70.00, Tk 400.00

Manuscript in duplicate and editorial correspondence should be addressed to the **Executive Editor**, *The Bangladesh Development Studies*, BIDS, E-17, Agargaon, Sher-e-Bangla Nagar, Dhaka, G.P.O Box No. 3854, Bangladesh, Fax: 880-2-8113023, Website: www.bids-bd.org. Style Instructions for guidance in preparing manuscript in acceptable form is appended and may also be provided upon request.

All business correspondence should be addressed to **Chief Publication Officer** at the above address.

Participation in Self-help Group Activities and Its Impacts: Evidence from South India

D. SURESH KUMAR

Institution building is now recognised as vital for poverty reduction across the world. This paper focuses on the determinants of participation in Self-Help Groups (SHGs) and its impacts on household welfare. The participation in SHG activities is influenced by various household level and contextual factors. Our results support that the public policies geared towards increasing women's participation in SHGs generate substantial income and have significance in household welfare. The quantity and quality of food consumed, the health of household members, and children's education have improved. Thus, the institution building contributes greatly to improving household welfare. Therefore, continuing public support for the expansion of these SHGs appears crucial to achieve poverty reduction.

Trade, Economic Development and Environment: Malaysian Experience

AL-AMIN
CHAMHURI SIWAR
NURUL HUDA
ABDUL HAMID

The growth and structural transformation of the Malaysian economy over the last three decades has occurred within the framework of a liberal trade and investment regime. The environmental impact arises due to direct or indirect use of power and energy in production and, according to the type of fuel utilised, with emissions as well. Is there any trade-offs among energy use, environment and economic growth in the Malaysian economy? This paper examines the Malaysian economy wide discharge implications of CO₂, SO₂ and NO_x emissions of year 2000 and scenario projections for year 2020 using input-output analysis, which allows the calculation of emission effect in the export-import activities as well as throughout the economy. Following the Fifth Fuel Diversification Strategy incorporated conversion efficiency until the year 2020, the results show that the proposed fuel mix strategy would result in significantly higher CO₂, SO₂ and NO_x emissions in the year 2020. This study is important for rethinking of energy-mixed strategy and the projections might be used to formulate Malaysian future environmental policy.

EU Ban, HACCP Compliance and Shrimp Exports from Bangladesh

MOHAMMAD YUNUS

The paper evaluates the impact of the European Union import ban in 1997 and HACCP compliance on Bangladesh's shrimp exports by using an augmented gravity model. Panel estimation method was applied to capture the import country effect. The dynamic gravity model was found more suitable than the static one to explain shrimp exports from Bangladesh due to the presence of persistence. The results of the dynamic model show that the EU ban hurt Bangladesh shrimp exports by US\$ 25 million in the short run along with a long run cost of about US\$ 5 billion. However, through HACCP compliance, Bangladesh succeeded in exporting an additional US\$ 18 million worth of shrimp in the short run. In the long run, HACCP compliance helped Bangladesh export an additional US\$ 35 million annually. The results bring out significant role of policy incentives in increasing shrimp exports. Bangladesh needs to continue quality assurance system based on the HACCP to comply with SPS measures in order to boost its shrimp exports.

An Econometric Model of Agricultural Wages in Bangladesh

MD. MIZANUR RAHMAN

In recent years, a consensus is emerging in favour of the trickle down hypothesis in traditional agriculture. However, any convincing evidence was still lacking in the Bangladesh context. To fill up this gap, the wage models of Rahman (1993) and Ravllion (1994) have shown that agricultural production affects rural wages positively in the short run, which may be interpreted to constitute evidence in favour of the trickle down hypothesis in the short run, but any long run evidence could not be discerned. However, this seems to suggest that possibly one required only the right short of model for the purpose. To this end, this paper presents an error correction model of rural wages, which shows that agricultural production has significant favourable impact on rural wages in the long run. This may have obvious implications for designing poverty alleviation policies.