

Session-4 (December 2, 2021), Paper-1:

Abstract

Dhaka's Overgrowth and Its Costs

Ahmad Ahsan*

(Policy Research Institute)

Although unrecognized, economic geography – the location of economic activity – has already become a critical issue for Bangladesh's development. This paper, part of ongoing research, introduces the topic by noting that poverty is concentrated regionally and that the location of economic activity has direct consequences for household welfare. It focuses then on how excessive concentration of economic activity in Dhaka impedes overall urban development and lowers long-term growth. Using heuristic methods, it provides estimates of the costs of excessive concentration. The conclusion discusses policy implications and extensions of this work.

*Dr. Ahmad Ahsan is Director, Policy Research Institute of Bangladesh, and previously a World Bank economist and Dhaka University faculty member. His email address is ahmad.ahsan@caa.columbia.edu.