## Chapter 1

#### **BACKGROUND OF THE STUDY**

#### 1.1 Introduction

GDP is one amongst the first indicators of a country's economic performance. Per capita gross domestic product also can be accustomed live the productivity of a country's hands, speedy value growth has propelled Bangla Desh from low-income to low-middle-income country standing, as FY2014 per capita gross value (GNI) of \$1,080 crossed the middle- financial gain country threshold of \$1,046. Per capita financial gain continued to extend in FY2017 to \$1,602. Gross domestic product (GDP) grew well on top of the typical for developing countries in recent years, averaging six % since 2010, with services and business accounting for the majority of the expansion, whereas Bangladesh has achieved its ambition to succeed in middle-income standing by 2021, the fiftieth day of remembrance of its independence, the challenge are going to be to more accelerate growth so it moves well past the edge and more up the financial gain vary of low middle financial gain country.

## 1.2 Background of the study

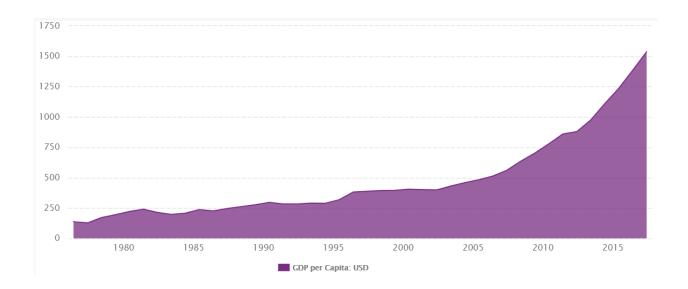
Since 1971 once achieving freedom, People's Republic of Bangladesh economy increase growth per capita and stability. Bangladesh is associate degree example of outstanding progress in impoverishment reduction and human development within the world, despite intimidating challenges. In 2014, Asian country achieves Low Middle financial gain Country standing. The

country is at a vital juncture, once with the proper policies and timely action, it will move up inside the middle-income bracket. For that, Asian country can ought to accelerate growth.

The economics developments in Asian country since the start of the 2000s, in 2009, were by a record-low rate of inflation, associate degree unexampled build-up of external reserves associate degreed an improved resource position of the govt.

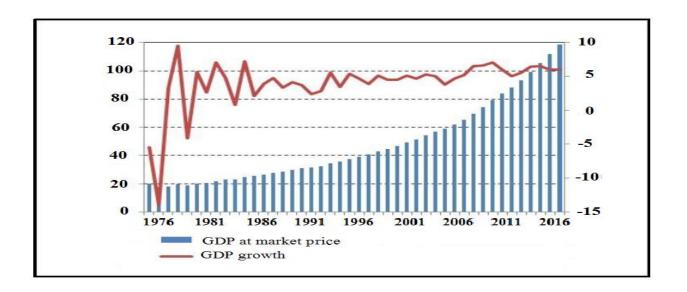
In 2008, the performance in Bangladesh showed that the economy was considerably resilient despite the challenges of international economic and natural disasters. The floods were devastated and two cyclone epidemics, such as swine flu, affected the country in the mid-2008 period, with combined losses expected to be 2.8 billion. Dollars or All four wheels of GDP. But the country's economy retains its performance last year. Over the years, under a slowdown of support for growth and international reserves, despite the severe pressure from imports. The rate of GDP growth is high. GDP in 2007 was 6.5%. Rising inflation, high unemployment and budget deficits, and trade deficits continue to report for reasons of economy. The steady growth of translation of foreign workers provided cushions for external balance.

In the footsteps of the World Bank and Asian economies, the BBC has listed the average gross domestic product of six points and eight separate ones for 7.1% in 2017, where more than one decile has been recorded in the last decade (ie, 5.8%). Regardless of the dramatic rise in the last decade, one of Asia's finances, the capita capital of the Asia-Pacific region, at the start of the new decade, is not one of the few rock bottom countries in South Asia, but only under normalized financial income per capita in most developed nations.



GDP per capita in Asia was last recorded at \$ 1029.60 in 2016. GDP per capita compared to 8 percent of the world average. GDP per capita in Asia was \$ 487.18 from 1960 to 2016, reaching \$ 1029.60 in 2016 and the lowest of 317.70 in 1972.

Bangladesh is considered a developing country. However, nearly 150,000 people in Bangladesh are facing extreme poverty. Over the last decade, Cambodia has seen GDP growth exceeding 5% due to the growth of micro and industry loans. Although Bangladesh's three-fifths serve in the agricultural sector, about three-quarters of its export revenues have been returned from ready-to-wear clothing. The most significant barriers to ownership development in Asian countries are poor infrastructure, corruption, political instability and the slow implementation of economic reforms. This page provides - Asia's GDP - Current Prices, History, Predictions, Calendar, Economic Calendar, and Information. Asia's Asia's Gross Domestic Product - Trends, Historical Timetables, and Calendars - Last updated in September 2017.



There are but another argument that a negative relationship exist between inflation and savings. This conflicting read has thrown up additional dialogue on inflation-saving interaction within the growth method. On the typical GDP is a vital indicator for the economy of a rustic. If GDP of a rustic will increase with the quicker rate than the population then it shows that GDP per capita of that country is increasing and commonplace of living of peoples is additionally up.

Several factors ar behind the resilience of Bangladesh's economy, against the backcloth of a volatile international economy. strong economics fundamentals at the onset of the monetary crisis, robust growth of exports and remittances, and comparatively underneath developed and insulated monetary markets have compete a vital role. Bangladesh's exports doubled their world market share between 1995 and 2015. The ready-made garment (RMG) sector has been a key contributor, with its share of total exports accounting for quite eighty % in FY2014. Asian

country is currently the world's second largest garment bourgeois, creating it distinctive among low-income countries thanks to the high share of factory-made merchandise in its exports.

#### 1.3 Drawback of Statement

Two or three years before you spend two or three years. You can find a method of selling the products that are on your computer. Out of date, 6%, Failure to apply, compete during the competition, V-E will begin tomorrow. Exports will be 7.2 percent for 2016

The production and commerce of products will play a vital role in determination Bangladesh's deficit issues. Despite this, analysis on the influence of gross exports and its impact on per capita GDP. In Asian country the key exports merchandise and repair ar agricultural, RMG and labour migration. no one has analyzed the impact of exports of those factors on economic per capita GDP of Asian country, there's very little data on the relative influences of those exports on mixture economic process per capita. With the recent recession within the world market triggered by high energy costs, there's revived concern on however the export sector in developing countries is improved so as to contribute to the method of growth. High costs discourage demand and so the export from developing countries is also diminished, on condition that the importation of capital merchandise and alternative merchandise for development ar determined partially by the quantity of interchange generated through exports, there's ought to analyze the structure of the export markets so as to predict the expansion implications of future occurrences.

Savings used additional for investment. Investment is a vital issue for each economy. Investment opportunities in Asian country ar additionally to the preceding suppressed by the increasing levels of uncertainties within the economics setting of doing business. for instance, the shift in economic policies from one in every of the regulation to it of liberation and back to it of guided liberation with a nonetheless doable come to regulation in some sectors of the economy. This explains all smacks of policy inconsistencies that have meted injurious effects on the economy through disinvestments ensuing from capital flight that it engenders.

Impacts of the economic crisis feel in the banking system, capital markets, and other key sectors, such as investment collapse, while rescue packages have been mixed and interest rates are falling all around the world. The economic crisis has triggered the collapse of many businesses, along with fearsome global powers around the world. In Asia, the crisis has opened the current and busiest business environment

# 1.4 Analysis Queries of the Study

- 1. what's the impact of rate of inflation on GDP per capita?
- 2. what's the impact of gross national savings on GDP per capita?
- 3. what's the impact of export on GDP per capita?

4. what's the impact of remittal on GDP per capita?
1.5 Objectives of the Study
The overall objective of the study is to seem at the GDP per capita variable which can be suffering from completely different variables. However, the particular objective is:
1. to look at the impact of rate of inflation on GDP per capita.
2. to analyze the impact of gross national savings on GDP per capita.
3. to search out out the impact of export on GDP per capita.
4. to analyze the impact of remittal on GDP per capita.
1.6 Significance of the Study
Macroeconomics is that the study of the economy as a full, GDP per capita is extremely vital for
all economy. Its influence by several economic activities (factors) likes-
☐ Unemployment rate

☐ Inflation rate
☐ Interest rate
□ Savings
□ Money offer
☐ Budget deficits and
□ Exchange rate
In this study try and specific total relationship state of affairs of the rate of inflation and gross
national savings, export and remittal on GDP per capita.
1.7 Scope and Limitations of the Study
In this study I'm discuss concerning "Factors poignant GDP Per Capita Income". this can be
suffering from several factors like-
☐ Inflation (CPI)
☐ Gross national savings
☐ Gross national savings ☐ Export

But during this study paper all relevant information supply aren't on the market in the slightest degree. BB, BBS, WB, UN agency all sources aren't absolutely reached by relevant data. Asian country bureau of statistics (BBS)has no traditionally information in order that before 1991 information has been terribly afraid. Before 1991 information collect kind annually economic review of Asian country, therefore it had been terribly tough and complicated. conjointly it's mentionable that at the moment there's no on the market analysis paper concerning the impact of GDP per capita forming these economic activities.

# Chapter 2

#### LITERATURE REVIEW

#### 2.1 Introduction

Per capita financial gain could be a live of the quantity of cash attained per person in a very sure space. It will apply to the typical per-person financial gain for a town, region or country and is employed as a method of evaluating the living conditions and quality of life overall condition in numerous areas. It will be calculated for a rustic by dividing the country's value by its population. That is, GDP per capita =  $\frac{\text{Gross national Income}}{\text{Total Population}}$ 

In this session, nere uncuss regarding ractors poignant gross domestic product Per Capita Income". gross domestic product per capita tormented by several factors like inflation (CPI), gross national savings, export, remittance, per centum, rate of interest etc.

#### 2.2 Inflation

Increase the overall indicator of a basket of products and repair over time is termed inflation.

As shopper costs index (CPI) (based: 2005-06) in People's Republic of Bangladesh redoubled half-dozen.12 % year-on-year in Gregorian calendar month of 2017, quickening from five.89 %

within the preceding month. The annual rate of inflation accelerated for the second straight month to hit the very best since Gregorian calendar month 2015, principally thanks to inflation of food (7.87 % vs seven.32 % in August), specifically rice. conjointly price advanced for recreation and culture (5.88 % vs five.87 percent) and furnishings and family instrumentation (6.14 % vs four.44 percent). On the opposite hand, costs slowed for: gross rent, fuel and lighting (4.48 % vs four.64 percent); wear and footwear (2.03 % vs a pair of.51 percent); transport (3.40 % vs four.25 percent); miscellaneous merchandise and services (1.78 % vs a pair of.12 percent) and health (0.74 % vs zero.77 percent). On a monthly basis, shopper costs went up one.85 % compared to a one.40 % increase in August. rate of inflation in People's Republic of Bangladesh averaged half-dozen.59 % from 1976 till 2017, reaching associate degree all time high of nineteen % in Gregorian calendar month of 1996 and a record low of -17.6 % in December of 1976.Last ten year inflation shown within the below table.

Table 28. GDP growth and Inflation Rate

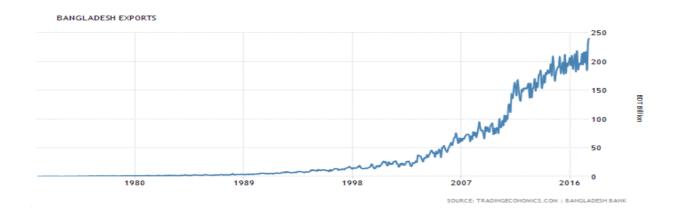
	GDP grov	Inflation rate		
Period	Nominal growth rate	Real growth rate	(Base: 2005-06)	
FY 2007	13.99	7.06	9.39	
FY2008	14.35	6.01	12.30	
FY2009	12.15	5.05	7.60	
FY2010	13.11	5.57	6.82	
FY2011	14.83	6.46	10.91	
FY2012	15.22	6.52	8.69	
FY2013	13.62	6.01	6.78	
FY2014	12.68	6.06	7.35	
FY2015	12.81	6.55	6.45	
FY2016	14.10	7.05	6.05	

In this table shows here we will compare the gross domestic product growth and rate of inflation People's Republic of Bangladesh last ten years. rate of inflation is quicker than gross domestic product rate. Last ten years gross domestic product rate average half-dozen.2 % however rate of inflation average is seven % average. therefore we will say that inflation is that the downside in our country.

## 2.3 Export

Exports can be international exchanges where goods produced per square meter are shipped to other countries for future sales or trade. Bangladesh, a least developed country (LDC), enjoys free market access, or reduces export taxes to developed countries and developments. This place is promoted and privileged by membership in the WTO. In addition, the People's Republic of Bangladesh is a member of many regional business blocks. So the country benefits from tax different breaks reduces clearance in member or customs states. Members of the World Trade Organization acknowledge the need to provide access to the DFQF for at least the least developed countries. It is true in the Sixth Brigade of the 2005 World Trade Ministers' Ministerial Conference in the city center. In 2005, all developed countries could provide access to DFQF least developed countries for at least ninety seven. The People's Republic of Bangladesh holds the DFQF market in a completely different market. This may be a legal reminder call for DFQF for LDCs. The People's Republic of Bangladesh receives Generalized System of Preferences (GSP) mechanisms for thirty-eight countries and twentyeight countries of the European Union (EU) and others. - Australia, Belarus, Canada, Liechtenstein, Japan, NZ Zeeland, Norway, Russia, Switzerland and Turkey - ten states. Exports in the People's Republic of Bangladesh doubled to BDT 322.86 billion US dollars in July from 262,60 BDT billion in the Gregorian calendar months of 2017, exports in the People's Republic

of Bangladesh, on average, sixty osem.34 BDT billion dollars from 1976 to 2017, sealing a broader scope of all time from BDT 327,50 billion in the Gregorian calendar in 2017 Low nula.57 BDT billion in November 1976. This is the monthly export of eight months. Over the past eight months, the average export earned 3.10 billion US dollars.



## 2.4 Gross national savings

Gross domestic savings (% of GDP) in People's Republic of Bangladesh was according at twenty five at some point of 2016, in step with the globe Bank assortment of development indicators, compiled from formally recognized sources.

The savings and economic process square measure closely connected with one another, the link between the savings at the domestic level and economic process square measure studied in social science by numerous economists variety of times. There are varied studies looking on the information collected from numerous financial gain categories of the economy like low-income cluster, high-income cluster, low middle financial gain cluster and higher middle financial gain cluster.



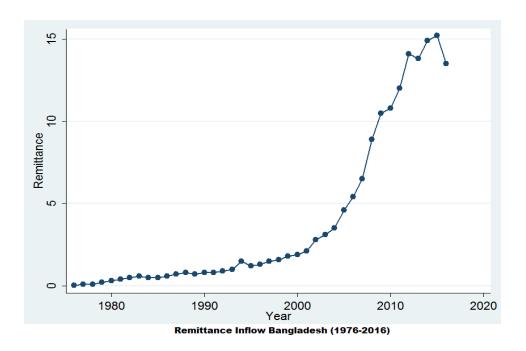
In the higher than graph, People's Republic of Bangladesh gross national savings in 1976 was - 2.9 % of total gross domestic product during this year rate of inflation conjointly negative. The economic process of a rustic will be spoken because the economy's capability to extend the productivity of services and merchandise as compared with previous period. The economic process will be calculated each in real terms and in nominal terms, whereas examination the economic process between 2 totally different countries, the gross domestic product (Gross Domestic Product) or value (Gross National Product) per capita square measure compared.

In these 2 measures the population distinction among the countries also are taken under consideration, economic process can even be outlined because the increase in price of the products that square measure made by the economy. With the economic process, associate degree economy will invariably expertise a growth within the income and per capita consumption expenditure. The impact of economic process of a selected country will be all right felt within the increase within the income of a personal.

According to the speculation of marginal propensity to avoid wasting, the savings will increase with the rise within the financial gain. Hence, following this theory it will be simply understood that with associate degree economic process, the quantity of savings conjointly will increase. usually the governments of the countries provide variety of saving and investment schemes that square measure tax exempt so as to market the observe of saving within the country. By finance in such saving schemes, the people will save a substantial quantity of tax. The governments reciprocally invest therefore attained capital in numerous development comes of the country that facilitate to make a higher economy. This conjointly helps for the expansion of economy.

# 2.5 payment (Remittance)

Since Bangladesh's reception, migrant staff have contributed plenty in jumpstarting the country's economy- particularly within the rural scene. With the flip of the millennium, the labor export business boomed- and then did the payment incoming. bit by bit it became associate degree instrumental a part of Bangladesh's economy. For the last decade more or less, payment has accounted for roughly eight % of Bangladesh's gross domestic product.



While some economists argue that payment is commonly dangerous for a country's semipermanent growth, none will deny the effectiveness of it in reducing financial condition. In developing nations, recipient households usually have higher levels of shopper disbursement and lower incidences of utmost financial condition than their counterparts United Nations agency don't receive remittances. Recipient families also are additional possible to pay on education, and attention. The consumptive expenses of recipient households completely impact, via number effects, the labour market and incomes of non- recipient households too. the rationale why payment is such a strong anti-poverty force in developing countries is that- not like different publically funded social safety nets, payment recipients will determine their own greatest wants and may allot the payment financial gain consequently.

In recent years, discourse has been on among the economic expert and policy manufacturers regarding the link between inflation and economic process with some with the opinion that

there's positive relationship between inflation and economic process whereas others like World Bank (2012) posited that a negative relationship exist between inflation and economic process. within the notable Philip's curve, it's been incontestible that there exist a positive relationship between inflation and economic process. This relationship was shown through the channel of combination demand and combination provide.

Planning used as a safeguard in this socialistic country whereas remainder of the globe principally USA baby-faced Great Depression in around 1930. impact of inflation and rate of The recent economic trajectory is a serious issue for developing countries as others. we have a tendency to square measure planning to establish the relation with growth and rate of interest, inflation, gross national savings & per centum. In previous time, an oversized of consonant inquiry has done thereon theme. Here we have a tendency to attempt to eclectic delineate a number of them.

The IMF Operations Paper, prepared by Benedict Clemens, Rina Bhattacharya and Tuan Kung Nguyen (2003), found a line of external inflation that had an impact on growth in the view of low-interest countries. Special attention is paid to the indirect impact of percentage on growth.

Pal (2008) addresses on 'does gross national savings and investment boost economic growth?' Their findings showed that the thought of the expansion equation estimates clearly the impact of each will gross national savings and investment vital. A comparison of the Indian estimates with those out there for the USA and also the Great Britain economies is additionally revealing and highlights the role of governance on the gross national savings and investment.

Claria (1993) presents a neoclassic model of international national savings, public investment and economic process. This model of optimum economic process in good international capital quality which options the sluggish convergence to the steady state evident within the knowledge. The calculable relationship between productivity and public capital is kind of similar across countries. Finally, he finished that there's a structural relationship between national savings and productivity (GDP).

According to, Khan(2011) Inflation, state, and growth trend square measure the key issue of macro social science. Losing the getting power and increasing the value of production indicates the high rate of inflation. state happens once folks square measure while not jobs and that they have actively lookedfor work among the past four weeks. The trend of the expansion of the \$64000 gross domestic product is called Growth Trend. economic process is primarily driven by enhancements in productivity.

Along with economic process savings is taken into account as a serious political economy issue that includes a robust relation with inflation. in a very general equilibrium framework by Sidrauski (1967) it absolutely was found that money remained neutral within the time of steady state, implying that inflation has no impact on savings within the long-term.

A notable study by Mackinnon (1982) investigated the link between inflation and savings rate for the economy of America and Canada. using the chow take a look at the study found that top inflation results in high savings and out of the blue inflation results in involuntary savings.

Various strands of literature exist on the nexus among inflation, savings and economic process. In another study, Sahoo (2001) found that higher economic process is critical for increasing the savings of a rustic, therefore supporting the normal thesis that savings had been the engine of the economic process.

On the contrary Sheggu (2004), in a very study conducted for Yaltopya economy, a bidirectional relation was exhibited between savings and economic process. In another study to work out the impact of high inflation on economic process each within the short and long, Carneiro (2001) utilized volt-ampere model and located that inflation had negative impact on economic process within the short run whereas no relationship was found between inflation and economic process within the long-term.

The study showed that though a negative relationship exist between inflation and economic process, a nine % rate of inflation is tolerable for Asian nation economy on the far side that the economy might expertise harmful and harmful growth. in a very panel analysis of South east and South Asian countries, Dholakia (2009) examined the inter-relationship among economic process, savings and inflation and located that saving promotes economic process. conjointly inflation was completely associated with saving however negatively associated with economic process. However, in a very specific country study for Asian nation,

Naeem (2012) with competence unacknowledged that inflation and real rate of interest negatively have an effect on economic process, whereas rate of depreciation completely have an effect on the economic process. Economic development could be a property increase in living standards that means redoubled per capita financial gain, higher education and health still as environmental protection. The economic process ideas with success incorporate and assimilates core economic thought of gross domestic product rise with welfare. This conjointly helps to

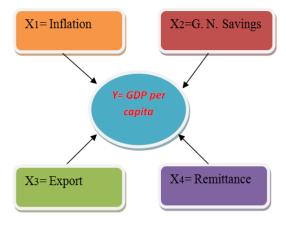
bridge the gap between pure and welfare social science. Economic development through gross domestic product rise and improvement of infrastructure reaffirms the vision of growth contributive to the welfare of the population. Human Development Index (HDI) The Human Development Index (HDI) focuses on three measurable dimensions of human development: life, health, longevity and lifestyle, simple and honest. So it includes prospective attendance at the College of Purchasing and Finance to gain a better reading of a country's development than a financial gain, it absolutely was developed in 1990 by associate degree economic expert and has been accustomed aid calculation of economic development, numerous agencies like IMF, World Bank—tend to concentrate on economic development instead of economic process, particularly for developing countries like People's Republic of Bangladesh.

# **METHODOLOGY**

## 3.1 Introduction

This chapter consists with seven components like analysis Framework or Model of the Analysis, Hypotheses Development, analysis style, Operational Definitions, mensuration of Variables, information assortment & Examp; Sampling, information assortment Procedures, and Techniques of knowledge Analyses.

# 3.2 analysis Framework:



#### **3.3 Model:**

$$Y = \alpha + \beta 1X1 + \beta 2X2 + \beta 3X3 + \beta 4X4 + \mathcal{E},$$

Where,X1 shows the rate of inflation, X2 shows the Gross national savings, X3 shows the Export and X4 Shows remittal of East Pakistan. All information of this model area unit collected annual basis.

## 3.4 Hypotheses Development

Y is greater ;0; self-dependent GDP per capita once inflation, Gross national savings, Export and remittal area unit zero although it's not vital.

β1 greater than ;0 If inflation will increase, then the GDP per capita are going to be inflated.

β2 greater than ;0 If savings increase, then the GDP per capita are going to be inflated.

β3 greater than ;0 If export will increase, then the GDP per capita are going to be inflated.

β4 greater than;0 If remittal will increase, then the GDP per capita are going to be inflated.

#### 3.5 mensuration of Variables

In order to look at the impact of inflation, Gross national savings, Export and remittal on GDP per capita, we've got such following economics model. The freelance variables area unit inflation, Gross national savings, export and remittal, whereas the variable quantity is economic GDP per capita. The model is declared as follows:

$$Y = \alpha + \beta 1X1 + \beta 2X2 + \beta 3X3 + \beta 4X4 + \epsilon,$$

GDP per capita income= f(Inf.r,Sav.r,Exp.r, Rem.r,)

In linear kind, equations is written as:

GDP per capita financial gain = $f(\alpha 1 \text{ Inf.r} + \alpha 2 \text{ Sav.r} + \alpha 3 \text{Exp.r} + \alpha 4 \text{Rem.r})$ 

# 3.6 Operational Definitions

In this paper i'm assembling annual primarily based statistic information, from varied supply and tabulate information in ms surpass year by year and check out to search out out the connection among the assorted annual primarily based information. Then set economics model, among this information we tend to set GDP per capita financial gain as a dependent variable (which is shown by US\$), and every one others area unit experimental variable that area unit influence the GDP per capita financial gain of East Pakistan after obtaining result we tend to see all variable area unit vital for GDP per capita financial gain.

## 3.7 information assortment, Procedures and Sampling

Data were collected from the secondary sources and brought the amount of 1976-2016, this implies that we've got forty one years information (n=41). And this information collected from supported web-side of flux unit, BB, IMF and from varied economic review yearly book. For hardiness of research, variables into account area unit economic GDP per capita financial gain rate of inflation, gross national savings rate, Export and remittal of East Pakistan.

# 3.8 Techniques of knowledge Analyses

All information are tabulated by sequence variety for final use. MS surpass 2007 and SPSS software system version twelve, use additionally stata ten.0are accustomed reach the destination during this project. to form a correct regression we want to cheek the Descriptive statistics, correlation analysis, ANOVA, model aestival, multivariate analysis for obtaining correct result.

# **Chapter 4**

## FINDINGS OF THE STUDY

# **4.1 Introduction**

This chapter is extremely vital of my study paper. during this chapter initial justify descriptive aestival, then find-out the correlation among the variables, five % vital level among the variables and overall model discussion.

**Table 4.1.1 : Descriptive Statistics** 

					Std.
	N	Minimum	Maximum	Mean	Deviation
Year	41	1976.00	2016.00	1.9960E3	11.97915
Y	41	128.80	1358.70	4.4597E2	297.36092
X1	41	-17.60	25.60	6.8195	6.50601
X2	41	-2.90	24.90	13.8585	6.94863
X3	41	.50	36.80	8.7356	10.49943
X4	41	.02	15.20	3.9512	4.96175
Valid N (listwise)	41				

In the on top of table, there area unit 5 cluster of knowledge set( gross domestic product per capita US\$, rate of inflation, Gross national savings as % of total gross domestic product of year, export and payment area unit collected by billions of dollars). The norm of gross domestic product per capita, rate of inflation, national savings, export earnings and payment is 445.69, 6.81, 13.85, 8.73 and 3.95 severally.

**Table 4.1. 2: Correlations** 

	GDP(US\$)	Inflation.R	G.savings	Export	Remittance
GDP(US\$)	1				
		l	l.		l
	41				
Inflation.	024	1			
R		1			1
		41			
G. savings	.765**	110	1		
			41		
Export	.988**	042	.733**	1	

				41	
Remittanc	.957**	028	.714**	.981**	1
e					
					41

Note: \*\*Significant at .01 level

. The table above shows the relationship between five variables - GDP per capita, inflation, savings, exports, and payments. Observing the general disparities of the Forty-Area Unit, the relationship between GDP and inflation is -0.040, the relationship between gross domestic product and savings is nula.7654 and 0.9880 and 0.9567 between GDP per capita and exports, as well as the ratio between GDP per capita and payments in each case. However, due to the constrained time, multicultural cultures can not be tested in the study.

Table: 4.1.3: ANOVAb

Table: 4.1.3: ANOVAb

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	3483854.888	4	870963.722	590.641	$.000^{a}$
	Residual	53085.881	36	1474.608		

Total 3536940.769 40

a. Predictors: (Constant), X4, X1, X2, X3

b. Dependent Variable: Y

The unidirectional analysis of variance compares the suggests that between the teams {you area unit|you're} fascinated by and determines whether or not any of these suggests that are statistically considerably totally different from one another. In particular, it tests false hypotheses:  $H0:\mu 1 = \mu 2 = \mu 3 = ... = \mu K$ 

where  $\mu$  = cluster mean and k = variety of teams. If, however, the unidirectional analysis of variance returns a statistically vital result, we have a tendency to settle for the choice hypothesis (HA), that is that there area unit a minimum of 2 cluster implies that area unit statistically considerably totally different from one another.

The SPSS output for the analysis of variance is shown within the on top of table, indicating whether or not we've got a statistically vital distinction between our four cluster suggests that. we will see that the importance level is zero.00 (p=.00), that is below zero.05. and, therefore, there's a statistically vital distinction within the mean productivity between the four totally different teams of the variable quantity, (inflation rate , Gross National savings, Export , Remittance).

**Table 4.1.4 : Model Summary** 

				Std. Error of the
Model	R	R Square	Adjusted R Square	Estimate
1	.992ª	.985	.983	38.40062

a. Predictors: (Constant), X4, X1, X2, X3

From t-statistics and likelihood price we will check (inflation rate, Gross National savings, Export, Remittance). considerably heart gross domestic product per capita (US\$) or not.

Now, we will set null and alternate hypothesis as follows-

H0: β 
$$i = 0$$
 : β  $1 \neq 0$ 

and

H0: 
$$\beta$$
 *ii* =0 :  $\beta$  2 $\neq$ 0

Here, we have a tendency to see that the likelihood price of constant of (inflation rate, Gross National savings, Export, Remittance) are .168, 0.005,0.00 and .002 severally, that while not rate of inflation all area unit but zero.05 wherever the extent of significance is five-hitter. we will reject null. solely rate of inflation is quite .05% thus just for X1 we will settle for null hypothesis.

In our study we have a tendency to think about the subsequent model due to economic significance. This study issue with the OLS methodology.

$$Y = \alpha + \beta 1X1 + \beta 2X2 + \beta 3X3 + \beta 4X4 + \in$$

Estimated results with normal Least sq. methodology has been reported in

Table: 4.1.5: Coefficients<sup>a</sup>

				Standardized		
		Unstandardized Coefficients		Coefficients		
Model		В	Std. Error	Beta	t	Sig.
1	(Constant)	152.612	16.727		9.124	.000
	X1	1.325	.942	.029	1.406	.168
	X2	3.895	1.293	.091	3.012	.005
	X3	35.826	3.103	1.265	11.545	.000
	X4	-20.910	6.391	349	-3.272	.002

a. Dependent Variable: Y (GDP

US\$)

In the on top of table hare we have a tendency to calculate the statistically significance regarding rate of inflation, gross national savings , payment and export on gross domestic product per capita income(US\$) of Bangladesh .As the p-value is far quite zero.05, we have a tendency to settle for the null hypothesis that  $\beta$  = zero. within the on top of model there area unit four variables. initial one is X1 ( rate of inflation ) that is statistically insignificant as a result of the result's quite zero.05 percent .here shows the worth is .689, therefore the relationship between rate of inflation and gross domestic product during this model isn't vital.

Second variable is X2(Gross national savings) that is statistically vital as a result of the result's .005 % as a result of the result's but .05. therefore the relationship between Gross national savings and gross domestic product during this model is critical. Third variable is X3(Export) that is additionally statistically vital as a result of the result's .00 % that is absolutely vital, therefore the relationship between export rate and gross domestic product during this model is positive and additionally vital. Second variable is X4(remittance) that is statistically extremely vital as a result of the result's .002percent. therefore the relationship between payment and gross domestic product during this model is positive and additionally vital. we will see that the importance level is zero.015 (p = .015), that is on top of zero.05. and, therefore, there's a statistically insignificant distinction within the mean productivity between the four totally different teams of the variable quantity, during this model we will see.

## 4.2 R2 vs. Adjusted R2

R2 Measures the proportion of the variation within the gross domestic product that's explained by variations within the (inflation rate, Gross National savings, Export, Remittance). In our regression model, 0.985% of the overall variation was explained. Adjusted R2 may be a live the proportion of the variance within the gross domestic product that's explained by variations within the (inflation rate, Gross National savings, Export, Remittance). Here, our regression model shows that zero.983% of the variance is explained. it's got to report as a result of it 'corrects' for adding additional variables to a regression. Adjusted R2 indicates that if we have a tendency to add additional instructive variables, it'll lead larger R2. So, it's cheap that adjusted R2<R2.

# 2.6 government Findings

We examined differing types of applied mathematics properties for my model, in step with regression result, we have a tendency to over that the likelihood price of Gross National Savings, Export, and payment area unit satisfactory at the extent of significance five-hitter, which means Gross National savings, Export, payment area unit considerably impact gross domestic product per capita Bangladesh. The unidirectional analysis of the descriptive statistics, then attempt to find-out motor vehicle correlation. The Forensic Steel Analysis (ANOVA) is used to see if any unit has any major variation in the statistical data between what it is from an independent 4-unit. This guide can provide a brief introduction to the single-way analysis of dispersal along with the assumption of the test. The ANOVA model confirms that the game's improvement is statistically significant. Graphic methods make sampling options as simply distributed. That's why we have a tendency to think about the remedy, within the statistic knowledge autocorrelation is wide used term.. to confirm the potency of any multivariate analysis we've got to contemplate the used statistic knowledge. After rigorously analyzing of the full results, we will come back up a call that there's an extended run relationship with rate of inflation, Gross National savings, Export, payment and economic process per capita. constant of rate of inflation, Gross National savings, Export, payment indicate that the 1-unit will increase of rate of inflation, Gross National savings, Export, payment make sure the gross domestic product per capita additionally increase by one.325 and 3.895 and 35.826 units severally. Finally, we will say that Gross National savings, Export, payment contains a positive impact on political economy growth of Bangladesh. So, we will enhance our economic process by making certain adequate Gross National savings, Export, Remittance. Inflation is that the negative impact on per capita gross domestic product.

# Chapter 5

# **CONCLUSION and PROPOSALS**

#### 5.1 Introduction

In fine, it's notable that by the economic science technique we tend to examine the casual and sensible relationship with rate, Gross National savings, Export, payment on GDP per capita of East Pakistan. we tend to applied applicable economic science take a look at, method into the information from 1976 to 2016 to point out the link. The results indicate Gross National savings, Export, payment has considerably positive effects on GDP per capita financial gain of East Pakistan and inflation is negative impact on GDP per capita. Therefore, the government's activities and policies will be needed to divide the GDP per capita income by way of national savings, export payment, and proper payment. Here, it should be argued that political stability ensures transparency for the elimination of corruption, skilled labor, and inadequate infrastructure is essential to maintaining the level of national savings, Export, payment also as growth of GDP per capita financial gain. If the govt will guarantee these necessary steps, GDP per capita financial gain can impact a lot of absolutely in our economic process.

#### **5.2 Recommendations**

The authority ought to take some necessary steps to stop the issues associated with Gross National savings, Export, payment as we tend to found a good relationship with GDP per capita and economic process in East Pakistan. Political establishments and actors ought to be a lot of Mediate and strengthen democracy with a stable scenario for the country's economic development. The structure of the CEO must be responsible and clear to implement the correct governance system that prevents corruption. The government should conduct monitoring and analytical procedures to create infrastructure that can ensure national savings, export, and money

transfer. We need to emphasize more about human resource development through training and education programs. We tend to believe that if the government finds that economic processes can be strengthened.

High inflation, in theory, might not facilitate associate economy pass though a enlargement. With each inflation and interest rates low, the price of borrowing cash for investments or borrowing for the acquisition of massive price ticket things, like vehicles or securing a mortgage on a house or excuse, is additionally low. These low rates ar expected to encourage consumption, say some economists.

In East Pakistan Inflation growth is high. Banks and alternative disposal establishments, however, is also reluctant to lend cash to customers once rates of come back on loans ar low, that decreases profit margins. is also for this reason GDP per capita financial gain is negatively have an effect on and in our the link between inflation and GDP per capita financial gain in negative and statistically is additionally insignificant.

The economic science model we tend to developed for this study which will suffer from variety of shortcomings owing to lack of correct info. Therefore, some venues for future analysis is also thought of. they're as follows:

This study uses annual statistical knowledge that can hide some dynamic aspects. Analyzes that are supported by quarterly or monthly knowledge have to be true. However, the monthly knowledge of East Pakistan will remain a key challenge in the future. The key leader of future

analysis in statistical analyzes is the progress in acquiring knowledge in large quantities. Each job can apply the approach developed for this study in different developing countries. However, the equation must be set up to match the specific public financial structure in each country. Each victim investigation, different conditions for national savings, exportation, transfer, different examples can add an important aspect of the economic outcomes in our country. In addition, a review of our literature has been found that export payments will increase and will increase GDP per capita for GDP. Accurate and accurate knowledge will be provided in the future and should not be properly analyzed and effective. But special information options, such as large sample sizes, important ranges, uneven distribution observations and a mix of variables and subsequent variables will make existing strategies insufficient. An analysis of these types of knowledge will influence the direction of future analysis.