Victoria University of Bangladesh

Final Assessment

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BBA - Program

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Answer to the question No : 1

Types and Example of FDI : Typically, there are ~~m~~ two main types of FDI: horizontal and vertical FDI.

Horizontal : a business expands its domestic operation to a foreign country. In this case the business conducts the same activities but in a foreign country. for Example, McDonald's opening restaurants in japan would be considered horizontal FDI.

Vertical : a business expand into a foreign country by moving to a different level of the supply chain. In other words, a firm conduct different activities abroad but these activities are still related to the main business. Using the same example, McDonald's could purchase a large scale farm in canada to produce meat for their restraunts.

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Invest in Bangladesh is profitable; because there are some strong points that it is much profitable to investing in Bangladesh.

Strong points,

The main assets of Bangladesh's economy are:

i) Good macroeconomic stability characterished by a high growth rate of 7.1% in 2017 (Business france, 2018) and a satisfactory level of public debt.

ii) An open and diverse economy

iii) A very low-cost work forse

iv) A strategic geographic position as a gateway to countries in the Asia-pacific region.

v) A strategic and competitive position in the value of chain of the global economy.

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vi) An economic legislative environment globally favourable to business.

These are the strong points to prove that it is profitable to invest in Bangladesh. ~~A~~ Also there are some benefits FDI are given below:

i) Market diversification
ii) Tax incentives
iii) Lower labour cost
iv) preferential tariffs
v) Subsidies.

Answer to the question No: 2 (a)

(a): The types of resources mobilization are given below: Edwards and Mccarthy identified five types of resources available to social movement organizations.

i) Moral: resources available, such as solidarity support, legtimacy and sympathetic support, which can be easily retracted, making them less accessible than other resources.

ii) Culture: Knowledge that likely has become widely but not necessarily universally known. Examples include how to accomplish specific tasks like enacting a protest event, holding a news conference, running a meeting, forming an organization, initiating a festivals or surfing the web.

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iii) Social- organization : resources that deal with spreading the message. they include intentional social organization, which is created spread the movements message, and appropriable social organizational, which is created for reasons other then moving for social change. Example include spreading flyers, holding community meetings and recruiting volunteers,

iv) Material : includes financial and physical capital. like office space, money, equipment and supplies.

v) Human : resources such as labor, experience, skills and expertise in a certain field. More tengible then some of the others (moral, cultural and social- organizational) and easies to quantity.

Answer to the question No 2 (b)

(b): SWOT analysis of Bangladesh garments industry: SWOT analysis of the BD. textile and garments industry for the year 2020 and onward is outlined below:

STRENGTH :

i) More than 30 years of history and experience of garments.
ii) Large Labour force still comparatively in-expensive compared to competitors.
iii) strong backward linkage in knit Sector.
iv) Resilient and ambitious young entrepreneur
v) Huge production capacity

Weakness :

i) Low Productivity
ii) Weak technology management
iii) Low level of skills and capability especially in the mind level management.
iv) High tax rate
v) High energy price
vi) Market and product knowledge gap.

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THREATS :

i) Over dependancy on foreign raw material specially for cotton woven farrics, dyes and chemical etc.

ii) Very low profit margin in basic term.

iii) Energy crisis and price hike

iv) High worker wage relation to skill level.

v) Little or no research and development

vi) Technological change

OPPORTUNITIES :

i) More order flow from china due to change in global business dynamics.

ii) Improve image and confidence of foreign buyers.

iii) More practice of sustainable solution

iv) More emphasize in cost control.

v) Huge growth in denim sector.

vi) Export flow towards non-traditional markets.

Answer to the question No 2 (c)

public industry is lying behind in comparison to private industry because,

public sector organization are owned, controlled and managed by the government or other state-run bodies. private sector organizations are owned, controlled and managed by individuals, groups or business entitles.

Difference between public and private industry :

	public	private
1. Defination	1. public sector organization are owned controlled and manage by the government or other state-run bodies.	1. privat sector organizations are owned, controlled and managed by individuals, group or business entitles.

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topic	public	private
2. ownership	2. The ownership of the public sector units can be by central, state or local government bodies and this ownership either full or partial	2. The ownership of private sector units is by individuals or entities with zero interfrence from the government.
3. Motive	3. The main motive of public sector organizations is to engage in activities that serve the general public.	3. The main motive of the private sector is to earn profits from their business operation
4. profit making	4. No	4. Yes
5. Types of workers	5. Civil servants	5. Employment and independent contractors.
6. Types of Organizations	6. Government	6. for-profit business
7. Types of Goods provided	7. public good that benefit all	7. private goods that benefit individuals, busines, organizations.

Answer to the question No 3 (a)

a) Rostows stages of economic development:

One of the key thinkers in 20th-Century Development studies was W.W. Rostow, an American economist and government official, prior to Rostow, approaches to development had been based on the assumption that "moderonization" was characterized by the Western World (wealthier, more powerful countries at the time which were able to advance from initial stages of underdevelopment. Using those ideas, Rostow penned his classical "stages of economic Growth" in 1960, which presented five steps through which all countries must pass to become developed: 1. Traditional Society, 2) Precondition to take-off, (3) take-off, 4) Driven to maturity 5) age of high mass

The model asserted that all countries exist somewhere on this liner spectrum, and climb upward through each space stage in the development process.

1. Traditional Society : The stage is characterized by a subsistent, agricultural based economy with intensive labor and low levels of trading and a population that does not have a scientific perspective on the world and technology.

2. precondition to take-off : Here, a society begins to development manufacturing and a more national / international – as opposed to regional – outlook.

3. Take-off : Rostow describes this stage as a short period of time, as standard of living rise, the use of technology increase, and the national economy growth and workers and

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institutions become concentrated around a new industry.

4) <u>Drive to Maturity</u> : This stage takes place over a long period of time, as standard of living rise, the use of technology increase, and the national economy grows and diversifies.

5. <u>Age of High Mass Consumption</u> :

At the time of writing, Rostow believed that western countries, most notably the united states, occupied this last "developed" stage. Here, a country's economy flourishes in a capitalist system, characterised by mass production and consumerism.

Answer to the question No 3 (b)

The criteria of a country need to fulfill to be developed from developing :

The basic criteria for development is per capita income. this criterian is used by the world bank to compare countries.

A developing country (or a low and middle income country (LMIC) less developed country, less economically developed country (LEDC) medium industrialized country or underdeveloped country) is a country with less developed industrial base and a low Human Development index relative to other countries. However, this defination is not universally agreed apon. there is also no clear agreement on which countries fit this category. A nations GDP per capita compared with other nations can be a referance point. In general, the united Nations

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accepts the country's claim of itself being "developing".

Other criterions used leaving per capita income is health or infant mortality rate and literacy rate of education these 3 criterions are used by UNDP in comparing the countries.

<u>per capita income</u> – It is the average income of the country. per capita income = total income/ total population of the country.

<u>infant Mortality rate</u>: Number of children that die before the age of 1 year in proportion of 1000 live children born in a particular year.

<u>Literacy rate</u>: A proportion to the population of an area at a particular time aged 7 years or above, who can read and write with understanding.