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Abstract

The primary goal of this research is to determine the short-term and long-term consequences of regional export growth, regional export diversification, regional intra-industry trade, and regional revealed comparative advantage on Bangladesh's GDP growth from 1990 to 2017. In the first phase, trade indices like regional export growth (EXG), regional export diversification (RED), regional intra-industry trade (RIIT), and regional revealed comparative advantage (RRCA) for Bangladesh's textile and clothing industry in the North American market were calculated based on data from the World Integrated Trade Solution (WITS) and World Trade Organization (WTO). GDP growth is used as a proxy measure for Bangladesh's overall economic development. To check the data series' stationarity, we used several unit roots tests (e.g., ADF and PP). To ensure robustness, the Johansen cointegration test, Engle-Granger Causality test, and ARDL bound test approach were used. The results revealed that the variables have substantial long-run cointegration. In addition, the findings revealed that an improvement in regional export diversification, regional intra-industry trade, and regional revealed comparative advantage increase Bangladesh's GDP growth. In contrast, the increase in regional export growth hinders the GDP growth of Bangladesh in the long-run. According to the facts, Bangladesh's government and policymakers should be concerned about diversification among established product categories and the exploration of new regional markets for the country's long-term economic growth.

Sustainable Development Goal(s) (SDG)

Goal 9: Industry, Innovation and Infrastructure
