3.1 INTRODUCTION

Since the very beginning, there has been a tendency among the scholars and practitioners alike to view the post-Cold War international system as being rather simple due to its unipolarity and the lack of contending parties at the top. This has radically changed. As it is being increasingly revealed by the developments of events at the macro and micro levels in the international arena, contemporary international system with its stark unipolarity is far from being a simple one. Instead, the prevailing international system is no less, if not, more complex than the previous one. Unipolarity with the US at the apex of the contemporary international system remains the hallmark of the contemporary international order. This, however, conceals the complexity of prevailing power structure in international arena. As Joseph Nye Jr. has observed, power structure in the world is like a three dimensional chess game, “The top military board is unipolar with the United States far outstripping all other states, but the middle economic board is multipolar, with the United States, Europe and Japan accounting for two thirds of world product and the bottom board of transnational relations that cross borders outside the control of government.” To this could be included the fact that the ever increasing economic and political power of China is adding another dimension to the complexities of contemporary global system.

In the circumstances, while the unipolarity with the US at the apex is to remain as a longstanding phenomenon, the US will not be the sole arbiter of a wide range of issues that the international
system will encounter. Many transnational and global issues such as climate change, AIDS, proliferation of weapons of mass destruction, terrorism, drugs, trade, development, ecological stability, conflict management, peace-building, peacekeeping and so on cannot be resolved without the cooperation of others. If collective action and cooperation is a necessary part of what the world wants for its survival, then the US is likely to share power and responsibility, while questions like, how and to what extent would remain moot points. All these complexities and contradictions associated with the contemporary international order are likely to reflect on the UN, the universal organisation of peace as well as on a plethora of organisations—multilateral, regional, sub-regional and so on.

The international system is unlikely to remain static, notwithstanding the unipolarity and unprecedented influence of the US. It is likely to be as dynamic as the overall process of development in the international arena. In the circumstances, given the ever-accelerating pace of technological, socio-economic and politico-cultural change, all one can do is to speculate, or at best, envision a future regarding the international system which will remain subject to constant modification and correction as the events may unfold over a long timeframe.

Foreign policy or, for that matter, diplomacy of any country is assigned to secure support, material and moral-political, for the fulfilment of the domestic tasks of socio-economic and politico-cultural development of the country. Viewing from this perspective, any enquiry into the role of Bangladesh diplomacy would have two crucial issues to deal with. First one is the objectives of Bangladesh diplomacy that emanate from the domestic context or rather the domestic tasks of the country while taking into consideration the international milieu. Second one pertains to the exploration of appropriate diplomatic ways and means for achieving these objectives through deepening the country’s involvement in the contemporary international system as well as with individual countries, multilateral, regional and sub-regional entities of significant importance to Bangladesh. Needless to mention that inquiry into each of these issues would inevitably encounter a wide diversity of relevant issues. This, coupled with all the complexities associated with the contemporary international system as
encapsulated above, would make the task of evaluating the role of diplomacy in serving the national purpose a difficult undertaking.

In the light of the above, the focus of the present chapter would be the developments in the field of foreign policy and the relations of the country with the outside world aimed at securing support and assistance with a view to fulfilling the tasks of holistic national security and, socio-economic and politico-cultural development of the country. While the ongoing Introduction is Section 1 of the study, Section 2 is designed to explore the changing security scenario and architecture in the world and South Asia. Section 3 is devoted to analysing the tasks of foreign policy and exploring the challenges faced by the country's diplomacy. Section 4 would evaluate the pursuit of Bangladesh diplomacy in the regional context. Section 5 would deal with the same at the global context. Section 6 would highlight the challenges facing Bangladesh diplomacy in a number of specific areas. Finally, Section 7 would shed some light on the outlook for the future.

3.2 CHANGING SECURITY SCENARIO AND ARCHITECTURE IN THE WORLD AND SOUTH ASIA: AN OVERVIEW

The world is undergoing a process of unprecedented transformation while facing a new series of events and phenomena of far-reaching consequences. This process of transformation is marked by difficult challenges as well as tremendous opportunities. One of the most remarkable aspects of this process is the ever-increasing opportunities offered and challenges posed to the nation states by the accelerated process of globalisation. While movement of goods and services, labour and capital, information and ideas, across national borders are not new; its acceleration in the last decade or so marks a qualitative break with the past. No country, no region on earth, can remain outside the reach of the globalisation wave that is sweeping the world. As a consequence, the world today is more integrated than ever and the process of integration is accelerating further and further.

With the process of integration, nations of the world are becoming more and more interdependent. Hence, the need for cooperation among the nations—big or small, rich or poor—is ever increasing. As indicated, the phenomenon has opened a host of tremendous opportunities and posed severe challenges to all the
countries, particularly the developing countries and regions. The opportunities include wider markets for trade, an expanding array of exportable commodities, larger private capital inflows, and improved access to information, technology and management. These are accompanied by tough challenges with the central issue being how to prepare the country or a region to avail of the opportunities. The tasks facing developing regions like South Asia, in this regard, are literally gigantic. The ultimate challenge is to devise ways and means of transforming the region into an agent as well as beneficiary of the process of globalisation through cultivation of trade and investment opportunities or, so to speak, development cooperation with the outside world, developed countries in particular. For these goals to be achieved, cooperation at the regional level is a *sine qua non*.

As already indicated, while the ongoing process of globalization is predominantly an economic phenomenon, it is also all-pervasive. Not only the markets for goods, services, and capital are being globalised, the process also embraces such areas, like information, technology, socio-economic, politico-cultural and even moral-spiritual institutions, ideas, values and ethos. In the circumstances, whatever happens in the international arena, affects each and every country irrespective of its size and power. While the developments at the global level affect Bangladesh significantly, the developments in South Asia remain the more crucial ones that effect Bangladesh profoundly. Hence, an attempt would be made below to probe into the changing security scenario and architecture in the world and in South Asia.

### 3.2.1 The Global Context: The Decline in the US Soft Power Amidst the Continuation of the War on Terror

The most significant development that shaped the contemporary security scenario at the global level is 9/11 and its aftermath. Neither terrorism nor counter-terrorism is a new phenomenon. However, over the last decade or so, both have been gaining accelerated currency in political science vocabulary and international politics due to unprecedented magnitude, international character and, more importantly, because of the 9/11 terrorist attacks on the United States of America and its aftermath. As a
matter of fact, following 9/11, international terrorism was brought to the centre of attention of the global community. Ultimately, some new acts of terror, US retaliatory measures against the perpetrators of terrorist attacks coupled with a purposefully defined and concerted counter-terrorism strategy brought international terrorism and counter-terrorism to the centre-stage of international politics.

The 9/11 terrorist attacks were targeted at the selected but powerful symbols of military and economic might of the US—the guardian of the contemporary international order. These attacks were unprecedented with large-scale loss of life. These have also revealed the vulnerability of the mightiest power on earth to international terrorism. Following the terrorist attacks of 9/11, the Bush administration unleashed a Global War on Terror with three specific strategic objectives in Afghanistan namely, the destruction of terrorist training facilities, the capture of Al-Qaeda’s leadership including Osama bin Laden and his senior Lieutenants, and the removal of the Taliban from power.

Subsequently, however, the Global War on Terror took a truly global character. In February, 2003, nearly eighteen months after 9/11 and more than a year after the fall of the Taliban, the US administration published its anti-terrorism strategy, titled, “National Strategy for Combating Terrorism.” The US objectives outlined in the document like, defeating the terrorists and their organisations, deny sponsorship, support, and sanctuary to terrorists at the global level, thus, expanded the scope for the Global War on Terror far beyond Afghanistan and made it truly global. More importantly, the US could unite for this purpose almost everybody who matter in the international arena.

The 9/11 attacks and the consequential Global War on Terror has affected the world profoundly and it will continue to do the same for some time to come, no matter how one looks at these. Differing views on terrorism and the ongoing Global War on Terror, their different aspects, global impact and prospective consequences, and so on are only natural and are indicative of the vitality and the significance of the Global War on Terror in shaping the prevailing international order.
For us in South Asia, the Global War on Terror, its impact on the region has been and will continue to remain very high for a long period of time. Both as a possible locale of its origin as well as the scene of the immediate war on terror, the countries in South Asia have suffered the worst consequences of these developments. While Bangladesh or any Bangladeshi had no involvement in the 9/11 attacks and the focus of the War on Terror was concentrated far from Bangladesh, the country had to suffer some indirect consequences, set-backs in apparel export to the US, the country’s largest market, being of serious concern to its policymakers. Though, Bangladesh could soon recover from the post-9/11 shock as its relations with the US have been deep-rooted and Bangladesh soon appeared as an important ally of the US in its Global War on Terror.

Over the years, along with the war on terror, climate change and the military use of space have emerged as the two other important strategic policy issues. While the military use of space has little direct relevance to Bangladesh, the climate change and its possible impacts are of vital importance to the country. The degradation of environment as a threat to the security of human being in its individual, social and corporate existence is assuming an increasingly alarming nature. The threat is all embracing. It concerns everybody and every country of the world, while its intensity may vary from country to country. On the positive side, increasing degradation of environment of the planet has already attracted wider attention on the issue on the part of academia, media, statesmen as well as the conscious people all over the world. In order to resolve the development versus environment dichotomy, the central objective has already been identified as “to meet the need of the present without compromising the ability of future generations to meet their own need.” Mankind has also expressed tremendous determination to face the environmental challenge collectively through concerted efforts at the national, regional as well as global levels.

The environmental challenges posed to Bangladesh emanate considerably from the regional and global sources. Regional sources include withdrawal of waters from the Bangladesh-India common rivers by India and an intensified process of deforestation around Bangladesh. Global sources include, the emission of green
house gasses and consequential global warming and resultant increase in the frequency and ferocity of natural calamities. Therefore, while the mobilisation of national efforts with a view to facing the challenges is indispensable, their success would significantly depend on the actions taken at the regional and global levels. In this regard, the role played by the international community and the country's ability to involve the neighbours in co-operative endeavours would be of crucial importance.

While the global security scenario continues to be dominated by the on-going war on terror with the US on the driver's seat, the world's security architecture seems to be on the threshold of a kind of change. Such an impression is created by the vivid manifestation of "the profound loss of authority suffered by the United States." The process of the loss of US soft power and consequential erosion of its authority over the international system that began since its invasion of Iraq continued unabated. It began as resentments against the policies of Bush administration like, Bush Doctrine. However, anti-Bush Administration sentiments has, in course of time, "mutated and strengthened into a broader anti-Americanism." According to a highly authoritative account, by now, "The weak pillar in the world's security architecture was plain to see, and leaders across the globe sought to take advantage, or to protect themselves from the consequences." In the changed context, some countries, Iran for instance, found an opportunity to flex their muscle in international affairs. Russia is cautiously asserting its identity as a global power. China is also following the suit as it does not feel itself much vulnerable to US pressure. Some Latin American countries, Venezuela, Brazil, Bolivia and Ecuador for instance, found an opportunity to defy the US with a remarkable impunity.

All these are serving as encouragement for the anti-US forces of various kinds to raise head that have, so far, remained subdued by the overwhelming projection of might by the US and its authority in international arena. The US allies, in an attempt to protect themselves from the consequences of the loss of US authority in international arena, displaying less and less enthusiasm in following Washington's policies that are widely discredited or even trying to distance themselves from the Bush Administration that has become quite unpopular at home and abroad. While the US
still remains lone super power or hyper power, as some would like to call it, the loss of authority suffered by the US in the international arena is literally profound. If the trend continues unabated, it may, at a stage revive the post-Vietnam image of the US.

The policymakers in Washington, as it appears, remain aware of the recent trends towards declining US authority in international arena. They also must be aware of the fact that militarily, economically and politically the US remains the single-most dominant power in the world and it is likely to remain the same in the foreseeable future. So instead of being unduly concerned, the Bush Administration is trying to control the damage by projecting “a more rational and conciliatory face, far removed from the naked assertion of American power....” In the circumstances, predominant view among the academic circle is that the, for the US, undertaking any new military adventure as prescribed by the Bush Doctrine is simply unfeasible both politically and militarily.

Meanwhile, the US is marching towards the Presidential Elections. One of the presidential candidates is promising radical change at home and abroad. To the outside world, allies and adversaries alike, the US Presidential Elections, thus, generated considerable interest. In the circumstances, nothing is likely to change significantly until the US changes its guard in November 2008 and, thus, chart a course for the future. So, whether and how far the world’s security architecture would change would depend crucially, though not exclusively, on the kind of leadership change that the US people would opt for. Whatever may be the nature of change in the security architecture of the world, it would have profound impact on Bangladesh due to the country’s multifarious linkages with and a high degree of dependence on the international system.

3.2.2 South Asia: Simultaneous Prevalence of Conflict and Cooperation

South Asia has been beset with numerous interrelated domestic and inter-state conflicts deeply rooted in its colonial past as well as the dynamics of the post-colonial development of South Asian societies. All these have deprived the region of a regional organisation for a rather long time. At last when in 1985 the South Asian leaders were able to initiate a process of regional co-operation
under the framework of SAARC, their central objective was to initiate the process of regional co-operation amidst mistrust and conflicts in the hope that regional co-operation would generate a dynamism of its own in the process of which mutual confidence could be built, conflicts and disputes could be resolved or, at least, properly managed minimising their damaging impact. Since then, the simultaneous prevalence of conflict and cooperation has been the two major determinants of regional security situation in South Asia. Therefore, in evaluating the security scenario in South Asia, along with the issues pertaining to the domain of security as such, it is also necessary to refer to the ongoing process of co-operation at the regional level. Hence the process of regional cooperation under the framework would be discussed elsewhere in the chapter attention would be on the issues shaping the security scenario in South Asia. These are divided into following three categories:

i. Divergent politico-security perceptions and priorities;

ii. Bilateral controversies and contentions; and

iii. Indo-Pakistan conflict.

The three categories of issues as outlined above also reflect the main features of the prevailing security architecture of South Asia. Firstly, the overwhelming predominance of India in terms of size, population, economic and military power and so on vis-à-vis its regional neighbours generated divergent perceptions of security between New Delhi, on the one hand, and its smaller neighbours, on the other. Secondly, bilateral conflicts between India and its smaller neighbours became highly asymmetric in nature. Thirdly, Indo-Pakistan conflict, essentially a bilateral one, deserves separate attention due to its nature, intensity and magnitude and, more importantly, its ability to determine the environment in South Asia with regard to conflict and co-operation. Hence, Indo-Pakistan conflict reflects a specificity of South Asian security architecture.

The years since the emergence of SAARC have shown how swiftly politics in South Asia can oscillate between hope and despair, conflict and cooperation, combativeness and constructive diplomacy. Despite enormous difficulties suffered by South Asian countries in their mutual relationship, SAARC achieved remarkable progress in concluding a host of agreements with a view to moving towards
substantive areas of cooperation. In reality, however, the concrete achievements of SAARC, in terms of fostering either regional co-operation or friendly relations among the member-states, were insignificant. A regional politico-security environment full of suspicion and mistrust, and a host of bilateral contentions and conflicts among the member-states have constantly overshadowed the process of regional cooperation within the framework of SAARC, occasionally, paralysing the activities of the organisation.

Over the recent years, India’s relations with her smaller neighbours, continue to oscillate between improvement and deterioration. However, the overall trend is towards a slow improvement of relations between India and her smaller neighbours. Relations between Nepal and Bhutan continue to remain tense. However, it is the Indo-Pakistan relations that traditionally served as the barometer of regional environment regarding conflict and cooperation. The Indo-Pakistan peace process entered it’s forth year with no remarkable progress. Meanwhile, Pakistan was plunged into almost near political chaos in the process of which the country’s most popular leader Benazir Bhutto was assassinated in rather mysterious circumstances. Such a chaotic political process virtually debarred Pakistan from paying any due attention to the Indo-Pakistan peace process.

To sum-up, security architecture in South Asia as depicted at the beginning of this sub-section did not evince much change. As discussed, political environment in South Asia often oscillates between conflict and cooperation. Certain moments in South Asia’s history are characterised by a tilt towards one or the other. One of the specific characteristics of the current politico-security environment in South Asia is that it is tilted towards neither. Such a situation offers an opportunity to the South Asian leadership to take initiative for strengthening the process of regional cooperation under the framework of SAARC. This Also remains the most difficult challenge of our time.

3.2.3 Indo-US Strategic Partnership: Implications for Bangladesh

Over the last couple of years, the relations between the US and India have witnessed a number of significant developments. Perhaps, the most remarkable among these are the Next Steps in
Strategic Partnership (NSSP) of 2004 and the civilian nuclear agreement of 2006. The emerging Indo-US 'strategic partnership' introduces a new dimension in South Asia. It is expected to help accelerate India's rise as a major power in the regional and global arena. The most pertaining question, in this regard, is how it would affect Bangladesh. Following is an attempt to understand the background, nature and dynamics of Indo-US strategic partnership and its implications for Bangladesh.

**Indo-US Strategic Partnership: Background, Nature and Dynamics**

Indo-US relations are undergoing a remarkable transformation. A sequence of developments of global significance, namely, the end of the Cold War and the demise of the Soviet Union, the emergence of a unipolar world, the process of globalisation, the ongoing war on terror and concomitant response of the US and India to these, and related developments have effectively eroded the old stereotypes that characterised Indo-US relations. With the end of the Cold War, the Non-Aligned Movement (NAM) has lost much of its relevance and dynamism. Russia, the successor state to the Soviet Union no longer seems to be capable or inclined to respond to the politico-economic or security needs of India. All these have increased the significance of the US in pursuit of India's regional and global ambitions. The same factors coupled with the steady rise of China and the emerging partnership between Russia and China significantly increased the importance of India in US policy towards South Asia and beyond. While Pakistan still remains an important ally of the US in the ongoing war on terror, India's importance significantly outweigh that of Pakistan.

In the light of the above, Indo-US relations are taking the shape of a strategic partnership embracing almost all aspects of interstate relations. The ongoing process of strengthening relations between India and the US is motivated by a host of mutual interests of political, economic, and military-strategic nature. In this respect, the US has larger strategic interests in India in different spheres. Firstly, the issue of rising China has become an issue of serious concern to the US foreign policy. The US considers China as a potential threat to its lone super power status in the contemporary world. In this respect, the US perceives that a stronger India will
help to contain China.\textsuperscript{17} The US expects that India would be a natural partner of the US in the global war against terrorism, which will also help the US to work closely with India on the issues of terrorism in South Asian region as well as in the international arena.\textsuperscript{18} Thirdly, India and the US have common political, strategic and energy interests in South and Central Asia. Fourthly, India’s rapidly expanding market is of significant interest to the US. Fifthly, energy is a driving force towards forging cooperative relations between the two countries.\textsuperscript{19}

On the other hand, India considers that a strategic partnership with the US will fulfil India’s multidimensional strategic vision in the region as well as in international arena. Firstly, India considers that it does not enjoy a status in the international arena befitting to a nuclear power. Hence, India hopes that its strategic partnership and nuclear deal with the US would give it the desired status as a nuclear power. Secondly, India’s ever growing demand for energy persuaded it towards forging the strategic partnership with the US. India is currently the world’s sixth largest energy consumer\textsuperscript{20} and, by 2020, India may become the fourth largest consumer of oil, following only the United States, China and Japan.\textsuperscript{21} In this respect, India expects that its strategic partnership with the US will help to satisfy its rapidly increasing energy needs, since the larger part of world’s energy resources are either directly or indirectly remain under the US control. Thirdly, the partnership with the lone super power will increase India’s influence in the region as well as in the international arena.\textsuperscript{22} Fourthly, a close partnership with the US would strengthen India’s position in the region, particularly \textit{vis-à-vis} its regional antagonist Pakistan. Fifthly, India expects that her partnership with the US will increase its manoeuvrability \textit{vis-à-vis} China. Sixthly, India is trying to upgrade its international stature through acquiring a permanent seat in the United Nations Security Council. For this, the support of the US is indispensable. Seventhly, India’s technological and economic drive at home and its persistent efforts at penetrating the markets of the developed countries are also pushing India to develop mutually beneficial scientific and technological as well as economic relations with the US.
While the Indo-US partnership covers a wide range of diverse issues, formally more emphasis has been on three specific areas: civilian nuclear activities, civilian space programmes and high-technology trade. In addition, the two countries agreed to expand dialogue on missile defence. They formulated the progress of cooperation through a series of reciprocal steps, called ‘Next Steps in Strategic Partnership (NSSP).’ After declaring the NSSP, President Bush said:

The proposed cooperation will progress through a series of reciprocal steps that will build on each other. It will include expanded engagement on nuclear regulatory and safety issues and missile defence, ways to enhance cooperation in peaceful uses of space technology, and steps to create the appropriate environment for successful high technology commerce. In order to combat the proliferation of weapons of mass destruction, relevant laws, regulations, and procedures will be strengthened, and measures to increase bilateral and international cooperation in this area will be employed.

Since the signing of the NSSP, both countries have been increasing their relationship in this respect. The first step in NSSP was completed in September 2004. Since then, the US approval rates on giving licences to Indian entities for dual-use technology have been significantly increased. As a result, in 2004, out of 1000 Indian entities’ applications, 912 got licences and the trade in dual-use technology jumped from US$57 million in 2003 to US $90 million in 2004. Between October 2004 to January 2005, 176 applications for high-end dual-purpose technology were approved out of 185. In addition, the NSSP gave a new framework for Indo-US cooperation in different sectors.

The issue of nuclear deal is the core of Indo-US strategic partnership. It introduced a deep-seated change in Indo-US relationship. During President Bush’s visit to India, on 2 March 2006, India and the US signed a nuclear deal envisaging the US willingness to provide India with nuclear technology and fuel. The US Congress approved the deal on 16 November 2006. In addition to the nuclear deal, both the countries are committed to a comprehensive cooperative effort to ensure common strategic and security interests.

During Indian Prime Minister Manmohan Singh’s visit to the US, on 18 July 2005, both the countries concluded a number of agreements to foster closer cooperation on a wide variety of areas. They have decided to form US-India Chief Executive Officers
(CEOs) Forum, comprising selected CEOs from both countries, with a mandate to develop a roadmap for increased partnership and cooperation between the two countries at business level. Both the countries are working together to support the creation of innovative, dynamic, knowledge-based economies. Both the countries are also working together to meet India's rising demand for energy by looking at new technologies to produce clean, safe, and reliable energy. Based on their common values and interests, the US and India have affirmed their joint commitment to promote freedom and democracy, and assist the countries in transition. To sum-up, the Indo-US strategic partnership embraces almost all aspects of interstate relationship, military-strategic, socio-economic, politico-cultural, scientific-technological and so on. The interaction between them at different levels has increased dramatically. Finally, the development of relations between the two countries is witnessing a process of unprecedented dynamism.

**Indo-US Strategic Partnership: Implications for Bangladesh**

The US has become the single-most influential extra-regional power in South Asia in the post-Cold War period. Hence, the US policy towards South Asia affects all the issues of significant importance in the region. Therefore, all the countries of this region have been eager to have close cooperation with the US. However, because of India's strategic significance as discussed above, the US has given more priority to India in its South Asian policy. Other global actors with significant importance in South Asia namely, EU, Japan, China and the likes also displayed a preference for India while developing relations with the regional countries.

India's ambition to be the predominant power in South Asia is deep-rooted and longstanding. The Indo-US partnership has certainly further elevated the stature of India in the region and beyond. It has also elevated the self image of India. As an Indian analyst observes, "India is arriving on the world stage as the first large, economically powerful, culturally vibrant, multiethnic, multi-religious democracy outside of the geographic West. As it rises, India has the potential to become a leading member of the 'political West' and to play a key role in the great political struggles of the next decades."
Furthermore, the partnership with the US will ensure a new status for India in the international arena. It will ensure India's more active role in the international organisations. India could have the opportunity to play a more important role in the UN. India's more engagement in the international arena will ensure enhanced economic and strategic standing of the country. From a strategic point of view, India could be a more active global player. Therefore, its warm relations with the US can influence international community, developed countries in particular, to intensify their interaction with India in terms of trade and economic relations.

In view of the prevalence of divergent security perceptions and bilateral contentions between Bangladesh and India to be discussed elsewhere in the paper, it is only natural that Bangladesh would be concerned with the prospects of sudden rise in India's stature in the region and beyond. What the country can do is to minimise the cost of living with resurgent India through effective diplomatic measures. Such a policy is to be facilitated by the fact that whether it concerns the divergent security perceptions or the bilateral concerns Bangladesh-India relations could only be managed through diplomatic means. This leaves considerable manoeuvrability for Bangladesh in its dealings with India.

Indo-US partnership and the resurgent interest of other global actors namely, EU, Japan and China in India and South Asia also may have a positive impact. This promises to bring enormous opportunity to the regional countries, including Bangladesh, in terms of the intensification of the trade and economic activities between South Asian countries, on the one hand, and the extra-regional economic giants as mentioned above, on the on the other.

This also opens another option for Bangladesh namely, concentrating efforts on reinvigorating the SAARC process. For this, economic rationale has always been quite strong. It is necessary to cultivate political will on the part of the concerned parties. Regarding the future of SAARC, a positive development is the inclusion of a number of powerful observers namely, USA, China, EU and Japan. There are indications that they may exert influence with a view to advancing their global agenda and reinvigorating the process of SAARC. The role of observers could be articulated in a way that they can contribute significantly to the
SAARC process. As already discussed, the US may seek to build India as a counterweight to China. Other SAARC countries need to be aware of this geo-strategic implication of SAARC and modulate policies to keep SAARC out of this trap.

3.3 BANGLADESH DIPLOMACY: A REVIEW OF OBJECTIVES AND CHALLENGES

Foreign policy of Bangladesh, like that of any country, is basically an instrument for mobilising material and political support in the international arena with a view to achieving the socio-economic and political objectives of the country. In studying foreign policy of any country, the ongoing process of socio-economic and political development of the country which ultimately determines the tasks of foreign policy is of crucial importance. Hence, the understanding of the process of development in a given country is a sine-qua-non for evaluating the purpose of its foreign policy and its effectiveness as an instrument of achieving national goals. In our attempt to identify the objectives of foreign policy and explore the available options to meet these objectives, we would, therefore, concentrate our attention on analyzing the domestic context of foreign policy. This would be followed by an attempt to probe into the linkages between foreign policy and economic diplomacy and, in this regard, evaluate the tasks ahead. Then, a plethora of challenges faced by Bangladesh in its pursuit of diplomacy would be highlighted, while a number of these challenges would be singled out for exploration.

3.3.1 The Developmental Challenges

Foreign policy can be defined as a strategy or planned course of action developed by the decision makers of a state vis-à-vis other states or international entities aimed at achieving specific goals defined in terms of national interests. In pursuit of their foreign policy, the nations recognise no ‘eternal allies’ or ‘perpetual enemies’. They single-mindedly seek to augment national interest which alone is eternal and perpetual. The tasks of foreign policy of any country are determined by the domestic realities making foreign policy an extension of domestic policy. Being largely subservient to domestic policy, foreign policy is assigned to muster international support and to make international environment favourable to the fulfilment of national goals. Therefore, attempt
to identify the tasks of foreign policy of Bangladesh would be
premised on the analysis of the national objectives. In this regard,
our focus would be the broad aspects of socio-economic and political
condition of the country which represent the primary driving force
for our diplomacy.

The political process in Bangladesh has always been a rather
volatile one marked by recurrent crises. The country is being run
by a caretaker government that is committed to transfer power to
a democratically elected government by the end of 2008. While, at
the moment, there is no visible insurmountable obstacle, Bangladesh’s
march towards democracy is likely to be difficult and could even be
painful. An array of reasons could be cited in favour of such a
prognosis. Economic and political institutions of the society are
highly underdeveloped. Only a small segment of the population is
politically conscious and involved in modern economic activities.
The vast majority remains illiterate and the level of their political
consciousness and participation leaves much to be desired. They
live in absolute poverty and are yet to be drawn to the modern
economic activities. Some of the country’s important minorities are
yet to become fully integrated with national mainstream.

On the other hand, economy, society and the polity are
undergoing radical transformation. In this regard, one of the
significant phenomena is the revolution in rising expectations.
Over the years, exposure to modernisation coupled with the
revolution in communication generated great expectations among
masses of population with regard to prosperity, freedom and good
governance which the leadership could hardly fulfil. The country
is, thus, posed with the formidable challenge of telescoping the
socio-economic progress achieved in the relatively advanced
countries. If we take the past as a guide to the future, it could be
asserted with some certainty that political stability as well as the
future of the on-going democratic process in the country would
depend primarily, though not exclusively, on the success in
managing the economic challenges. Our attempts, therefore, would
be made below to identify the economic tasks facing the country.

During the last five years, Bangladesh’s GDP growth rate
hovered around 6 per cent. According to the Poverty Reduction
Strategy Paper’s (PRSP) projection, Bangladesh will be able to
achieve the Millennium Development Goals if it achieves a GDP growth of 7 per cent or more. In the fiscal year 2006 real GDP growth rate was 6.6 per cent, the same in the fiscal year 2007 stood at 6.5 per cent.\textsuperscript{35} Therefore 7 per cent or higher growth rate is achievable within next few years. Gross Domestic Investment in Bangladesh in 2007 has been 25.3 per cent of GDP.\textsuperscript{36} The ratio has increased during the last five years.\textsuperscript{37} There is, thus, indications that Bangladesh economy is at take-off position. An important point, in this regard, according to the World Bank, Bangladesh could join the list of “middle income” countries in ten years.\textsuperscript{38}

In the circumstances, from developmental point of view, Bangladesh is faced with both, difficult challenges as well as enormous opportunities. In this regard, achieving a higher growth is an imperative for the economy to build a capacity to effectively tackle Bangladesh’s extreme poverty problem. Increase in the overall growth of the economy would influence not only poverty alleviation and employment creation; it would also help bridge the gap between export and import, increase gross domestic savings and investment and thus, reduce external dependency. Most of this increase needs to come from the private sector, domestic as well as foreign. It is also important that investment takes place in activities with the greatest potential for creating a dynamic and efficient economy in line with the country’s comparative advantage and poverty alleviation needs. In this respect, export-based and labour-intensive growth is crucial to achieve sustained increase in growth and employment opportunities. This remains the single-most challenging task before the nation.

The delicate balance between human power and environment maintained through millennia is being destroyed rapidly and severely because of unrestrained and unplanned exploitation of the nature by men. The consequence is a disastrous environmental degradation which is resulting into deforestation, desertification, soil erosion, air and water pollution, and so on. Only a very few states are faced with environmental challenges that could be compared with the one faced by Bangladesh. Bangladesh is a flat alluvial plain with an average elevation above sea-level of only 10 meters into which flow no less than 54 rivers and all of them flow in to the country from India. These include two of the three mightiest rivers of South Asia—the Ganges and the Brahmaputra—which
converge in the centre of Bangladesh and empty into the Bay of Bengal. In case of common Bangladesh-India rivers two types of natural problem are equally operative: too little water during the dry season and too much flood water during the monsoon. The annually recurring devastating floods followed by no less devastating drought have, from time to time, put the very survival of Bangladesh at stake. The country is, however, unable to design and implement much needed water resources management and development projects without the active cooperation of India, the upper riparian state, since the key to the control of these flows lies with the latter. Such a situation puts Bangladesh virtually at the mercy of its giant neighbour. A settlement of the issue is of vital necessity to Bangladesh and it remains one of the most challenging tasks facing the country’s foreign policy. Non-cooperation and unilateralism on the part of India make the situation very complex and difficult for Bangladesh diplomacy.

In addition, Bangladesh remains constantly vulnerable to devastating cyclones, tornadoes and tidal bores. In the past, such calamities have taken the lives of hundreds of thousands of peoples and destroyed properties worth hundreds of millions of dollars. Bangladesh is also one of the countries which will be among the worst victims of sea level rise. Therefore, environmental threats constitute a major concern to Bangladesh. The very magnitude of the problem has rendered Bangladesh virtually helpless. Mobilising international support for facing environmental challenge is another vital task.

3.3.2 Foreign Policy and Economic Diplomacy: The Tasks and Challenges

While the challenges outlined above are national and should be faced primarily through domestic efforts, foreign policy of the country and its external relations could as well be of crucial importance. It is primarily because of the fact that the world is highly interdependent. No country, no economy—small or big—can survive in isolation in the face of the ever escalating process of globalisation. More important, external economic relations—foreign trade, investment, scientific and technological cooperation etc.—are increasingly becoming more and more powerful instruments of socio-economic advancement. For countries like
Bangladesh, export of manpower is as well an important factor contributing to the developmental process. The role of foreign policy in achieving socio-economic goals of the country, therefore, could hardly be overstated.

Thus, foreign policy is being increasingly used worldwide as a device of moulding and influencing the policies of other states with a view to maximising economic benefits. This dimension of diplomacy, more often regarded as ‘economic diplomacy’, is gaining more and more importance in attaining the broader economic goals of states at the global level. As it became evident from the policy statements of successive governments in Bangladesh, the potential role of diplomacy in the fulfilment of the country’s socio-economic tasks is being increasingly realised. A host of domestic predicaments and constraints faced by the country sets its agenda for economic diplomacy. These are: inadequate domestic resources for economic development; scarcity of capital in international market; the need to diversify trade relations, to strengthen the position in the existing markets and to explore new markets for export; the necessity of exporting manpower; the need for appropriate technology to boost her industrialisation and modernisation efforts, and the need to make the developmental process environmentally safe. In more concrete terms Bangladesh’s economic diplomacy may concentrate its efforts on the following areas:

i. maximising the benefits of globalisation and ameliorating the adverse impacts on Bangladesh;

ii. trade promotion, with particular emphasis on the promotion of export and the diversification of trade relations;

iii. foreign investment and joint ventures;

iv. export of manpower;

v. cooperation in the field of energy;

vi. sustenance of the current flow of foreign aid, with particular emphasis on the diversification of the sources of aid and ameliorating adverse conditionalities;

vii. enhanced scientific and technical cooperation;

viii. collaborative research in relevant fields;

ix. appropriate advanced technology, including training and technical know-how;
x. protection of environment and managing the adverse impacts of climate change through international cooperation.\textsuperscript{39}

For Bangladesh, it is imperative to assign its diplomacy to promote multifarious economic cooperation with individual countries, regional groupings as well as international organisations, with a view to taking the maximum advantage of the contemporary international division of labour. While such a realisation is very strong, including among the decision makers at the top level, and some efforts were as well initiated with a view to achieving these goals, very little has been achieved in concrete terms. The expansion of trade with the countries of Asia-Pacific region, Japan and the Newly Industrialised Countries (NICs) of the region in particular, took place at the expense of a huge deficit against Bangladesh. In terms of attracting investment from these countries as well, achieved level remains far short of the country's potentials. Similarly, efforts aimed at promoting existing markets for Bangladeshi goods and exploring new ones in the West also bringing less than desired results. More importantly, Bangladesh is yet to devise concrete policy measures designed to face the post-WTO challenges in international trade. At stake remains the garments industry—the most dynamic sector of the industry which generates more than 76 percent of the country's total export earnings. Raising alarm signals about losing preferential access to developed markets or losing markets because of ILO conventions will not be enough. Concrete ways and means must be devised and the component of the policy package should be productively employed with missionary zeal.

3.3.3 Pursuit of Diplomacy: Plethora of Challenges

Pursuit of diplomacy is always a highly delicate and challenging undertaking. For a country like Bangladesh, particularly due to the predicaments faced by it in the process of domestic socio-economic and politico-cultural development, these challenges even become more difficult. To this is added the fact that the contemporary international order is undergoing a highly dynamic process of change on which actors like Bangladesh could hardly exert any kind of influence. Thus, whenever any change takes place in the rules of the game or the behaviour of the actors, powerful ones in
particular, actors like Bangladesh are to undergo the painful process of adjustment and readjustment of its institutions and policies particularly those related to the pursuit of diplomacy.

Thus, the tasks of foreign policy and economic diplomacy faced by the country are by themselves vast, multifarious and multidimensional, and hence, highly difficult. More importantly, these are to be pursued in an ever-changing, often unpredictable and highly difficult international system. It is, therefore, not surprising that Bangladesh faces a plethora of formidable challenges in pursuit of its diplomatic objectives in the international arena. To name a few, these are: formulating appropriate policies, preparing domestic institutions and actors, proper understanding of the international environment and relevant actors, devising ways and means of facing the challenges, adverse situation in particular, dealing with diverse actors, powerful ones in particular and so on. The list could be enlarge further and further revealing the fact that the challenges faced by a country like Bangladesh in pursuit of its diplomatic goals in international arena are literally vast. Since all these could hardly be discussed within the limited scope of this paper, we would concentrate on three issues that constitute significant challenges to Bangladesh diplomacy. These are:

i. Adequate preparation by and coordination among domestic actors;

ii. Public diplomacy and image building; and

iii. Managing asymmetric relationship.

Adequate Preparation by and Coordination among Domestic Actors

In the backdrop of a process of all-pervasive interaction among the nation states, international/multilateral bodies, a wide diversity of transnational organisations and so on in the context of globalization wave, foreign policy and external relations can no more remain the exclusive domain of the traditional foreign policy establishment—Ministries of Foreign Affairs, Defence, Finance, Commerce, Manpower etc. alone. In the conduct of foreign policy and external relations, contribution on the part of the all or any of the individual ministries/government departments often becomes a necessity on the basis of concrete requirements. Such concrete targets may be
defined by domestic dynamics—socio-economic, politico-cultural—as well as evolving complexities in the international arena. These may include the impact of scientific-technological revolution on the nature and dynamics of international economic relations. Change in the correlation of forces or in the pattern of alliance relationship at the global level and so on.

In the circumstances, the creation of new ministries/departments or overhauling the old ones often comes to the forefront. This needs to be done cautiously and purposefully basing the decisions on the careful study of the ground reality. In this regard, pinpointing the emerging requirements is often an essential but difficult task. For instance, trade in services has traditionally been a miniscule of the overall volume of trade. Over the years, however, this has come to constitute about 30 percent of the contemporary global trade. This has not yet drawn the attention of the policymakers. As a consequence, trade in services is carried out by more than ten ministries in Bangladesh, while no ministry is in charge of the formulation and implementation of overall policy regarding the trade in services. If anything goes wrong, it is difficult, in cases, even impossible to determine the responsibility and accountability of any particular ministry in this connection. This is just an example. Such issues need urgent policy attention.

Complex and dynamic nature of issues and actors, and interaction among them in the contemporary international arena earnestly require appropriate capacity building within all the ministries/government departments on relevant foreign policy issues. Central to this remains the development of expertise on a wide range of foreign policy issues. While the need for capacity building to deal with the traditional foreign policy issues is understood, often the necessity of appropriate capacity building to deal with the non-traditional foreign policy issues is rarely recognised. For Bangladesh, such a non-traditional foreign policy issue of crucial importance to the nation is the export of manpower and pertinent complexities. In terms of capacity building, along with the traditional areas of diplomacy, non-traditional foreign policy issues of significant importance to the nation also deserve adequate attention.

Another dimension of capacity building is the development of specific skills to deal with challenges faced by the foreign policy
establishment of the country. In this regard, the development of negotiation skills is a crucial point. Negotiation remains the most popular and most effective form of pursuing diplomatic objectives irrespective of whether the objective is resolving conflict or fostering co-operation at the bilateral or multilateral level. Through improved negotiation skills a party can use some form of influence to get a better deal, rather than simply taking what the other side will normally give. No less important, the lack of appropriate negotiation skills may result in the country being deprived of its legitimate share while dealing with even friends, not to speak of adversaries.

The need of teamwork, more precisely, cooperation and coordination among different ministries and departments is assuming more and more importance. In course of time, ever increasing number of actors is being involved in the conduct of foreign policy and external relations. Similarly, this sphere of statecraft is also including ever increasing number of issues. It is in this light that the formation of a high powered Cabinet Committee on foreign policy, economic diplomacy in particular, is a need of the time. It would be designed to perform two fundamental tasks. Firstly, it would formulate policies in the field of economic diplomacy and related foreign policy issues through better coordination among the relevant ministries. Secondly, it would serve as a watchdog overseeing the implementation of these policies. In this regard, however, the mandate of the Committee will have to be clearly defined by the Cabinet. The Committee may include Finance Minister, Foreign Minister, Commerce Minister and Industries Minister as well as Finance Secretary, Foreign Secretary and Commerce Secretary. The most senior minister may chair the Committee, while Foreign Secretary may serve as member-secretary. Other relevant ministers and secretaries may be invited by this committee on issue basis. Such a committee, if works properly, would help concretely articulate the foreign policy objectives of the country, devise appropriate ways and means of achieving these objectives and add considerable dynamism to the country's diplomacy.

The conduct of foreign policy and external relations also involves a wide diversity of non-state actors: business community, a variety of transnational organisations, NGOs and so on. Most of the
activities of these organisations remain outside the purview of the government. This added considerable complexity in contemporary international relations making the tasks of the foreign policy establishment remarkably difficult. In order to deal with the challenges emanating from the above, continuous dialogue and coordination between the foreign policy establishment, on the one hand, and the whole gamut of non-state actors is an essential requirement.

Finally, the inclusion of a wide range of actors and issues in the domain of foreign policy and external relations has in no way diluted the role of the traditional foreign policy establishment, the Ministry of Foreign Affairs in particular. Instead, the changed matrix in contemporary international relations has further reinforced the role of the foreign policy establishment in facing the challenges starting from the micro to macro level.

Public Diplomacy and Image Building

Bangladesh emerged as a nation-state through long years of struggle and a glorious Liberation War earning the respect and sympathy of virtually the whole world for the heroism displayed and the sacrifices made. Since independence in 1971, the country has achieved considerable progress in many areas like increasing growth rate, poverty alleviation, literacy and gender development and so on. Today, concepts like microcredit, non-formal education and the likes that had emanated from Bangladesh, are transforming not just the societal landscape of this country, but also altering other societies by reducing poverty and empowering women. A large number of countries in Asia, Africa and Latin America are emulating Bangladesh’s micro credit programme, NGO experiences and the likes to improve the quality of life of their people.

All these have added certain degree of soft power and a considerable amount of social capital to Bangladesh. While these significantly assist Bangladesh in facing the complex challenges of the contemporary world, the country also faces certain degree of adversity with regard to its image in the international arena. While partially, this emanates from some deficiency and deformity within the society and polity in Bangladesh, partially, it is also caused by adverse propaganda resulting from lack of information/
knowledge about certain aspects of Bangladesh. Unfortunately, adverse propaganda campaign against the country is also launched with ulterior motives by both state and non-state actors.

In more concrete terms, from time to time, attempts were made by different quarters to point finger on Bangladesh as a possible playground of the Islamic fundamentalist and/or terrorist forces. While certain developments within the country lent credence to such anti-Bangladeshi propaganda, Bangladesh, from the very beginning, has been an important ally of the US in its Global War on Terror. The country is facing image problem in a number of other areas as well. These are: wide-spread poverty, corruption, lack of good governance, absence of rule of law, environmental vulnerability and so on.

For Bangladesh, to fulfill the tasks of its foreign policy as outlined above, a positive image in the outside world is a \textit{sine qua non}. Hence, there is no alternative to taking steps in order to enhance the image of the country. In the positive side, there is also ample scope for the country to enhance the image through appropriate steps. In more concrete terms, Bangladesh may take following steps for furthering its image. Firstly, at the national level, Bangladesh needs to institutionalise democracy through appropriate reform measures. Political chaos and lack of good governance are severely tarnishing the image of the country in the international arena. Secondly, widespread corruption at almost all levels create an image of Bangladesh that detracts almost everybody interested in mutually beneficial cooperation with Bangladesh. Eradication of corruption is, thus, an immediate task of the nation. Thirdly, governance deficit generated by the lack of transparency and accountably is a serious concern. Hence, the ensuring transparency and accountably in the process of governance at all levels would upheld the image of the country to the extent of attracting potential partners for multifarious cooperation. Fourthly, Bangladesh needs more concerted and careful efforts at facing its perennial poverty, malnutrition, natural disasters and so on. In facing all these challenges, Bangladesh may solicit assistance from the international community. Such an effort as well would contribute in creating a positive image of the country.

Facing adverse propaganda is a difficult but not unattainable task. In this regard, while government efforts are of crucial
importance, efforts on the part of rest of the society are no less important. Self-image of a country significantly influences its image abroad. In this backdrop, creating a positive image of the country abroad could only be done with the participation of all segments of the populace. In this regard, discord, disagreement, debate and so on in any society, if handled cautiously in a democratic spirit, would not remain liabilities any more. These could be transformed into great assets in the process of building a positive image of the nation abroad. Another important factor, Bangladeshi professionals abroad can be encouraged to project a positive image of the country.

In contemporary world, positive image is an asset for any country. A positive image ensures powerful presence of a nation in the international arena. It opens huge opportunities for the citizens of a nation to articulate their future. On the other hand, a negative image hampers the progress and prosperity. Bangladesh has huge potentials in the coming days. In this respect, it is important to project a positive image of Bangladesh to the international community. The best way of projecting a positive image of the country is doing the same through address the issues which are creating negative image for the country. In this context, the Public Diplomacy aspect of foreign policy of Bangladesh deserves more focused attention and perhaps the External Publicity Wing of the Foreign Ministry may need more resources and precise targets for operations.

**Managing Asymmetric Relationship**

Asymmetry in power, asymmetric national perceptions, interests and priorities and the management of challenges arising out of these are as old as the history of international relations. In case of Bangladesh, the disparity in capacity and resultant asymmetric relationship has three dimensions. Firstly, at the regional level, the country faces its giant neighbour, India, that overwhelms her many times in terms of area, population, resource base, economic strength, military might etc. Secondly, Bangladesh, a developing country, is faced with a host of crucial trading/development partners who are the decisive factors in world economy and international politics. Thirdly, the country is to interact with a host of powerful international/multilateral institutions, financial ones in particular, who dominate the contemporary international
system. Following discussions on managing asymmetric relationship in the context of Bangladesh would be focussed on these three dimensions.

As already indicated, the huge disparity in physical endowment overwhelmingly favour India vis-à-vis not only Bangladesh but all the SAARC countries taken together. As a study shows, in most respects, India is many times larger than the rest of South Asian countries taken together. India has 77 percent of the population and 72 percent of the total area of SAARC. It has 84 percent of the arable land and land under permanent crops, 81 percent of forest and 69 percent of irrigated land. In terms of mineral resources also the picture would not be much different. Technologically and militarily as well India by far surpasses the standing of other regional countries. While in terms of per capita GNP and average quality of life, India lags behind some of the smaller SAARC countries, its total GNP surpasses that of the rest of SAARC countries taken together.

In the above backdrop, relations between Bangladesh and India are characterised by the parallel existence of two opposite trends: conflict and cooperation which would be discussed somewhere else in the paper. Suffice it to mention here that the proper management of persistent conflicts and an emerging process of cooperation between the two countries are of crucial importance to Bangladesh and constitute a serious foreign policy challenge facing the country. In this regard, huge disparities in physical endowment and consequential asymmetric relationship between the two countries further aggravate Bangladesh’s predicaments.

In comparative perspective, the degree of adverse consequences for Bangladesh and India resulting from Indian procrastination of the settlement of contentious bilateral issues vary widely leaving the former in a much disadvantageous position. This coupled with asymmetric relationship as discussed allow India to procrastinate the settlement of the long-standing disputes and create occasional pressures on Bangladesh with a view to weakening Bangladeshi morale and compelling Bangladesh to come to terms with New Delhi on the terms offered by the latter. Constrained by its predicaments, Bangladesh can neither afford prolonged confrontation with India nor could it submit to the will of the latter. This poses a severe challenge to Bangladesh’s foreign policy.
The most daunting political challenge for Bangladesh is to engage India in a constructive and creative process. A framework of Confidence Building Measure (CBM) may be the centre piece of new India-policy of Bangladesh. Unresolved bilateral issues need to be pursued with more determination, conviction and better national-level preparation, politically and administratively. A major policy change is called for, if relations with India are to be put on an even keel. With the ongoing process of political change in Bangladesh, India also may expect a new approach from Bangladesh. Finally, Bangladesh will have to be creative and innovative in order to engage India in a constructive framework with a view to building trust and confidence. Its ultimate objective would be the management of existing and potential conflicts amicably so that an environment of mutually beneficial cooperation could be developed.

The second dimension is the management of asymmetric relationship between Bangladesh, on the one hand, and a host of its crucial trading/development partners, on the other. These development partners namely, the US, EU, Japan, Australia, Canada and other developed countries are Bangladesh’s major trading partners accounting for over 80 percent of the country’s export. Bangladesh is also dependent on them for aid. In comparison with Bangladesh’s modest existence, its development partners are the decisive factors in world economy and international politics. For the same reason, these developed countries also dominate the powerful international/multilateral institutions, financial ones in particular. In fact, these institutions serve as crucial instruments in the hands of the developed countries facilitating their domination over the contemporary international system. Hence, directly or indirectly, these developed countries are also decisive factor in the management of the third dimension Bangladesh’s asymmetric relationship namely, that with the international/multilateral institutions. Thus, the role of developed countries appears to be decisive in the world economy and international politics. By virtue of their power and influence, they tend to dominate or even dictate policy to the developing countries like Bangladesh individually, collectively or through their influence over the international/multilateral institutions.
As some authoritative studies suggest asymmetric relationship between the developing countries like Bangladesh on the one hand, and the developed countries, on the other, emanates from a number of factors. These are:

i. highly asymmetric capabilities (economic, scientific-technological, politico-administrative and so on) as against inherent weaknesses of Bangladesh in all these aspects;

ii. economic dependence of the country on the development partners created through bilateral and multilateral assistance, trade dependence and the likes;

iii. international political factors, particularly, unchallenged control of the developed countries over the international system. Consequently, the higher the asymmetry between a developing country and its development partner, the lesser the manoeuvrability enjoyed by the developing country.41

For instance, partnership is unthinkable without a genuine dialogue. In an asymmetric relationship it is difficult to establish meaningful dialogue. Development dialogue, thus, often turns to be a monologue or even dictate by the powerful partner.42 In the circumstances, increasing manoeuvrability vis-à-vis the development partners is a crucial foreign policy objective of a developing country like Bangladesh. An attempt is made below to explore a host of possible ways and means of increasing manoeuvrability vis-à-vis the development partners.

First and foremost comes creating or at least projecting a positive image of the country regarding a number of issues of concerns to the development partners. These are not limited to but may include areas like, prevalence of a liberal socio-economic and politico-cultural environment, sustainability of the politico-economic order, good governance, prevalence of substantial business opportunity and so on generating certain degree of confidence in the outside world regarding the country being an attractive development partner. Secondly, to project a positive image abroad, the country also needs to correct the ills in the areas mentioned above. Thirdly, since the asymmetric relationship is to remain as a constant phenomenon, Bangladesh needs to focus on capacity building to deal with the development partners. In this regard, the formulation of the policy towards the development partners should be based on
adequate knowledge of the interests and vulnerabilities, strengths and weaknesses, inhabitation and aspiration of both the sides. At the implementation level, the development of adequate negotiation skills to deal with the development partners is of significant importance. Fourthly, diversification of relations, economic relations in particular, is of significant importance.

Regarding the relative efficacy of bilateralism and multilateralism in terms of dealing with asymmetric relationship, there is no clear guideline. Conceptually, while multilateralism offers more manoeuvrability to the weaker side, often it becomes difficult to engage the powerful counterpart in a multilateral framework unless it suits the latter. No less important, interactions between asymmetric partners in multilateral framework often tend to be less productive or, at least, the pace is determined by the stronger side. This implies to both, resolving contentious issues as well as fostering mutually beneficial cooperation. Similarly, third-party balancing option in managing asymmetric bilateral relations is as well problematic in terms of outcome. In cases, the involvement of a third-party in managing asymmetric bilateral relations may increase the manoeuvrability of the weaker partner vis-à-vis the stronger one. However, the same also can complicate the predicaments of the weaker side when the involvement of third party is unwelcome by the stronger side and the latter can afford to withstand the pressure on the part of the third-party.

While diluting and defusing the adverse impacts of asymmetric relationship remains an ardent goal, there is, thus, hardly any unambiguous ways and means of achieving the objective. The policy options like, bilateralism, multilateralism, managing asymmetric relationship through third-party are individually far from offering a clear guideline for the weaker side in terms of facing the challenges emanating from asymmetric relationship. Nonetheless, each of these policy options has its own advantages and disadvantages. This necessitates a high degree of creativity and ingenuity in implying such policy options like, bilateralism, multilateralism, managing asymmetric relationship through third-party involvement in overcoming the adverse impacts of asymmetric relations.

Finally, it needs to be emphasised that the management of asymmetric relationship is a difficult task, particularly for the
'little guy'. At the same time, it also needs to be kept in mind that the disparity in capacity in an asymmetric relationship does not lead inevitably to the stronger side dominating the weaker. A striking example is the case of Vietnam and China. A great disparity, especially between neighbouring states, always means that the weaker side will be more attentive to the relationship than vice versa because proportionally it is more exposed to its risks and opportunities. Similarly, both sides need to clearly understand the fact that in asymmetric relationship it is easy for misunderstandings to arise because the relationship means different things to each side. In time of crisis, the misunderstandings of each side are more likely to lead to a vicious circle than to mutual correction. Therefore asymmetric relations are difficult to manage. This demands utmost caution on the part of both the sides in managing asymmetric relationship.

3.4 PURSuing DIPLOMACY: THE REGIONAL CONTEXT
Owing to an array of reasons pertaining to its geography, history, ecology as well as socio-economic and politico-cultural life, South Asia remains the most significant area of importance to Bangladesh. It is the geographical area where the country's foreign policy faces the most severe challenges as well as enormous opportunities. In this regard, India occupies the paramount position. As a matter of fact, no country merits greater consideration in the conduct of Bangladesh's foreign policy than India. A complex web of reasons could be held responsible for such a situation. Barring a small border with Myanmar over a highly difficult terrain in the south-east of the country, Bangladesh is surrounded by India on three sides. Its sea-routes through the Bay of Bengal are patrolled by the Indian Navy with no parallel in the region. Bangladesh and India are common co-basin states in the Ganges and the Brahmaputra river basins importance of which for the very survival of Bangladesh could hardly be exaggerated. Besides, cooperation with other South Asian countries, Pakistan, Sri Lanka, Nepal in particular, is also of significant importance for Bangladesh. More importantly, regional cooperation within the framework of the South Asian Association for Regional Cooperation (SAARC) has always been a strategic objective of Bangladesh foreign policy. No less important, Bangladesh also pays significant importance to the sub-regional
cooperative initiatives like, South Asian Growth Quadrangle (SAGQ), Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC), Kunming Initiative and the likes. In the circumstances, South Asia remains the area of paramount interest to Bangladesh in the conduct of its foreign policy. Following is an attempt to explore the pursuit of Bangladesh diplomacy in the regional context.

3.4.1 Bangladesh-India Relations

Historically, relations between the peoples of these two countries were characterised by numerous ups and downs. They have common ethno-linguistic origin. They are heirs to one of the great ancient civilisations. They have lived for centuries within the same political entity. The list could be enlarged further. Nonetheless, the relations between the people of Bangladesh on the one hand, and that of India on the other, over a long historical period, have also been characterised by a struggle for the survival of the former and the supremacy of the later. It has deeply influenced the formation of the collective identity of the people of Bangladesh.

Over the recent years, relations between Bangladesh and India are characterised by the parallel existence of two opposite trends. On the one hand, sharp differences between them continue to persist over India's regional security posture and a number of bilateral issues. On the other hand, efforts are being employed by both the sides, albeit with varied degree of sincerity, to bridge the differences. Simultaneously, both the countries are committed to regional cooperation within the frame work of SAARC.

Bangladesh-India relations are characterised by the persistence of a number of contentious issues which proved to be too difficult to resolve. These issues continue to be the central concern of the leadership of both the countries. While some of them are rooted in the historical past, others are products of the current dynamics of bilateral relations. The list of such issues would be long enough:

i. the sharing of the water resources of common rivers, particularly that of the Ganges and Brahmaputra;

ii. implementation of the 1974 Land Border Agreement in general, and accord on the leasing of Tin Bigha Corridor to Bangladesh in particular;
iii. India's policy towards the ethnic insurgency in the Chittagong Hill Tracts;

iv. demarcation of maritime boundaries and the ownership of South Talpatty Island;

v. huge trade imbalances in favour of India;

vi. managing common border including combating smuggling, illegal cross-border activities, cross-border terrorism and a number of other security issues.

These and other outstanding issues of bilateral discord engendered a relationship between the two countries wherein the process of co-operation has remained overshadowed by numerous disputes and disappointments. Occasionally, one or a combination of these and related issues come to the forefront to create impasse in bilateral relations.

In comparative perspective, the degree of adverse consequences for Bangladesh and India resulting from India's procrastination over the settlement of contentious bilateral issues vary widely leaving the former in a much disadvantageous position. It is particularly true when one looks at the matter from strictly bilateral perspectives. For Bangladesh, economic and ecological consequences of the deadlock over the sharing of water of the Ganges alone have been so critical that the very survival of the nation has, over time, been at stake. Other issues are as well of considerable concern to her. For her, there is no option other than the early settlement of the disputes. On the other hand, India's stake in the early settlement of the disputes is substantially less significant if it is to be compared with that of Bangladesh. No less important point, Bangladesh remains at the receiving end of almost all the issues, while India holds the key to the solution. Such a situation has shaped India's long-standing policy toward the contentious issues. Over a period of time, India has developed a policy, which could be summarised as follows:

i. procrastination over the settlement of the disputes with the assumption that time would work in favour of India;

ii. creating occasional pressures on Bangladesh with a view to weakening Bangladeshi resolve and morale;

iii. when pressure fails, displaying indifference to the sensitivities of Bangladesh.
It is a comprehensive policy approach with the ultimate objective of compelling Bangladesh to come to terms with New Delhi on the terms offered by the latter.

Lacking much viable leverage on India, Bangladesh had to depend on the goodwill of the latter which India frequently failed to demonstrate. Constrained by its predicaments, Bangladesh neither could afford confrontation with India nor could it submit to the will of the latter. In the circumstances, it had to find out a grey area between confrontation and submission, which let her to avoid major crises in bilateral relations that Bangladesh could hardly afford. However, from such a grey area, Bangladesh neither could persuade India to find out a mutually acceptable solution to the disputes nor could it elicit any fair deal from New Delhi.

The situation was so frustrating that it has taken almost two decades to resolve a small issue—Tin Bigha Corridor—pertaining to the 1974 Land Border Agreement through two supplementary agreements signed in 1982 and 1992. In this regard, through hard bargain, India could make the provision for the common use of the corridor by both Bangladesh and India instead of agreeing to lease in perpetuity to Bangladesh as it was envisaged in the 1974 agreement.46

A major breakthrough, indeed, took place during the late-1990s. In this regard, two developments are of crucial importance. First is the signing of a Treaty between two countries on December 12, 1996 that envisages the sharing of Ganges water between the two countries for the next 30 years.47 Under the new agreement, Bangladesh will receive 50 per cent share of the Ganges water when the water flow at Farakka is less than 70,000 cusecs. If the flow rises beyond that level, Bangladesh is guaranteed 35,000 cusecs; if it passes the 75,000 cusec mark, India is guaranteed 40,000 cusecs. The treaty marked an end to the oldest and, by far, the thorniest dispute between Bangladesh and India. But increasing quantity of water is being withdrawn by India in a number of places above Farakka leaving very little prospect of 70,000 cusecs of water being available at Farakka during dry season. It is thus quite possible that share of Bangladesh may drop seriously in the future in the absence of guaranteed minimum quantity of water.

The second is the Accord on Chittagong Hill Tracts (CHT) signed on December 2, 1997 between the National Committee on
CHT and the Parbattya Chattagram Jana Sanghati Samiti (PCJSS). An understanding reached between Dhaka and New Delhi in 1996 to co-operate with each other in dealing with cross-border insurgency paved the way for the signing of the Peace Accord.48

Subsequently, however, Bangladesh-India relations came to witness another spiral of difficult period. While a number of issues, as discussed above, remain unresolved, New Delhi, particularly its press, came to constantly accuse that insurgents from northeastern states of India and Inter Services Intelligence (ISI) of Pakistan use Bangladesh territory for activities hostile to India with knowledge, approval or connivance of Bangladesh Government.49 Some public figures also echoed the same canard.50 Bangladesh has categorically denied such allegations and considers all these politically motivated.51 Similarly, Indian press and also Indian officials often mention Bangladesh as a source of large-scale illegal migration to India.52 The issue remains a highly sensitive one in Bangladesh-India relations. The issue of alleged large-scale illegal migration of Bangladeshis to India and push-in-push-back games53 played periodically remain a constant source of irritation in bilateral relations. Bangladesh expressed unequivocally and repeatedly that there are no illegal Bangladeshi migrants in India.54 India continues to repeat its stereotype arguments while a common ground for negotiation remain far from sight. There is a bilateral agreement on how to deal with illegal immigrants. Instead of utilising that agreement, India continues to vilify Bangladesh. These issues remain potentially disruptive factors in relations between the two countries. Due to almost constant bickering between the two countries over these and related issues Bangladesh and India could not move towards closer mutually beneficial cooperation regarding the issues of substantive interests to both the countries during the whole period of the Four Party Alliance government.55

This is, however, not to say that there was no effort at resolving conflicts or invigorating cooperation. There have been, indeed, a number of attempts to make a breakthrough in Bangladesh-India relations. These included a highly publicised investment package worth US$3 billion proposed by the Indian business house Tata. Ultimately, however, there has been no significant change in Bangladesh-India relations either in terms of leaving the disputes
and conflicts behind or moving ahead in terms of mutually beneficial cooperation. More importantly, numerous conflicts continue to overshadow the process of cooperation between the two countries.\textsuperscript{56}

In the wake of the 1/11 political changes in Bangladesh, Bangladesh-India relations appeared to change for the better. First of all, there has been expressed desire on the part of both the sides for strengthening bilateral relations. Media and informed circles came to discuss Bangladesh-India relations in a positive light. In this regard, there have been discussions on putting Bangladesh-India relations 'on a strong footing', bringing a 'positive uptrend' in bilateral relationship and the likes. Some also tried to locate a 'new upward trajectory' in Dhaka-New Delhi relations.\textsuperscript{57}

In practice as well, bilateral relations witnessed an ensuing process of gradual improvement. First of all, this has reflected in the increased contacts between the two countries, including at the highest level. The new understanding between the two countries came in light, during Indian External Affairs Minister, Pranab Mukherjee's visit to Bangladesh on December 01, 2007 to invite Dhaka in the 14th SAARC Summit to be held in New Delhi during April 3-4, 2007. During his seven hour stay in Dhaka, he met President Prof. Dr. Iajuddin Ahmed, Chief Adviser Fakhruddin Ahmed, and had a substantive meeting with Foreign Affairs Adviser Iftekhar Ahmed Chowdhury. Though it was a routine visit, both sides discussed a whole gamut of outstanding issues, including water sharing, greater connectivity, transit facilities, trade imbalance and security concerns, expanding economic cooperation and cooperation in various areas including energy. Prior to his return to New Delhi, Mukherjee informed that both sides agreed to take steps to place bilateral relations on an "irreversible higher trajectory."\textsuperscript{58}

Similarly, in the sideline of the 14th SAARC Summit held in New Delhi during April 3-4, 2007, Fakhruddin Ahmed, the Chief Adviser to the Caretaker Government of Bangladesh, and Indian Prime Minister Manmohan Singh met each other for the first time. The two leaders decided that the bilateral mechanism will be activated based on mutual interest to resolve the outstanding irritants and problems between the two countries.\textsuperscript{59} To give a positive thrust to bilateral relations, Indian Foreign Secretary, Shiva Shankar Menon, visited Bangladesh from June 24 to June
Indian State Minister for Commerce Jairam Ramesh came to Bangladesh on 22 July for a two-day visit. Thus, a process of bilateral talks between the two countries is going on. As a result of recent interactions, some ‘positive uptrend’ has been seen in Bangladesh-India relations. Both sides took advantage of improved political relations to discuss a host of issues such as the sharing of common water resources, trade and related issues, demarcation of the 6.5km of common border, combating cross-border crime and terrorism, sharing of security information, the use of Chittagong port by North-eastern states of India, greater access for Bangladeshi goods in India, Indian capital investment, the multi-billion dollar investment proposals from two Indian business giants, Mittal and Tata, and improved connectivity, particularly the long-awaited Dhaka-Kolkata rail-link. During 2007, no remarkable breakthrough came out of the process of ongoing Bangladesh-India dialogue. Nonetheless, the changed environment in Bangladesh-India relations coupled with the process of ongoing dialogue over a wide range of issues generated certain degree of optimism regarding the prospects for better relations between the two countries.

Any discussion on Bangladesh-India relations would remain incomplete without highlighting a constant phenomenon of significant nature. This pertains to Bangladesh-India trade relations. Notwithstanding the constant difficulties and occasional crises in Bangladesh-India relations, Bangladesh-India trade witnessed a spectacular growth with a balance of trade that remains overwhelmingly in favour of India. This remains a constant bone of contention in bilateral relations and, as usual, no Bangladesh-India parley, either official or unofficial level, ends without discussing the problem wherein Bangladesh expresses its concerns and India promises to redress these. Nonetheless, the balance of trade continues to drift further and further towards favouring India. In 2000, Bangladesh’s import from and export to India constituted US$945.45 million and US$50.13 million respectively. The same figures stood at US$2,230.77 million and US$146.93 million respectively. This remains a potentially disruptive factor in bilateral economic relations. Bangladeshi goods and services find serious obstacles in entering Indian market, while Bangladesh has opened its market for Indian products.
Bangladesh-India relations encompass a wide range of complex issues. Only a handful of them could be highlighted. However, on the basis of our discussion it is clear that the issues will continue to pose challenges to the leadership of both the countries. Already concluded agreements are to be implemented against numerous odds, while agreements are yet to be reached on a number of unresolved issues. While the issues at stake in Bangladesh-India relations are highly complex and difficult to resolve, and new issues are almost certain to appear at the horizon, none of these and prospective issues could be resolve by any means other than peaceful negotiation.

3.4.2 Bangladesh-Pakistan Relations

There are two major problems in relations between Bangladesh and Pakistan. These are: (i) the repatriation of stranded Pakistanis; and (ii) the division of common assets. A survey conducted by Pakistan has found at least 238,000 stranded Pakistanis in Bangladesh. With regard to the division of common assets, Bangladesh is supposed to get assets worth Pakistan Rs.24 billion after meeting the liabilities it had as a part of Pakistan until 1971.62 Despite the existence of these disputes and Pakistan's clearly demonstrated unwillingness to settle them, relations between the two countries during the post-1975 period developed rather smoothly. If one takes into consideration 'internal colonialism' perpetrated by the ruling elite of Pakistan in relation to Bangladesh for long twenty three years and the military crackdown of March 25, 1971 which unleashed the worst genocide and exodus in the post-War history such a smooth development of relations between the two countries would certainly look bizarre. There was, however, an array of reasons which made it possible. First and foremost are the difficulties in Bangladesh-India relations. For reasons, discussed above, Bangladesh witnessed a resurgence of anti-Indian feelings during the post-independent period. Pakistan took the most cynic advantage of the situation. No less important, successive regimes in Bangladesh displayed undue eagerness to develop relations with Pakistan. As a consequence, Pakistan even did not offer formal apologies for the crimes committed by its army in Bangladesh during 1971 as Germany and Japan did in relation to the victims of World War II.
It is not to argue that no attempts were made to resolve the disputes over the repatriation of stranded Pakistanis and the division of common assets. Each time, following the meeting between the leaders or officials of the two countries, hopes were raised for a solution to these problems. Such hopes, however, never came true and issues were left to uncertainty. More importantly, the pattern of behaviour as displayed by successive regimes in Bangladesh in relation to Pakistan let the latter believe that it could develop relations with the former without resolving the outstanding issues which, in course of time, would be taken off from the agenda of bilateral relations. As a matter of fact, the issue of the division of assets no more figures prominently in bilateral talks. The stranded Pakistanis are living in Bangladesh, primarily in the cities, creating a host of additional problems with regard to employment, housing, law and order situation and the like. In the absence of any effective diplomatic measures, they are likely to live in Bangladesh in the foreseeable future. This makes them a potentially destabilising factor. The problem was further complicated with Pakistan’s continuous attempts to push Pakistani citizens of Bengali origin back to Bangladesh. More ominous, the pattern of behaviour as displayed by Pakistan suggests that it is trying to link the issue with the repatriation of stranded Pakistanis from Bangladesh.63 And this poses a challenge to Bangladesh foreign policy in relation to Pakistan.

Bangladesh-Pakistan economic relations remain rather stagnant, particularly when these are judged in the light of the development of trade relations between Bangladesh and India. In 2000, Bangladesh exported goods and services worth US$34.51 million to Pakistan. This increased to US$64.27 million in 2006—less than double during six years. The same in the context of Bangladesh-India trade relations during the same period increased from US$50.13 million to US$146.93 million—an almost threefold increase. In terms of export to Bangladesh, Pakistan remains far behind India both, in terms of overall volume as well as the rate of annual increase in the volume of export. Thus, India exported goods and services worth US$945.45 million to Bangladesh in 2000 as against Pakistani export of US$93.16 to Bangladesh. While Indian export to Bangladesh reached a colossal amount of US$2,230.77
million in 2006, Pakistani export to Bangladesh reached a modest sum of US$169.87 million. The discussions above highlight two factors. Firstly, Bangladesh-Pakistan trade relations are characterised by a slow pace of growth, particularly if these are considered in the backdrop of Bangladesh-India trade relations. Secondly, the balance of two-way trade remains significantly tilted against Bangladesh, as in the case with Bangladesh-India trade.

Both the issues remain significant concerns to the policymakers of the two countries and are reflected in the bilateral talks at various levels. For instance, during the Fourth Round of Foreign Secretary-level consultations between Bangladesh and Pakistan held in Dhaka during August 29-30, 2007, bilateral trade has been, perhaps, the single-most important issue. During the consultation held between Md. Touhid Hossain, Foreign Secretary of Bangladesh and his Pakistani counterpart Riaz Mohammed Khan, the two sides "underscored the importance of their economic and commercial relations and decided to consider adopting measures such as Early Harvest Programme to reach the target of USD 1 billion per annum and in the two-way trade as well as to address the issue of trade imbalance." Besides, the two foreign secretaries have also suggested a host of measures with a view to fostering economic cooperation between the two countries. So far, this remains the latest of the high level meeting between the two countries. It also discussed a whole gamut of bilateral relations between the two countries including issues pertaining to bilateral cooperation as well as outstanding issues like, the repatriation of stranded Pakistanis and the division of common assets.

3.4.3 Regional Cooperation within the Framework of SAARC
Bangladesh pioneered the idea of the creation of SAARC and it remains one of the cornerstones of the country's South Asia policy. Past few years since the emergence of SAARC have shown how swiftly politics in South Asia can oscillate between conflict and cooperation, between combative ness and constructive diplomacy. Despite enormous problems in inter-state relations in the region, SAARC has survived. Moreover, the organisation appears to have gained some shock absorbing capabilities. It did not suffer any fatal blow as it was feared. The countries of the region have a
consensus that while the progress of SAARC is too slow, the organisation still has the potential to respond to their aspirations for a better future.

SAARC has, thus, taken a rather long time to move towards substantive areas of cooperation. After prolonged deliberations, an Agreement was signed on South Asian Preferential Trading Arrangement (SAPTA) by the seven members of SAARC during the Seventh Summit of the organisation on 11 April 1993. The aim of SAPTA was to augment intra-SAARC trade. Accordingly, a list of 226 commodities for preferential tariff concessions, ranging from 10 to 100 percent, was approved by the Heads of State or Government of SAARC countries during the Eighth Summit held in New Delhi during May 2-4, 1995. With this final list of commodities, SAPTA came into operation on December 7, 1995. Meanwhile, SAARC has also decided to transform SAPTA into a SAARC Free Trade Area (SAFTA) by 2005. Subsequently, in the Ninth Summit of SAARC held in Male during May 12-14 the decision was taken to accelerate the process and form the SAFTA by 2001.

However, if we evaluate the progress of SAFTA, there is very little to be optimistic about the future of economic cooperation in the region. After detailed discussions among the member states at Ministerial level and rigorous homework within member countries, SAFTA agreement has become operational, although not in full scale, in July 2006. There were disagreements on different issues. On rules of origin for the Least Developed Countries (LDCs) of SAARC (namely Bangladesh, Bhutan, Nepal and Maldives), Pakistan's demand was 50 per cent value addition with only 5 percentage point relaxation for the LDCs as Special and Differential (S&D) Treatment, whereas the other countries demanded 35 to 40 per cent value addition with 5 to 10 per cent S&D. The other areas of disagreement were sensitive lists and compensation mechanism. After a number of discussions the member countries signed the document and finally came into effect, but still there are caveats of restricted market access and non-implementation of all articles of SAFTA. On the other hand, success of the new arrangement would be overwhelmingly dependent on the willingness of the bigger countries of South Asia, viz., India and Pakistan, mainly on their interest to pick up the intra-regional trade, economic integration, leading eventually to deeper regional cooperation.
An important question, in this regard, is whether and how far the 14th SAARC Summit held in New Delhi during April 3-4, 2007 contributed to the enhancement of the substantive issues facing SAARC. With the US, European Union (EU), China, Japan and South Korea participating in the SAARC Summit as observers for the first time, the perceived stature of the economic and strategic importance of the regional grouping has considerably been elevated. The Summit began with a call for tangible measures to deliver on the existing trade agreements, combat terrorism and alleviate poverty so that the grouping graduate to an 'action-oriented', body. Recognising the importance of connectivity in fulfilling the objectives of SAARC, the leaders of the member countries agreed to improve intra-regional connectivity, particularly physical, economic and people to people connectivity. They agreed to the vision of a South Asian community, where there would be smooth flow of goods, services, peoples, technologies, knowledge, capital, culture and ideas in the region.

During the Summit, the need for trade facilitation measures especially standardisation of basic custom terms; documentation and clearing procedure have been emphasised to make SAFTA a win-win situation for all SAARC countries. The leaders also decided to carry the SAFTA agreement to the 'Next level' to include trade in services into the free trade agreement. They also agreed to make tangible progress in the next six months on four issues which affect common people's daily lives. SAARC leaders appreciated the Independent South Asian Commission on Poverty Alleviation (ISACPA) for its elaboration of the SAARC Development Goals (SDGs). They also agreed to reiterate their commitment to combat terrorism in all its forms and manifestations in the region. Recognising the need for energy cooperation in the region the leaders emphasised the need for accelerating development of renewable energy in South Asian countries such as hydropower.

The 14th SAARC Summit, thus, has been business as usual. The South Asian leaders have mostly repeated their previous routine commitments. As usual, the commitments made by them on a wide range of issues have not been accompanied by concrete action plan or allocation of necessary resources. A careful scrutiny of commitments made by the SAARC leaders regarding crucial issue of SAFTA would also reveal the same.
The prospects of SAFTA are confronted with not only economic constraints like low industrial and technological development and intra-industry trade of regional countries, lack of complementarity and India's asymmetric economic strength at the regional context, but also with a host of even more severe political constraints. As indicated earlier, a regional politico-security environment full of mistrust and a host of bilateral conflicts among the member-states of SAARC are serving as an almost insurmountable constraint in the way of moving towards substantive areas of regional economic cooperation.

Now the question is: can South Asian countries afford to be bogged down in conflicts giving SAARC and SAFTA a low-key profile? The difficulties suffered by South Asia, particularly in the socio-economic fields, gigantic tasks ahead in these fields would continue to create tremendous pressure on the region for evolving an enlightened structure of mutual relations based on shared interests and broad consensus. Another important point, such a region cannot insulate itself from the on-going process of radical change in international arena. South Asia is destined to be subject to tremendous pressures, from within as well as outside the region, for embarking upon a path of meaningful cooperation for mutual benefit.

Such pressures themselves, however, would not resolve the region's problems. To make a qualitative departure from the past, serious and sincere efforts on the part of the regional countries are indispensable. As we have seen, conflicts and mistrust in South Asia are so stubborn that they are capable enough to resist pressures for regional cooperation. Therefore, in order to vitalise the process of cooperation within the framework of SAARC, it is necessary to concentrate the collective efforts of regional countries aimed at resolving the existing conflicts and disputes, improving bilateral relations as well as overall political climate in inter-state relations. In this regard, the most pressing task of the time is the elimination of existing hot-beds of tension in the region and the prevention of the emergence of new ones, and device ways and means in order to resolve the regional conflicts. In cases where the solution is out of reach, the countries of the region must learn to live with the conflicts through effective measures of conflict management. It is vital for the region as in no case South Asia could be free from conflicts.
To sum-up, the two most crucial tasks of contemporary regional politics in South Asia, namely, (i) vitalising the process of regional cooperation for common benefits; and (ii) evolving a mechanism for the proper management and resolution of its inter-state conflicts are inter-related and interdependent. Neither of them can be fulfilled in isolation. Nor any one of them can await the other. The urgency of the time dictates that both of them should be managed together. To make the current strategy for making a departure from conflict to a course of cooperation an effective one, it is necessary to supplement the efforts aimed at vitalising the process of regional cooperation with similar efforts aimed at managing and resolving conflicts, and building mutual confidence in the region. Towards this end, there is no alternative to concerted efforts on the part of all the countries of South Asia.

3.4.4 Sub-Regional Cooperation: SAGQ, BIMSTEC, Kunming Initiative

During the mid-1990s, certain degree of preparedness has been displayed by India and her smaller neighbours to accommodate their differences. Some of the conflicts between India and her smaller neighbours, Bangladesh, Nepal and Sri Lanka in particular, have also been settled successfully. Facilitated by improved relations between India and Bangladesh, on the one hand, and, India and Nepal on the other, these three countries and Bhutan moved, in 1996, to form a sub-regional grouping within the broader framework of SAARC: South Asian Growth Quadrangle (SAGQ). The SAGQ encompasses Bangladesh, Bhutan, Nepal and India's north-eastern states (Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Tripura and Sikkim), and West Bengal. It has a total area of 688.6 thousand sq. km with a population of over 247 million. The organisation launched the first meeting of the foreign ministers in Delhi in April 1997.

Another sub-regional co-operation grouping, ultimately known as Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) that includes Bangladesh, Bhutan, India, Myanmar, Nepal, Sri Lanka, and Thailand was also formed in June 1997. While remaining outside the framework
of SAARC, BIMSTEC is intended to serve as a bridge between South and Southeast Asia.

As for the three South Asian countries, the formation of the new economic forum was in tune with the liberalisation of respective economies as well as "Look East" policies, which were gaining grounds in each South Asian countries. It was ESCAP that provided an institutional support to this new forum. Like ASEAN, each member country has been assigned a lead role in various sectoral projects, extending trade and investment, technology, transportation and communication, energy, tourism and fisheries. Bangladesh is an active member of BIMSTEC chairing trade and investment sector and hosted the Second Ministerial Meeting of the grouping in December 1998. In November 2003, an expert meeting was organised in Dhaka. They have identified some subsectors for cooperation including textile and clothing, drugs, and pharmaceuticals, gems and jewellery, horticulture and floriculture, processed food, automotive industry and parts, coconut and species, rubber, tea and coffee.

In stark contrast to the slow progress during the first six years, BIMSTEC has made a positive turn since the beginning of 2004. First, Nepal and Bhutan were formally accepted to the grouping in January 2004. Second, a framework agreement on FTA was signed in the Sixth Ministerial Meeting of BIMSTEC held in Thailand in February 2004, although Bangladesh pulled out of the talks. The framework agreement stipulates preferential treatment including suitable timeframes for tariff reduction for the LDCs. The accord also elaborates that India, Sri Lanka and Thailand would get five years while Nepal, Bhutan and Myanmar would get ten years for tariff reduction. Bangladesh, while initially has been reluctant, ultimately joined the efforts at creating an FTA under the framework BIMSTEC.

Similarly, on August 17, 1999, the Conference on Regional Cooperation and Development among China, India, Myanmar and Bangladesh held in Kunming, the capital of Yunnan Province in the South-eastern region of China, undertook an initiative, known as the Kunming Initiative, designed to create a cooperative framework involving the four countries mentioned above. The main thrust of the exercise was to exhort the governments concerned to improve communications between the South-western
regions of China and the North-eastern region of India by developing appropriate road, waterway, railway, and air links. More specifically, a call was made to revive the ancient Southern Silk Route between Assam and Yunnan. The statement adopted at the end of the Conference upheld the Five Principles of Peaceful Coexistence. The objectives of the grouping as envisioned in Kunming are: (a) emphasising equality and mutual benefit, (b) sustainable development, (c) comparative advantage, (d) adoption of international standards, and (e) infrastructure development in order to enhance connectivity and facilitate the widest possible economic cooperation.

In the long run, the SAGQ seems to have better potentials compared to the Kunming Initiative. While the BIMSTEC is making some progress, it is yet to attract necessary popular attention and the interest of the business circles. Nonetheless, the three initiatives at sub-regional cooperation as reviewed above, once again, underscored the need for sub-regional co-operation within SAARC and inter-regional co-operation involving SAARC and ASEAN.

3.5 PURSUING DIPLOMACY: THE GLOBAL CONTEXT

Newer opportunities, challenges and realities were confronted by nations following the end of the Cold War regime which called for a departure from the Cold War mindset and practices. Major changes were, probably, felt in case of diplomatic relations and economy. Countries formulated their own tactics to face the challenges and to make use of the opportunities and Bangladesh too had to follow suit. Thus, the strict focus on political relationship in bilateral and multilateral relations was replaced by the imperatives of economic diplomacy. It was envisioned that new approach would improve not only the political relations between/among countries but would also the economic and commercial relations. It is in this context that an attempt is made to evaluate the new focus of Bangladesh diplomacy in the global context.

3.5.1 The West

Since independence, Bangladesh has undergone a rather radial transformation in terms of its approach towards the West. It has long abandoned the anti-Western rhetoric in its foreign policy as
displayed during the immediate post-independence period. Over the last three plus decades, Bangladesh is pursuing a policy in international arena that is bringing the country increasingly closer to the West. Even the political and economic values of the society were more and more influenced by those of the West. All these have earned the country a good name in the Western capitals. As a matter of fact, it could yield some dividends for its pro-Western stance in its foreign policy.

However, there is a limit to which Bangladesh can expect to reap the dividends for being friendly towards the West in its foreign policy and adherence to Western political and economic values. Political considerations in Western policy are likely to give way to economic rationalism. Therefore, to gain the confidence of the West in terms of aid and trade relations, Bangladesh needs to offer economic opportunities to the West. While this should be done primarily through the improvement of economic performance of the country and through opening Bangladesh market to foreign business, diplomacy as well has a crucial role to play.

In the changed circumstances, however, the role of diplomacy needs to be reoriented radically shifting its main thrust from securing aid to promoting trade and investment. It is also the best way of reducing the adverse consequences of external dependence. Foreign policy and external relations as instruments of the promotion of trade and investment still remains considerably under-explored.

In 2007, the Western countries remained among the top donors to Bangladesh. Apart from the typical donor—recipient relationship, Bangladesh is now pursuing policy of enhancing its economic interests using foreign policy mechanism—commonly referred to as economic diplomacy. Under this policy, the Bangladesh government seems to be putting more emphasis on bringing-in Foreign Direct Investment (FDI) and increasing market access for Bangladeshi products rather than securing aid.

Bangladesh's relations with the European Union (EU) have reached new heights with the signing of the Cooperation Agreement in 2001. Besides trade and economic development, this agreement has broadened the horizon of cooperation in other sectors as human rights, good governance and environment. Besides the regular donation to Bangladesh, EU has provided a
total of €20.5 million for the SIDR victims of the country. EU market is the destination for 53.40 percent of Bangladeshi export products. EU’s liberal trade policy for products for the Least Developed Countries (LDCs) provides enormous potential for increasing Bangladeshi exports to the region. In 2005, Bangladesh exports to EU accounted for only 0.35 percent of total EU imports. Along with proactive diplomatic efforts, diversification of export basket, export of high value goods and other non-traditional items are required to increase the country’s exports to the EU market.

Trade balance between Bangladesh and US remains heavily tilted towards Bangladesh. Between January-December 2007, Bangladesh exported goods and services worth US$3.34 billion to the US, while its import from the US constituted only US$466 million. Immediately after the birth of Bangladesh, the US provided food aid which now has graduated into long-term development assistance. US provides assistance to stabilise population growth, protect human health, promoting economic growth, family planning and health, agricultural development, and rural employment and for building democracy. So far, the US has provided a total of US$4.3 billion as food and development assistance. During the floods of 2007 and cyclone SIDR, the US donated US$19.5 million. In addition, the US soldiers took part in relief delivery and the reconstruction efforts.

Bangladesh is one of the largest recipients of British government aid. Over the past three years, Bangladesh has received over £350 million as aid for poverty reduction, environmental protection, employment creation through private sector development, development of healthcare facilities, and improvement of education, water management and sanitation. British investment in Bangladesh has also become quite significant during this period. Investment in Bangladesh by British-Bangladeshis was of particular significance. Visit of the British Secretary of State for International Development, Douglas Alexander, took place immediately after the cyclone. Likewise, the Bangladesh Foreign Advisor visited UK twice in 2007 and met his British counterparts Margaret Beckett and David Milliband.

European countries, particularly UK, and the US assisted Bangladesh in its efforts to counter the home grown terror threats
and safeguard itself from global terror incidents and money laundering.

3.5.2 The Asia-Pacific Region

The Asia-Pacific region has emerged as one of the most important economic, commercial and geo-strategic centres of the present day world. For the convenience of our analysis, we would concentrate our attention, primarily on Japan, China and the Asia-Pacific NICs, who are assuming increasing importance in Bangladesh foreign policy.

Since the World War II, the region has been undergoing a dramatic transformation. The countries of the region witnessed spectacular growth in their economies, technological and scientific development parallel with the deepening of economic co-operation, interdependence and rapid increase in their share of world trade. In this regard, the meteoric rise of Japan as an economic super power has been one of the most significant developments of Post-War period. From the ashes of nuclear catastrophe, it has emerged as the second largest economic power of the world. It has also emerged as the World’s largest creditor nation.

Along with Japan, the Asia-Pacific NICs, namely, South Korea, Taiwan, Hong Kong, Singapore, Indonesia, Malaysia and Thailand have achieved great success in economic and industrial development. All these developments have transformed the region as one of the most important focus of attention in the present day world. In the broader perspective, the balance of global politico-strategic and economic importance is increasingly being shifted from the Atlantic Ocean to the Pacific setting the stage for the “Age of the Pacific”.

Current realities of regional and international politics coupled with China’s emphasis on its domestic priorities are discouraging the country to play the role of a counterbalance to India in South Asia. In practice, India has always sought to neutralise Chinese support to smaller South Asian countries vis-à-vis New Delhi. This should not discourage Bangladesh. In fact, Bangladesh’s security predicaments do not require a degree of commitment as required by Pakistan. China remains an important partner of Bangladesh for a number of reasons. It is a major arms supplier to Bangladesh and due to latter’s inability to pay for Western arms China is
likely to remain the same for some times to come. China is as well an important donor country. Bangladesh will have to maintain and strengthen further its mutually beneficial relations with China without being unduly concerned with the developments of Sino-Indian relations.

Most of the Asia-Pacific NICs—South Korea, Taiwan, Hong Kong, Singapore, Indonesia, Malaysia and Thailand—have been as impoverished during the 1950s as Bangladesh was. During the past three decades they have achieved tremendous success in industry, trade, education and science and turned into envy of other developing countries. Over the years, it is being increasingly realised the necessity of economic co-operation with the Asia-Pacific NICs, particularly the ASEAN countries with a view to stimulating our nation-building process. There have been also a lot of talks on the subject among different circles of the society. Some efforts were as well initiated with a view to expanding Bangladesh’s co-operation with the Asia-Pacific NICs. Nonetheless, very little has been achieved. Very recently, the government has undertaken a policy initiative called ‘Look East’ aimed at exploring the prospects for mutually beneficial co-operation with the Asia Pacific region. It is necessary to concentrate efforts at materialising the objectives envisaged in the policy.

Relationship with China and Japan occupies a prominent place in Bangladesh’s foreign relations. China merits an important position for being an important source for industrial and construction raw materials, capital machineries, finished products, strategic and military ties. In 2006, the bilateral trade between Bangladesh and China reached US$3.19 billion. The trade figure is 28.5 percent higher than the previous year and the balance of trade is heavily favouring China. During the visit of Chinese Assistant Minister of Commerce Wang Chao to Bangladesh, China acknowledged that it is aware of the trade gap and assured that China is undertaking measures to remove it. China has granted tariff-free access to 84 Bangladeshi items. However, it needs mentioning that jute products, leathers and textiles—principal export commodities of Bangladesh—are yet to be included in the list. During the visit, agreements were signed to provide economic and technical assistance worth US$13.2 million and for building an exhibition centre in Dhaka.83
Japan on the other hand, is a significant partner in the developmental efforts of Bangladesh. The cumulative amount of Japanese Official Development Assistance (ODA) as of July 2006 stood at 597.8 billion Yen (as loan), 455.30 billion Yen as grant and 46.6 billion Yen as technical cooperation. According to the Japanese Country Assistance Program of 2006, Japan provides assistance in the following priority areas poverty reduction through economic growth (private sector development, infrastructure development (transport and power sector), agriculture and rural development, social development with human security (education, health, environment and disaster management), governance (central, sectoral and local level). Like China, Bangladesh trade with Japan is tilted towards the latter. During 2005-06 financial year, Bangladesh export to Japan stood at US$167.7 million as opposed to an import figure of US$584.1 million. Both Bangladesh and Japan should work together to reduce the trade gap and increase Japanese investment in Bangladesh. Both Bangladesh and Japan were working together for the reform of the United Nations.

Other Newly Industrialised Countries (NICs) of the region like South Korea, Taiwan, Hong Kong, Singapore, Indonesia, Malaysia and Thailand figure prominently in Bangladesh’s foreign relations, particularly in its external economic relations. These countries are important sources of industrial and construction raw materials, finished goods as well as important destinations for Bangladeshi expatriate workers.

3.5.3 The Middle East

The Middle East occupies an important place in Bangladesh’s foreign policy. It is the single-most important area of employment opportunity for the Bangladeshis abroad and one of the largest sources of remittance. It is also an important source of foreign aid to the country. The region remains almost the only source of crude oil and a largely unexplored market for Bangladeshi goods.

Bangladesh’s foreign policy is faced with two broad groups of issues in its relations with Middle East. First one pertains to its aid and trade relations as well as employment opportunities for Bangladeshis in the region; and the other pertains to Bangladesh’s stand on the issues of significant concern to the regional countries.
Current state of Bangladesh’s relations with the mainstream Middle East countries is highly favourable to increasing the country’s export to the region as well as employment opportunities for Bangladeshi workers. Whether the business opportunities would be explored or not would depend largely on the ability and interest of the country’s business community. With regard to increasing employment opportunities, along with the private initiative foreign policy establishment needs to invigorate its activities. Employment market in the Middle East has increasingly becoming competitive and complex. Bangladesh has already been in certain instances outsmarted by Pakistan and India. Proper co-ordination of both government and private initiatives is highly essential. Some manpower agents are seriously damaging the goodwill enjoyed by Bangladesh in this important market. Better inter-ministerial cooperation is essential to retain this important market for Bangladeshi expatriate workers.

Bangladesh foreign policy will have to deal with two major issues of the region. First one is the Arab-Israeli conflict and the Palestinian issue, and the other is the Iraq issue.

With regard to the Arab-Israeli conflict, co-relation of forces both in the regional as well as global context is overwhelmingly against those who are struggling for a just and peaceful solution to the conflict. The US commitment to Israel is firm and that has no counterbalance. While there is a deep underlying psychological drive for Arab unity at the grass-root level on anti-Israeli basis, virtually, all the Arab regimes have now a common patron with Israel—the US. In the aftermath of Iraq imbroglio, no Arab regime or a group of them have either political will or capability to challenge Israel. In the circumstances, there is no reason why Israel should make any such compromise on the Palestinian issue, as demanded by the Palestinians. Whether the Palestinian state is at all in the agenda of the US is of considerable doubt. Despite the involvement of a lot of emotions with the Palestinian issue, Bangladesh can not ignore these developments, while formulating its practical policy towards the issue.

The same implies to Iraq. The World, including the Arab world, has accepted the Anglo-American presence in Iraq as a fait accompli and, now, making calculations on how to live with the lone super power or the hyper power in the unipolar world. For
Bangladesh, the safest policy option, perhaps, may be to remain with the UN consensus.

For Bangladesh, its relations with Saudi Arabia are of singular importance. In addition to the traditional historical bonds between the two countries, Saudi Arabia along with the other members of the Gulf Cooperation Council (GCC) remain the single-most important destination of the Bangladeshi expatriate workers and one of the significant sources of remittance. Therefore, maintaining and further developing the friendly relations with Saudi Arabia and Gulf countries remains a significant foreign policy objective of the country. Similarly, Bangladesh puts an equally strong emphasis on closer cooperation with other countries of the Middle-East.

During the Iraqi Invasion in Kuwait, Bangladesh had sent troops to defend Saudi Arabia and the holy sites. Saudi Arabia has been a top destination for Bangladeshi manpower export since the beginning of the same in 1976. In addition to the regular contribution through development aid to Bangladesh, Saudi Arabia provided an additional US$ 150 million for the relief and rehabilitation work following the two consecutive floods and the devastating cyclone. To increase trade and investment between the two countries, two bilateral agreements on the Avoidance of Double Taxation and on Promotion and Protection of Investment has been finalised and approved by the respective Cabinets. The Agreement is now awaiting signature at a ceremonial event.65 Bangladesh government has provided many incentives to lure foreign direct investment in the country. Some of the Saudi businessmen took the opportunity in investing in Bangladesh.

3.5.4 International/Multilateral Organisations

Scholars argue that being a small developing nation, Bangladesh should focus more on multilateral diplomacy through its active participation in various multilateral organisations rather than bilateral ways. Such arguments are based on the fact that many of the powerful countries prefer to deal with the weaker ones in a bilateral way as the latter have lesser manoeuvrability vis-à-vis the former. Thus, it is easier for the bigger power to deal bilaterally rather than multilaterally. The US mode to deal with trade issues bilaterally following the failure of the World Trade Organisation
International System 179

(WTO) talks in Doha is a good example to highlight the importance of focusing on multilateral diplomacy. Another important argument for multilateral diplomacy is that Bangladesh’s negotiation skill particularly in the bilateral discussions is yet to reach desired level.

For Bangladesh, in order to strengthen its position in the international arena that could be translated into increased manoeuvrability vis-à-vis its neighbours or facilitate the pursuit of economic diplomacy, active participation in international/multilateral forums is of crucial importance. In this regard, more active participation of Bangladesh in the UN, OIC and NAM is of significant importance.

**United Nations (UN)**

No other multi-lateral organisation figures so prominently in Bangladesh’s relations with the outside world as the United Nations and its different organs. For the maintenance of peace and security both within and outside the border and for the socio-economic development for the sustenance of peace, cooperation of the international community through the UN has been crucial for Bangladesh. High profile leaders from Bangladesh addressed the UN system including the General Assembly in 2007. These included the address by the Chief Adviser, Fakhruddin Ahmed, on climate change at the 62nd UNGA on 27 September; Advisor of Ministry of Finance, A B Mirza Azizul Islam on Financing for Development on behalf of the Least Developed Countries (LDCs) on 23 October; Iftekhar Ahmed Chowdhury, Advisor for the Ministry of Foreign Affairs on inter-religious and intercultural understanding and cooperation for peace on 4 October. During this period Bangladesh has been elected as the Chairman of the least developed countries to pursue their interests in the UN and other forums. The UN has been the coordinating agency for international relief and rehabilitation efforts during the catastrophic cyclone Sidr. Besides its own contribution, it helped manage international assistance.

**Organisation of the Islamic Conference (OIC)**

Bangladesh being the third largest Muslim country has been playing an important and active role in the OIC since its accession to the organisation in 1974. Foreign Adviser, Iftekhar Ahmed
Chowdhury, led the Bangladesh delegation in 34th Session of the Islamic Conference of Foreign Ministers in Pakistan during 15-17 May. The Conference reviewed the progress made on the decisions taken within the framework of the policy defined by the Islamic Summit and discussed on the different issues faced by the Muslim world. These included the opposition against the use of force against Iran, expression of solidarity on the plight of the Kashmiris and Palestinians and the developmental efforts in Afghanistan. Following the Conference the Bangladesh advisor met with the OIC Secretary General, Ekmeleddin Ihsanoglu, and sought OIC assistance in rendering the Islamic University of Technology (IUT) as a centre for excellence in scientific learning to meet the present-day needs of the Ummah. Iftekhar Ahmed Chowdhury stressed on the need for reforming the OIC to give it an "economic and development bias."86

World Bank (WB)
In Bangladesh, it seems that activities of no other organisation have drawn as much attention as that of the WB. Besides the regular disbursement of aid and implementation of development projects, the two major significant events in WB concerning Bangladesh in 2007 was the visit of the WB President, Robert B. Zoellick, to Dhaka during 03-04 November and the shift in the focus of the organisation to climate change adaptation, an issue of particular importance to Bangladesh. For water management, avian influenza preparedness, public procurement system, development of the education sector, additional finance for poverty alleviation microfinance, development support credit and social investment program the WB provided a total of US$ 331.6 million.87 WB provided an additional US$ 250 million following the devastating cyclone Sidr in November. Both WB policies and the implementation of the same came under strong criticism from Bangladeshi civil society and academia.

International Monetary Fund (IMF)
Like WB, IMF is another Bretton Woods organisation which receives considerable amount of criticism in Bangladesh. One of the most debated issues on IMF in 2007 in Bangladesh was the formers attempt to get the Policy Support Instrument (PSI) signed
by the Bangladesh Government. The government, however, maintained that they were not interested in signing the Instrument—a stance accepted by IMF. In addition to the regular aid, grants and loan package IMF like the other development agencies provided US$ 217.7 million as emergency assistance following cyclone SIDR.

**Strategies to Deal with Non-state Trans-national Actors**

In a globalised world, as evident from the fore-going discussions that non-state, trans-national actors like the World Bank Group, IMF or the International NGOs like Amnesty International or Transparency International have become increasingly important in the developing countries. In many cases, these institutions are providing crucial developmental or governance support. In other cases, activities, conditions for loans/grants/other assistance, reports or consultation by these organisations are perceived by the governments and the civil society organisation as unacceptable interference in the internal affairs of the country. Thus, a strategy should be developed by Bangladesh to deal with these organisations. This strategy might include the following:

- Maximum transparency in governmental dealing with these agencies should be ensured. General people, political parties, civil society and other relevant stakeholders should be informed about the negotiations.
- Develop local skills to work with these organisations so that these can be influenced from within.
- Develop local capacities in a manner that the need for the trans-national non-state actors in the country is diminished.
- Foster better relationship with other countries so that negative image depicted by some of the International NGOs does not harm Bangladesh.
- Prepare and follow strategies to bolster image of the country.

**Attracting more Foreign Direct Investment (FDI)**

Replacing Official Development Assistance (ODA) with FDI has been one of the major focuses of economic diplomacy pursued by Bangladesh. This is crucial not only for the economic development of the country but it also provides an opportunity to transfer
technologies. Unlike India or China, Bangladesh has so far not been successful enough in attracting much FDI. Observers have highlighted some of the factors responsible for Bangladesh’s failure in attracting much FDI. These are:

- Lack of stable governance has been identified as one of the major impediments in attracting more FDI. Stable governance is seen as a necessary condition for confidence of the investors.
- Corruption adds to the operating cost of conducting business activities. It makes the economy uncompetitive vis-à-vis others.
- Politically motivated strikes, workers movement coupled with violent and destructive activities play an important role in driving away investment.
- Lack of knowledge amongst the investors about the opportunities in Bangladesh.
- International image of Bangladesh as a country frequented by natural disasters and beset with poverty does not encourage investors.
- The government has provided a number for incentives for attracting FDI, but many of the investors are unaware of them.
- Bureaucratic red-tapism has been seen as a barrier to investment.
- *Doing Business* report of the International Finance Corporation identifies Bangladesh as the costliest country in South Asia to conduct business in Bangladesh.  

Thus, it is imperative for Bangladesh to address the aforementioned barriers to investment for attracting more FDI. Bangladesh also needs to project herself as a bridge between south and Southeast Asia in order to attract more FDI from the Southeast Asian countries.

3.6 PURSUING DIPLOMACY: REFLECTIONS ON SOME CRUCIAL ISSUES

Attempts have been made above to evaluate the pursuit of Bangladesh’s diplomacy with a focus on a number of geographical
regions of crucial importance to the country. While it is certainly a useful method of evaluating the performance of Bangladesh’s diplomacy, this method does not leave enough room for grappling squarely with some of the issues that pertain to some regions. While the list of such issues would be rather long, we would concentrate our attention on the two such issues for exploration in the context of the Bangladesh diplomacy. These are: Bangladesh’s role in the United Nations Peacekeeping Operations and the export of manpower.

3.6.1 United Nations Peace Support Operations and Bangladesh

There has been a phenomenal increase in the number of intra-state conflict since the end of the Cold War. Gross violation of human rights and cross-border nature of these conflicts called for intervention by the international community through the United Nations (UN). In response, the UN has sent multi-national non-combatant soldiers for maintaining peace in the countries in conflict.

Bangladesh started sending troops to the UN Peacekeeping Missions with 31 officers thorough its participation in the United Nations Iran-Iraq Military Observer Group (UNIIMOG) in 1988. As of May 2008, Bangladeshi Peacekeepers have participated in 41 missions, of which 28 have been completed and the rest are ongoing. A total of 89,481 Bangladeshi personnel have served in the UN Peacekeeping missions. As of May 2008, a total of 7,757 Bangladeshi peace keepers are serving in the UN missions. Bangladesh now stands as the largest contributor of civilian and military personnel to the UN, second only to Pakistan.

In 2007, Bangladesh participated in three new missions in Darfur (UNAMID) and in Chad and the Central African Republic (MINURCAT). Bangladesh has participated in the UNAMID mission in Darfur in the UN and African Union hybrid peacekeeping operation both with military and police personnel. The MINURCAT mission is participated only with the military. Up to 30 May, 2008 Bangladesh has earned US$34,93,76,048.72 (Tk.2288,54,13,330.71) by participating the UN Peacekeeping missions. Like many other nations, Bangladesh observed the International United Nations Peacekeeping Day on May 29, 2007.
Bangladesh’s participation in the UN Peace Support Missions is a reflection of the country’s deep and abiding commitment to global peace and stability and the country’s interest in actively associating itself with the goals and purposes of the UN and the international community. The fame and reputation that Bangladesh has earned so far in this domain are mainly attributed, on the one hand, to the commitment, efficiency and dedication of the Bangladesh Armed Forces, and to their respect for rules, norms and regulations, both international and those of the host countries. The success story of Bangladesh Peacekeeping operations abroad is well expressed in the words of a person no less than the former Secretary General of the UN, Mr. Kofi A. Annan when he said, “Bangladesh is a model member of the UN providing leadership amongst the least developed countries and in the General Assembly and other forum, and contributing substantially to Peacekeeping and Humanitarian operation.” In addition, the British Broadcasting Corporation (BBC) has termed Bangladeshi Peacekeepers at the UN as ‘cream of UN Peacekeepers.’ These statements are certainly recognition of Bangladesh’s contribution in global peacekeeping and peace-building.

Factors influencing increased participation of Bangladesh are many:

- First, praiseworthy performance of our forces has received wide appreciation in the UN circle. Bangladesh military personnel have been found, in comparison to even many Western forces, highly disciplined. (i) do not involve in gainful private transactions and internal affairs of the host countries; (ii) have the advantage of knowing English; (iii) Bangladesh being a Third World country has its advantage—the personnel do not have a big power syndrome. They are not arrogant.

- Second, most officers of Bangladesh forces are well trained on peacekeeping. The Defence Services Command and Staff College (DSCSC) is perhaps the first of the staff colleges of the world that incorporated the study of peacekeeping in its syllabus in the early 1980s. The training of troops during the initial periods were conducted at unit level until the establishment of PKOTC (Peace Keeping Operation Training Centre) in 1999 which was subsequently restructured and expanded to include other state of the art training facilities for PSO. On 17 January 2002, the institute was renamed as BIPSOT
(Bangladesh Institute of Peace Support Operation Training) to provide PSO training to all Bangladeshi participants.95

- The third factor that influence increased participation of Bangladesh troops is the religion. Most of our soldiers being Muslims, Bangladesh forces are acceptable to all the Muslim countries of the world.
- Fourth, Bangladesh’s neutral posture in global politics is also a contributing factor.
- Fifth, having participated in the Gulf War, Bangladesh has earned a few good friends who lobby for Bangladesh’s participation in peacekeeping.
- The sixth factor is our national commitment to maintain peace even it that involves risks.
- Seventh, in most missions, the Bangladeshi troops went out of their way to help the locals in terms of sharing UN ration, extending medical facilities, solving local problems etc. while remaining above any question of misconduct.
- Finally, a major factor that influenced in increasing Bangladeshi participation is the appointment of a military representative of the rank of a colonel at the UN. Normally, there are strong lobbies at the UN by many countries for participating in UN missions. For example, having strong lobbies at the UN, Ghana could send at one time about 50% of its total army, and Canada could participate in many UN missions. Some European countries even keep units on high alert to participate in UN missions at a short notice.

**Advantages**

Like all processes, Bangladesh’s participation in the UN Peace Support Missions has its advantages and disadvantages too. The advantages of Bangladesh’s participation are financial, political and military in nature.

**Financial:** Bangladesh’s participation in the UN missions has not only bolstered its reputation in the international community but has become an important source of remittance for the country. Bangladesh so far has earned near about 1900 crores taka from UN peacekeeping missions.
Political and diplomatic: (i) Enhanced the image of the country; professionalism and skill of the armed forces is projected (ii) it has impact on the economic front. Many windows of opportunity were opened after 1991 participation in the Gulf War, cementing of ties with the West, Kuwait and Saudi Arabia. Having supported the Kuwait cause, there has been an increase in foreign aid from Kuwait and Saudi Arabia. Some of the earlier loans were converted into grants. However, Haiti case demonstrates somewhat a different picture.

Military: There have been many advantages in purely military arena. Firstly, participation in peacekeeping has provided an exposure of many of our military personnel to the outside world that has many disadvantages. These missions have provided the exposure to many different systems of military management, equipment, different types of conflicts etc. All these help broaden the outlook of our forces and provide diversified training. Successes in those missions have effectively enhanced the confidence of the forces. Much of these are expected to enrich the tradition and experience of Bangladeshi forces.

During the last 20 years of participation in the UN Peace Support Missions, Bangladesh has lost 43 lives. 18 of them are officers and 25 were soldiers. In addition, a total of 35 Bangladeshi Peace Keepers were injured.96

As mentioned before, Bangladeshi Peace Keepers have accomplished a commendable task not only through their role in keeping as well as sustaining peace in the affected region but also acting as ambassadors of peace of the country and bolstering its image in the global political arena and at the same time consolidating relationship with the affected countries. This has been illustrated by the increase in Bangladeshi trade relations with some of the central African countries as well as the increase in high profile visit from those countries.

3.6.2 Export of Man Power
Bangladesh is one of the least developed countries in the world and at the same time it has a huge population. These two factors (i.e. poverty and population) coupled with globalisation and the need for skilled, semi-skilled and unskilled labour in the new industrialised economies and the Middle East contributed to the
growth of Bangladeshi manpower export. There are about 5 million
Bangladeshis working in different countries now.

Export of manpower both skilled and unskilled or semi-skilled
and hence the remittance from the expatriate is one of the major
sources of foreign currency inflow for Bangladesh in 2007. Last
year they remitted US$6.56 billion dollars, which boosted up the
country’s foreign exchange reserve and helped pay the import
bills. However, it needs mentioning apart from the official
channels, expatriate Bangladeshis also use unofficial channels to
remit money. Thus, the actual amount that has been remitted by
the Bangladeshi workers could be higher than the official figure.
Government’s efforts to encourage remittance through official
channel seem to be producing results.

Table 3.1: Bangladeshi Manpower in the Middle Eastern Countries 2007

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Name of the Country</th>
<th>Bangladeshi Workers</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Bahrain</td>
<td>109,312</td>
</tr>
<tr>
<td>2.</td>
<td>Egypt</td>
<td>2,452</td>
</tr>
<tr>
<td>3.</td>
<td>Iran</td>
<td>1,002</td>
</tr>
<tr>
<td>4.</td>
<td>Jordan</td>
<td>24,586</td>
</tr>
<tr>
<td>4.</td>
<td>Kuwait</td>
<td>314,688</td>
</tr>
<tr>
<td>5.</td>
<td>Lebanon</td>
<td>14,988</td>
</tr>
<tr>
<td>6.</td>
<td>Libya</td>
<td>15,972</td>
</tr>
<tr>
<td>7.</td>
<td>Oman</td>
<td>170,794</td>
</tr>
<tr>
<td>8.</td>
<td>Qatar</td>
<td>90,346</td>
</tr>
<tr>
<td>9.</td>
<td>Saudi Arabia</td>
<td>1,795,765</td>
</tr>
<tr>
<td>10.</td>
<td>Sudan</td>
<td>5,032</td>
</tr>
<tr>
<td>11.</td>
<td>Syria</td>
<td>607</td>
</tr>
<tr>
<td>12.</td>
<td>United Arab Emirates (UAE)</td>
<td>775,767</td>
</tr>
<tr>
<td>13.</td>
<td>Yemen</td>
<td>1,055</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>3,317,334</td>
</tr>
</tbody>
</table>

Source: Ministry of Expatriate Welfare and Overseas Employment, URL:
s%20Employment%20in%202007 accessed August 31, 2008

Bangladesh currently exports manpower to the following 20
countries: Saudi Arabia, Kuwait, United Arab Emirates, Qatar,
Sudan, Libya, Bahrain, Oman, Malaysia, Korea, Singapore, Brunei,
Japan, Jordan, United Kingdom, Mauritius, Italy, Egypt, Lebanon and Yemen.98 Foreign Advisor Iftekhar Ahmed Chowdhury during his trip to Seoul in June 2007 signed a Memorandum of Understanding with the Korean Ministry of Labour to resume the export of manpower to that country from May 2008. It is estimated that about ten thousand Bangladeshis would be employed in South Korea in phases.

In 2007, over 832,000 got visas for jobs abroad, with most of the workers heading to the Gulf countries of Saudi Arabia, United Arab Emirates and Qatar and the South East Asian nations of Malaysia and Singapore.99

Like subsequent years, Saudi Arabia has been the top destination of Bangladeshi workers. Thus, it has been the largest source of inbound remittance. Bureau of Manpower, Employment and Training (BMET) of the Bangladesh government statistics show that a total of 204,112 Bangladeshi workers went to Saudi Arabia as opposed to 109,513 in 2006. This shows 46% increase in the number of migrants to Saudi Arabia in 2007 compared to the previous year. It has been the highest source of remittance remitting a staggering amount of US$1,462.41 million during the 2006-2007 financial year.

During the 2006-2007 financial year, the USA became the second largest source of remittance to the country. This figure, however, is only nearly 50% of the amount sent from Saudi Arabia. The United Kingdom ranks third as a source of remittance to Bangladesh. The expatriate Bangladeshis living there remitted US$737.72 million during 2006-2007. Strong monitoring system of the Bangladesh Bank, quicker services provided by the local banks and stable foreign exchange rates gradually helped increase the remittance inflow increased over the years. In addition, many banks have opened up branches abroad to make it easier for expatriate to send money back home, while many others have made corporate deals with overseas money transfer companies so that the non-resident Bangladeshis can avail of authorised channels to transfer money. It now takes a maximum of 72 hours for the remittance to reach the recipients anywhere in the country.100

The importance of remittance in the national coffers is increasing rapidly throughout the developing countries. Globally,
remittances have more than doubled since 2000. With the process of globalization increasing the numbers of people on the move,\textsuperscript{101} there’s no end in sight. The World Bank, in a recent report, said that globally, remittances totalled nearly US$276 billion in 2006. This means that if all the guest workers incorporated as a company, their migrant multinational would rank No. 3 on the Fortune 500 list, trailing only Wal-Mart and Exxon Mobil in annual revenue.\textsuperscript{102}

Although the share of remittance in Bangladesh’s economy remains impressive, out of the global remittance of US$276 billion Bangladesh’s share of only US$6.56 billion remains meagre. This is notwithstanding the fact that presently about 5 million Bangladeshis are working abroad. One of the main reasons is that most of the Bangladeshi expatriates working in Middle East or East Asia are unskilled workers. It may be mentioned here that Doctors, engineers, nurses and teachers are considered as professionals. Manufacturing or garments workers are considered as skilled and tailor, mason etc as semi-skilled workers. Housemaid, cleaner, labourers are classified as unskilled.

![Figure 3.1: Remittance Pattern in Pakistan, Bangladesh and Philippines](source)


*Figure 3.1: Remittance Pattern in Pakistan, Bangladesh and Philippines*
Table 3.2: Bangladesh Manpower Export to the East Asian Countries

<table>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Malaysia</td>
<td>2</td>
<td>401</td>
<td>1,385</td>
<td>1,628</td>
<td>10,537</td>
<td>67,938</td>
<td>47,826</td>
<td>35,174</td>
<td>66,631</td>
<td>2,844</td>
<td>551</td>
<td>-</td>
<td>17,237</td>
<td>4,921</td>
<td>85</td>
<td>28</td>
<td>224</td>
<td>2,911</td>
<td>20,469</td>
<td>273,201</td>
</tr>
<tr>
<td>Brunei</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>228</td>
<td>328</td>
<td>1,335</td>
<td>2,659</td>
<td>3,062</td>
<td>303</td>
<td>169</td>
<td>1</td>
<td>1,420</td>
<td>2,958</td>
<td>154</td>
<td>980</td>
<td>1,802</td>
<td>191</td>
<td>496</td>
<td>1,186</td>
<td></td>
</tr>
<tr>
<td>Singapore</td>
<td>-</td>
<td>229</td>
<td>776</td>
<td>642</td>
<td>313</td>
<td>1,739</td>
<td>391</td>
<td>3,762</td>
<td>5,304</td>
<td>27,401</td>
<td>21,728</td>
<td>9,596</td>
<td>11,095</td>
<td>9,615</td>
<td>6,856</td>
<td>5,304</td>
<td>6,948</td>
<td>9,651</td>
<td>20,139</td>
<td>38,324</td>
</tr>
</tbody>
</table>

In 2007, according to the BMET statistics, only 676 personnel were employed overseas as professional workers constituting only a mere 0.08 percent of the manpower exported overseas and the skilled workers constitute only 20% of the exported population. On the contrary, 58 percent of the exported manpower has been labelled as unskilled workers and 22% as the semi-skilled ones.

To boost the flow of remittances through the export of professional and skilled population in greater numbers the government has already established 37 Technical Training Centres (TTCs). However, the number of TTCs does not seem adequate and needs to be increased. Private sector organisations, particularly the recruitment agencies should step up efforts in establishing quality TTCs in greater numbers.

The positive impact of remittance on Bangladesh economy cannot be underestimated. Remittance has economic benefit both at macro and micro level. According to a Working Paper of International Network of Alternative Financial Institutions (INAFI) Bangladesh, in 2004, the formal remittances contributed 6% of GDP. If informal channels were included this contribution reaches 9-10% of GDP. In 2004-2005 fiscal year remittance was 44.47% of export receipt. The poorer the household, the more impact or benefits remittance income can have alleviating poverty.

In 2004-2005 fiscal year, the proportion of foreign aid in Bangladesh’s annual budget was only 38.74% of remittances and foreign direct investment was only 13.58% of remittances in 2003-2004.103

Studies have found that a typical migrant remits about 56% of his income, this percentage might go higher even to 80%.104 One important issue in this regard is the use of remittance through investment. A study by Murshid et.al. finds that most of the remitted amount is spent on food at the expatriate’s household.105 Repayments of loans occupy the second major source of investment. Other important items of expenditure are house repairs, land purchase, marriage expenses, assistances to other members to migrate, education and treatment. This study illustrates that remittances sent by the expatriates are not utilised properly through industrialisation or other productive means. The establishment of Migration Welfare Fund is not adequate to induce investment in productive sector. What is necessary is a change of mindset of the migrants. So an advocacy and educational strategy has to be
designed to motivate the expatriates to invest their remittance in productive sectors of the economy.

To resolve many of the issues faced by expatriates and to explore opportunities of enhancing the country’s interest, the government has adopted a 7-point strategy. According to the Foreign and Overseas Employment Adviser Iftekhar Ahmed Chowdhury, “The government has adopted the strategy as it believes that the country’s prime foreign currency earnings would come from the manpower-export sector.” The strategy has already been implemented and new labour markets were explored.

In recent years, the flow of Bangladeshi manpower export to some countries has faced a setback due to a series of malpractices conducted by the unscrupulous recruiting agents. These have resulted in the forced return of workers from some countries. Some countries also imposed ban on manpower recruitment from Bangladesh. Some of the local manpower recruitment agencies have been extorting unreasonably higher fees from the workers, while others were making false promises to the workers about their salary and workplace conditions. More ominous, some agents took fees from the workers and then disappeared. Such negative practices by the recruitment agents were not only denting the country’s image abroad but also reduced the opportunity of exporting manpower. The government needs to be highly vigilant regarding such recruitment agencies and when necessary, take stern measure against unscrupulous recruiting agents.

Export of manpower constitutes an important plank in the country’s economic diplomacy. Thus, the sustenance and promotion of the export of manpower, particularly in skilled and semi-skilled category should be of highest priority. Despite the fact that manpower export is yet to enjoy a status comparable to that of the export of commodities, the contribution of remittance on national GDP cannot be understated. Therefore, the government should take necessary measures to encourage migration, streamline migration process, encourage skilled migration by replacing policies that are mainly oriented towards labour migration with the once that would encourage skilled and professional migration, taking measures to protect migrants rights both at home and abroad, productive utilisation of remittances and proper use of the skills of the returned migrants.
Bangladesh missions abroad, particularly the labour wing and the Ministry of Labour and Manpower should take proactive role in promoting the Bangladesh labour market, facilitating the labour export process and identifying newer markets. In addition, to add value to labour migration appropriate and requisite skills should be imparted to the likely migrants and more emphasis should be put on developing skilled or semi-skilled workforce. Development of skilled or semi-skilled is also important for dealing with non-state trans-national actors in the global and regional context.

3.7 AN OUTLOOK FOR THE FUTURE

As evident from the preceding discussions, Bangladesh is faced with severe challenges as well as enormous opportunities in the field of security and development. Traditional security threats are compounded by non-traditional ones, while both are being influenced by the regional dynamics and globalisation wave. In this regard, the country is faced with a wide variety of challenges emanating from domestic, regional as well as global sources. In the economic realm, the country’s developmental processes are being intensively linked to the similar processes at the global level and, thus, increasingly becoming dependent on the process of globalisation. Even the rise in the popular expectations regarding freedom and prosperity that constitute a fundamental challenge remains an outcome of globalisation.

While the impact of the process of globalisation on security and development poses a wide diversity of challenges to the nation in these fields, the same also offers enormous opportunity for dealing with the country’s security predicaments as well as developmental challenges effectively. Global interdependence allows a country to mitigate the challenges to its security through cooperation at the regional and international levels. This implies particularly to countries like, Bangladesh where threats to security hardly include a direct threat of military nature. In case of dealing with developmental challenges, the role of regional and international cooperation in pulling the country out of the poverty trap and marching towards socio-economic progress is even more vivid and significant than the case with the security challenges. It is in this
backdrop that the importance of the role of foreign policy and diplomacy in facing the challenges to security and development remains of crucial importance. The central focus of the paper has been on how foreign policy can serve as an instrument of harnessing the opportunities and facing the challenges outlined above.

As we have evaluated Bangladesh's endeavours at securing regional and international support in strengthening its security environment and in accelerating its developmental efforts, we have observed a somehow paradoxical scenario. Bangladesh has been quite successful in expanding as well as deepening its relations with the global community. This implies not only trade and other forms of economic relations. The country has also been successful in expanding its political relations with the international community as well. Increasing participation of Bangladesh in the UN peacekeeping forces is a striking example in this regard. So is the ever increasing participation of Bangladeshi workers and professionals in the process of development in a widening number of countries all over the world, Middle East, Asia-Pacific region, Europe and North America in particular. On the other hand, despite enormous efforts on the part of Bangladesh, the status of regional cooperation under the framework of SAARC remains far from responding to the needs and requirements of Bangladesh or those of any other regional country. The paradox, thus, is South Asia while increasingly being integrated to the global community, also remaining regionally fragmented.

We have already discussed that there are tremendous pressures from within the region and also generated by the ongoing transformation of the global order. Such pressures themselves, however, hardly could resolve the region's problems. To make a qualitative departure from the past, serious and sincere efforts on the part of the regional countries are indispensable. Conflicts and mistrust in South Asia are so stubborn that they are capable enough to resist pressures for regional cooperation. Therefore, in order to vitalise the process of cooperation within the framework of SAARC, it is necessary to concentrate collective efforts of regional countries aimed at resolving the existing conflicts and disputes, improving bilateral relations as well as overall political climate in inter-state relations. In this regard, the most pressing task of the time is the
elimination of existing hot-beds of tension in the region and the prevention of the emergence of new ones, and devising ways and means in order to resolve the regional conflicts. In cases, where the solution is out of reach, the countries of the region need to learn to live with the conflicts through effective measures of conflict management. It is vital for the region, as in no case South Asia could be free from conflicts.

Coming back to our main theme and the focal point of this paper: how foreign policy and external relations of the country may contribute to the fulfilment of the tasks of nation building, a range of concrete suggestions are being put forward for consideration:

i. In the backdrop of a process of all-pervasive interaction among the nation states, international/multilateral bodies, a wide diversity of transnational organisations and etc. in the context of globalization wave, foreign policy and external relations can no more remain the exclusive domain of the traditional foreign policy establishment—Ministries of Foreign Affairs, Defence, Finance, Commerce, Manpower etc. alone. In the conduct of foreign policy and external relations, contribution on the part of the all or any of the individual ministries/government departments often becomes a necessity on the basis of specific requirements;

ii. Similarly, the creation of new ministries/departments or overhauling the old ones often comes to the forefront due to the ever-changing contexts. For instance, trade in services constitute about 30 percent of the world trade. In Bangladesh, it is not being dealt with any particular ministry. As a matter of fact, trade in services is carried out by more that ten ministries, while no ministry is in charge of the formulation and implementation of overall policy regarding the trade in services. Such issues need urgent policy attention.

iii. Complex and dynamic nature of issues and actors, and interaction among them in the contemporary international arena earnestly require appropriate capacity building within all the ministries/government departments on relevant foreign policy. Central to this remains the development of expertise on a wide range of foreign policy issues;
iv. In this regard, the development of negotiation skills is a crucial point. Negotiation remains the most popular and most effective form of pursuing diplomatic objectives irrespective of whether the objective is resolving conflict or fostering co-operation at the bilateral or multilateral level. Through improved negotiation skills a party can use some form of influence to get a better deal, rather than simply taking what the other side will normally give. No less important, the lack of appropriate negotiation skills may result in the country being deprived of its legitimate share while dealing with even friends, not to speak of adversaries;

v. The need of teamwork, more precisely, inter-ministerial cooperation and coordination is assuming more and more importance due to the involvement of ever increasing number of actors in the conduct of foreign policy and external relations as well as the inclusion of ever increasing number of issues in this sphere of statecraft;

vi. It is in this light that the formation of a high powered Cabinet Committee on foreign policy, economic diplomacy in particular, is a need of the time. It would be designed to perform two fundamental tasks. Firstly, it would formulate policies in the field of economic diplomacy and related foreign policy issues through better coordination among the relevant ministries. Secondly, it would serve as a watchdog overseeing the implementation of these policies. In this regard, however, the mandate of the Committee will have to be clearly defined by the Cabinet. The Committee may include Finance Minister, Foreign Minister, Commerce Minister and Industries Minister as well as Finance Secretary, Foreign Secretary and Commerce Secretary. The most senior minister may chair the Committee, while Foreign Secretary may serve as member-secretary. Other relevant ministers and secretaries may be invited by this committee on issue basis. Such a committee, if works properly, would help concretely articulate the foreign policy objectives of the country, devise appropriate ways and means of achieving these objectives and add considerable dynamism to the country's diplomacy.
vii. The conduct of foreign policy and external relations also involves a wide diversity of non-state actors: business community, research institutions, a variety of transnational organisations, NGOs and the likes. Most of the activities of these organisations remain outside the purview of the government. This added considerable complexity in contemporary international relations making the tasks of the foreign policy establishment remarkably difficult. In order to deal with the challenges emanating from the above, continuous dialogue and coordination between the foreign policy establishment, on the one hand, and the whole gamut of non-state actors is an essential requirement;

viii. The inclusion of a wide range of actors and issues in the domain of foreign policy and external relations will in no way dilute the role of the traditional foreign policy establishment, the Ministry of Foreign Affairs in particular. Instead, the changed matrix in contemporary international relations has further reinforced the role of the foreign policy establishment in facing the challenges starting from the micro to macro level;

ix. In the light of the above understanding, an attempt is made below to articulate how the Ministry of Foreign Affairs and, more precisely, Bangladesh missions abroad can be of more effective use in achieving the tasks of the nation;

x. The Bangladesh missions abroad should keenly observe the policy changes in the countries concerned and transmit back the likely implications in terms of gains and losses for Bangladesh. For example, due to US ban on wild shrimp, there will be a shortfall in the shrimp supply in the short run. Is it possible to coordinate the utilisation of idle capacity of our producers to offset the probable losses we might encounter? Similarly, how would the domestic policy changes and changing market realities in the manpower importing countries affect our interests? In this connection, the Bangladesh missions may establish electronic information centres dealing with all relevant sets of data related to trade and disseminate the information to the concerned enterprises;
xi. The missions abroad may coordinate market surveys with regard to the range of exportable products with a view to identifying the export potentials;

xii. One important goal of an economic diplomatic offensive will be to identify complementarities and interdependence between our economy and the concerned foreign economies. Suggestions regarding how to harness the complementarities—both static and dynamic in trade and investment—should also come from the missions abroad;

xiii. Contacts between our entrepreneurs and business communities and the expatriate Bangladeshis should be activated with a view to linking trade and investment;

xiv. Where needed the missions may engage in bilateral negotiations with local parties on behalf of Bangladeshi parties.

To be precise, similar role for Bangladesh missions abroad has been talked about in the past. For effective implementation, the question of accountability should be accompanied by incentives for the missions and this makes ample economic sense to tag incentives to performance side by side with accountability. A national level Foreign Trade Consultative Council including Government agencies and private sector stake-holders may help in evolving a holistic national strategy in trade and investment.

ENDNOTES


Ibid.

An insightful discussion on the phenomenon is presented in, International Institute of Strategic Studies, Strategic Survey 2007, op.cit. pp.19-32.


Ibid., p.419.


The house of representative passed the Bill with an overwhelming majority of 359-68, the Senate Foreign Relations Committee passed the bill by a 16-2 margin, and the Senate had passed the Bill with 85 votes in favour and 12 against it.


Centre for Policy Dialogue, State of the Bangladesh Economy in FY2006-07 and Outlook for FY2007-08, (Dhaka: Centre for Policy Dialogue, 2008), Table 1, p.4.


44 Ibid.


56 Ibid.


60 Anand Kumar, op.cit.
63 Ibid.
64 The trade figures are from, International Monetary Fund, Direction of Trade Statistics, Yearbook 2007, (International Monetary Fund, Washington D.C., 2007), p.76.
66 Ibid.
67 Ibid., and The New Age, 31 August 2007.
72 Ibid.
74 Ibid.
International System


78 “Sub-Regional Relations in the Eastern South Asia: With Special Focus on Bangladesh and Bhutan,” op.cit.


88 The PSI states, “... in recent years several low-income countries have made significant progress toward economic stability and no longer require IMF financial assistance. However, while they may not want—or need—fund financial support, they might still seek ongoing IMF advice, monitoring and endorsement of their economic policies—what is called policy support and signaling....” Under PSI, Bangladesh will not receive any loan but advice only from IMF. If the government does not work on advice of IMF, Bangladesh will not be entitled to any foreign loan or assistance from any other country/ international financial body because the green signal of IMF will be necessary in that case. See, ATM Nurun Nabi, *The New Nation*, 5 September 2007.

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92 Pakistan’s personnel contribution to the UN is 10,173 while Bangladesh’s is 9,675. See, “UN Peacekeeping Missions,” URL: www.infoplease.com/ipa/A0862135.html, accessed, June 03, 2008.


95 For further information visit www.bipsot.net accessed, 03 June 2008.


99 Ibid.


101 BMET statistics on migration shows a boom in outward migration of labour in the early 1990s coinciding with the end of Cold War period and the beginning of globalization process.


107 T. Bruyn and U. Kuddus, op.cit.