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FOREIGN POLICY OF BANGLADESH: EMERGING CHALLENGES

Abstract

Being placed in between low-income and lower-middle-income country status, Bangladesh aspires to be a developed one by 2041. But there are several emerging foreign policy challenges for the country. This paper limits its scope to some specific challenges *i.e.*, soft power diplomacy and image building, trade in goods and services, attracting foreign direct investment, suiting development assistance with development priorities, ensuring energy security, developing transport connectivity, addressing transnational issues like water security and maritime security, addressing climate change issues and balancing between/ among parties, interests and initiatives. Examining existing literature and interview transcripts and undertaking interpretative approach, the paper tries to develop its main argument - economic issues and economic diplomacy encompassing resource mobilisation will remain crucial to formulate and implement foreign policy agenda of Bangladesh. In mobilising resources, actors concerned with foreign policy of Bangladesh need to work at multiple-levels with proper understanding of internal and external dynamics, policy priorities of vital countries as well as the organisations and instruments to make the policy a success.

1. Introduction

The concept of foreign policy is as old as the perception of state's mutual interaction. States as sovereign actors call for interacting mutually, which results into formation of foreign policy.¹ In broader sense, foreign policy can be defined as a government's strategy for interacting with other states.² Narrowly, it is the sum of principles, interests, objectives and plan of actions adopted by a state in a complex domestic and international environment to conduct its relations with other states and

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¹ Sadia Mushtaq and Ishtiaq Ahmad Choudhry, "Conceptualization of Foreign Policy: An Analytical Analysis", *Berkley Journal of Social Science*, Vol. 3, Spring 2013.

² Christopher Hill, *The Changing Politics of Foreign Policy*, New York: Palgrave Macmillan, 2003, p. 1.

non-state actors.³ Foreign policy is thus, the extension of national policy.⁴ It is shaped by different factors like geography, history, national ideology and capacity, leadership, public opinion, socio-political orientation, geo-political and global environment etc. Expansion of the field of international relations and growing mutual interaction between states with non-state actors and their inalienable interdependence demand expansion of the scope of foreign policy. Hence, contemporary understanding of foreign policy incorporates the role of intergovernmental bodies and transnational organisations along with nation-states into its domain.

Bangladesh has been promoting such a foreign policy that is keen to advocate its national interest and image, economic development and self-ideology. There is no denying that economic compulsions have always been at the forefront in setting the country's foreign policy priorities. Over the time, the scope of Bangladesh foreign policy has been widened and consequently, several issues have been crucial, e.g., multilateralism and regional cooperation, addressing climate vulnerabilities, combating terrorism and violent extremism, pursuing maritime diplomacy and blue economy, promoting international labour migration and preserving their rights, facilitating regional connectivity, ensuring safe and sustainable energy resources, mobilising international support for debt reduction, market expansion and promotion of trade, and branding Bangladesh as a progressive nation.

As Bangladesh has recently graduated from low-income to a lower-middle-income country and aspires to become an upper middle income country by 2030 and a developed one by 2041, there are a number of emerging challenges facing foreign policy of Bangladesh, ranging from socio-political to economic, environmental and security oriented challenges. The world is in transition and recent years have been witnessing major changes in the contemporary international relations – changes in many ways unprecedented in character – which makes it extremely difficult for countries like Bangladesh to set its foreign policy priorities. The paper limits its scope in analysing the emerging challenges based on several factors and actors of foreign policy making. The factors include soft power diplomacy and image building, trade in goods and services (e.g., manpower export), Foreign Direct Investment (FDI), Official Development Assistance (ODA), energy, transport connectivity, water and maritime security, climate change and balancing between parties, interests and initiatives.

This paper examines documents (e.g., existing literature) and interview transcripts. Documentary information helps to collect explicit data and usually comes from a variety of sources, e.g., government documents, academic studies, news clippings and articles sourced from print media, documents from various organisations, etc. On the other hand, this paper adopts semi-structured interview by constructing topic guide and selecting respondents purposively. Moreover, the

³ James Rosenau, *The Scientific Study of Foreign Policy*, New York: The Free Press, 1971, p. 67.

⁴ F. S. Northledge, "The Nature of Foreign Policy", in F. S. Northledge (ed.), *The Foreign Policy of the Powers*, London: Faber and Faber, 1968, p. 16.

paper undertakes interpretive approach, a method of qualitative data analysis. The approach is of two types – thin and thick. To analyse scope of Bangladesh foreign policy and specific emerging challenges, thick interpretation is adopted.

The paper is divided into five sections including introduction and conclusion. First section is introduction. Second section begins with the definitional nitty-gritty of foreign policy and ends with conceptualisation of emerging challenges for Bangladesh. Third section briefly discusses Bangladesh foreign policy and its scopes, determinants and different important aspects. Fourth section details specific emerging foreign policy challenges of Bangladesh. Fifth section concludes the paper.

2. Foreign Policy: From Definitional Nitty-gritty to Emerging Challenges

The term foreign policy is defined with varied connotations. C. Hill defined foreign policy as the sum of official external relations conducted by an independent actor (usually a state) in international relations.⁵ In the words of L. Neack, foreign policy is the intentions, statements and actions of an actor (state) ... directed towards the external world.⁶ It is the plan of action to manage issues that may arise with other states. L. Jensen argued that “foreign policy is a pattern of attitude and behaviour, which a state adopts to interact with the international community”.⁷ This is substantiated by G. Modelski who defined foreign policy as “the system of activities evolved by communities for changing the behaviour of other states and for adjusting their own activities to the international environment”.⁸ Modelski emphasised only those aspects of policy, which aim at the change in the existing behaviour of states, as the primary objectives of foreign policy. On behavioural aspect, Rodee stated that “foreign policy involves the formulation and implementation of a group of principles, which shape the behaviour pattern of a state, while negotiating with other states to protect or further its vital interests”.⁹ Foreign policy thus includes both the change in the existing behaviour and the continuation of the behaviour at different times. J. Frankel stated that foreign policy “consists of decisions and actions which involve, to a certain extent, relations between one state and others”.¹⁰ On a different note, if a state decides not to have any relations with some country, it is also a foreign policy and this was a key argument of F. Gross.¹¹

⁵ Hill, *op. cit.*

⁶ Laura Neack, *Foreign Policy: US and Comparative Foreign Policy in the 21st Century*, Oxford: Rowman & Littlefield, 2003, p. 26.

⁷ Lloyd Jensen, *Explaining Foreign Policy*, Englewood Cliffs, New Jersey: Prentice-Hall, Inc., 1982, p. 14.

⁸ George Modelski, *A Theory of Foreign Policy*, London: Pall Mall Press, 1962, pp. 6-7.

⁹ C. C. Rodee, cited in V. N. Khanna, *International Relations*, India: Vikas Publishing House Pvt. Ltd., 5th Edition, 2013, p. 270.

¹⁰ Joseph Frankel, *The Making of Foreign Policy: An Analysis of Decision-Making*, London: Oxford University Press, 1968.

¹¹ F. Gross, cited in L. S. Srivastava and V. P. Joshi, *International Relations: From 1914 to Present Day*, Meerut: GOEL Publishing House, 2005.

Nation-states and their governments no longer enjoy monopoly of power in controlling their national economies or social developments. The growing impact of globalisation, increased internationalisation of daily life and emergence of free market economy have forced nation-states to broaden the scope of their foreign policies. Thus, foreign policy encompasses state's relation with non-state actors which include international bodies and transnational organisations. It includes activities such as adhering to international laws and conventions, membership and involvement of multilateral bodies, e.g., the United Nations (UN), alliances and security agreements, trade agreements, supplying foreign aid to developing countries or areas affected by natural disaster, etc. It is a critical area of foreign policy because it shapes state's relationship, reputation and trade status with its neighbours and beyond. It also affects a nation's international standing or how it is viewed by the rest of the world.

There is no denying that states formulate foreign policy to secure self-interests inscribed in their domestic policy. Bismarck stated that foreign policy is the extension of domestic policy.¹² Emajuddin noted, "conceptually foreign policy is that part of national policy of a state which is related to external environment".¹³ Holsti said that "foreign policy is the action towards international environment and the conditions, usually domestic, under which these actions are formulated is concerned essentially with foreign policy".¹⁴ Kissinger argued, "foreign policy begins where domestic policy ends".¹⁵ All these substantiate that domestic policy of a country and its national interests play important role in formulating the country's foreign policy. The domestic policy is evolved by politico-economic ideology, social structure, national character and partisan/domestic politics of a particular state and the internal factors determine how countries behave toward the world beyond their borders. Thus, examining preferences and configurations of key domestic factors are crucial.¹⁶ Importantly, domestic politics dictates how a country will interact with rest of the world, international bodies and transnational organisations and what will be the country's position while responding to its national security issues against the growing threats of international environment. There is also counter argument that domestic policy cannot totally influence and dictate country's foreign relations as over the long run a state's foreign policy cannot transcend the limits and opportunities thrown by global environment.¹⁷ In a nutshell, in the words of Chakraborty, foreign policy is a state's continuous response to pressures in the forms of constrains and incentives emanating

¹² Bismarck, cited in Md. Abdul Halim, "Foreign Policy of Bangladesh: Framework of Analysis", in Emajuddin Ahamed (ed.), *Foreign Policy of Bangladesh: A Small State's Imperative*, Dhaka: Kamol Kuri Prokashon, 2004, p. 80.

¹³ Emajuddin Ahmed, "Introduction", in Emajuddin Ahmed (ed.), *The Foreign Policy of Bangladesh*, Dhaka: The University Press Ltd, 1989, p. vii.

¹⁴ K. J Holsti, *International Politics: A Framework of Analysis*, New Jersey: Prentice Hall, 1967, p. 21.

¹⁵ Henry A. Kissinger, "Domestic Structure and Foreign Policy", in George S. Masalinant and Gilbert Abcarim (eds.), *International Politics Introductory Readings*, New York: Charles Scribner's Sons, 1970, p. 155.

¹⁶ Gideon Rose, "Neoclassical Realism and Theories of Foreign Policy", *World Politics*, Vol. 51, No. 1, October 1998, p. 148.

¹⁷ *Ibid.*, p. 151.

from international system in order to safeguard its national interests. States are thus, bound to formulate foreign policy for their own survival as these states have to be keen about their calculus of national interests in international relations.¹⁸ What play vital role is the international politics and market to shape state's foreign policies and priorities.¹⁹ As a matter of fact, understanding objectives, scopes and compulsions of foreign policy are crucial.

In a broader sense, while the scope of foreign policy can be expressed with three "D's" (Defence, Diplomacy and Development), upholding national interest is the ultimate objective of foreign policy.²⁰ National interests include, but not limited to, self preservation, safeguarding territorial integrity, national security and identity, economic promotion, social development, image building and augmentation of national prestige. National interests are the factors looming large in diplomatic negotiations at multiple levels. In pursuing national interests, states are at times compelled to consider universal ideals, principles of international law and morality. Constant changes in global environment and the complexity of great power rivalries make things difficult for states to adjust their foreign policy. Here lies orientation and effective utilisation of hard power and soft power diplomacy to deal with intricacies in formulating foreign policy. Hard power helps protect state's territorial integrity and internal stability, establish dominance in global politics, deter competitors, coerce belligerent states, etc. By contrast, soft power diplomacy usually includes national culture, customs, beliefs, arts, morals, social habits and other capabilities. States deploy cultural diplomacy as an efficient tool of soft power diplomacy to materialise various foreign policy goals.²¹ States strive for increasing national prestige and image building. Cultural diplomacy helps materialise the two.

Promotion of economic interests is a crucial aspect of national interests. States face the challenges of established and changing international economic architectures. Therefore, national interests have been more economic than political, and foreign policy is ever increasingly being guided by economic factors than by political ones.²² Here lies the essence of economic diplomacy in foreign policy and its upcoming challenges, e.g., negotiating economic and trade agreements, eliminating divergences, harmonising standards in various aspects, etc., at different levels. Two emerging challenges of economic diplomacy are – facing scarcity of energy and

¹⁸ Gobinda Chakraborty, "Foreign Policy: A Theoretical Assessment", *Bangladesh Political Science Review*, Vol. 11, No. 1, December 2015, p. 206.

¹⁹ Hill, *op. cit.*, p. 14.

²⁰ Nafees Asiya Syed, "The 3 D's of Foreign Affairs", Annual Report, *Harvard Political Review*, 17 September 2010, available at <http://harvardpolitics.com/arusa/the-3ds-of-foreign-affairs/>, accessed on 10 January 2017; Nathan Finney, "A Culture of Inclusion: Defense, Diplomacy, and Development as a Modern American Foreign Policy", *Small Wars Journal*, 26 September 2010.

²¹ Hwajung Kim, "Cultural Diplomacy as the Means of Soft Power in an Information Age", *Institute for Cultural Diplomacy*, December 2011, available at http://www.culturaldiplomacy.org/pdf/case-studies/Hwajung_Kim_Cultural_Diplomacy_as_the_Means_of_Soft_Power_in_the_Information_Age.pdf, accessed on 15 January 2017.

²² L. S. Srivastava and V. P. Joshi, *International Relations: From 1914 to Present Day*, *op. cit.*, p. 16.

reducing barriers in establishing regional connectivity, physical in nature. Scarcity of energy is a serious concern. It is at the core of geopolitics and can be both a source of conflict and cooperation at multiple levels. Therefore, the issue of energy diplomacy comes to the fore and ensuring energy security remains an emerging challenge of foreign policy.²³ Another challenging factor that shapes state's foreign policy is the issue of regional connectivity. How interlinked trade and economic promotion is with regional transport connectivity is practically evident. But the challenges remain with both hard infrastructure (e.g., lack of physical infrastructure) and soft infrastructure (e.g., regulatory constrains, lack of effective institution, mechanism and process). Importantly, negotiating the issue at multi-levels is critical.

From geographical viewpoint, national interest and foreign policy significantly evolve with some vital notions, e.g., water diplomacy, maritime diplomacy and climate diplomacy. Common water resource management or water politics is a key to conflict between/among states and thus, water diplomacy is a challenging aspect of a state's foreign policy. Deep-sea water incorporating the phenomena of marine resources, maritime security and maritime connectivity is being at the core of geopolitical contention and accordingly, maritime diplomacy and the concept of blue economy²⁴ arise in the parlance of foreign policy.²⁵ Relatively, a new distinct focus of foreign policy is the inflation of extreme climate event, change in environment and its adverse consequences. This calls for multi-stakeholder consultation and mutual cooperation. Here lies the challenges of climate diplomacy, e.g., negotiation on loss and damage, demand of compensation, finding realistic solution, etc.

Comparatively another new phenomenon in politics is the existence of pressure groups. Their techniques, e.g., balancing issue-oriented initiatives²⁶ have enabled them to claim enlarged role in shaping a country's foreign policy. These groups yield a considerable influence on their respective governments, which the latter cannot always avoid. At times, national government has to negotiate with the

²³ Energy diplomacy refers to any diplomatic activity designed to enhance access to energy resources. For details, see Marco Giuli, "Getting Energy Diplomacy Right: A Challenge Starting at Home", European Policy Centre, 23 October 2015, available at http://epc.eu/pub_details.php?cat_id=4&pub_id=6052, accessed on 06 December 2016.

²⁴ The idea of the "blue economy" was conceived at the Rio+20 United Nations Conference on Sustainable Development, held in Rio de Janeiro in June 2012. Fundamental to this concept is the principle of equity, ensuring that developing countries optimise the benefits received from development of their marine environments (e.g., agreements related to fishery, bio-prospecting, oil and mineral extraction); promote national equity, including gender equality and in particular the generation of inclusive growth and decent jobs for all; and have their concerns and interests properly reflected in the development of seas beyond national jurisdictions, including the refinement of international governance mechanisms and their concerns for states proximate to seabed development. For details, see, "The Blue Economy: Origin and Concept", available at <https://www.col.org/news/items/blue-economy-origin-and-concept>, accessed on 29 April 2017.

²⁵ "Blue Economy: Concept, Elements and Evolution", IASPOINT: Integrated IAS General Studies by GKToday, 16 April 2016, available at <https://academy.gktoday.in/current-affairs/blue-economy-concept-elements-and-evolution/>, accessed on 14 December 2016.

²⁶ The ambiguity of addressing energy security not at the cost of creating climate change oriented concerns.

entities to formulate any policy. Thus, conflict between parties and interests is going to be an emerging challenge of foreign policy. Another contemporary challenge in global politics and in the parlance of foreign policy is the rise of terrorism and violent extremism. There are criticisms against international counterterrorism regime that it lacks globally accepted agreement and multilateral actions involving different stakeholders. Therefore, despite several efforts from countries around the world, global terrorism is growing unabated, creating havoc in different countries, severely disrupting the peace and stability of the world.

3. Foreign Policy of Bangladesh

Foundation of Bangladesh foreign policy was laid by an articulation - friendship to all, malice to none. This remains cardinal driving force of Bangladesh foreign policy.²⁷ Fundamental principles that Bangladesh always sought to uphold in its foreign policy have been to work for national sovereignty and equality, non-interference in internal affairs of other states, peaceful settlement of international disputes and respect for global law and the principles enunciated in the UN Charter which all of are clearly depicted in Article 25 of the Constitution of the People's Republic of Bangladesh.²⁸ Constitutional direction of Bangladesh foreign policy encompasses strive for renunciation of the use of force in international relations and for general and complete disarmament; uphold the right of every people freely to determine and build up its own social, economic and political system by ways and means of its own free choice; and support oppressed peoples throughout the world waging a just struggle against imperialism, colonialism or racialism.²⁹ Thus, areas of Bangladesh's foreign policy are multifaceted consisting major issues like promoting national interest, safeguarding and growing national power, protecting territorial integrity, achieving socio-economic development, upholding national ideology, maintaining cultural identity and national dignity, expanding mutual cooperation and developing partnership.

There are four important aspects of Bangladesh's domestic policy - protection, peace, progress and power. These are also important factors of the country's foreign policy. The word 'protection' is not limited to territorial security and physical survival. It encompasses socio-economic security aspects, e.g., economic, food, water, energy and environmental security. 'Peace' denotes socio-political stability, not only confined to national territory but also extended at regional and global level. 'Progress' persuades economic growth and development, addresses citizens' social development with a minimum standard of living, inscribed in the Constitution of Bangladesh. 'Power' signifies national power which is crucial as far as domestic and foreign policies are

²⁷ M. Morshed Khan, "Foreign Policy Dimension: Issues, Options and Directions", in Abul Kalam (ed.), *Bangladesh in the New Millennium*, Dhaka: The University Press limited, 2004, p. 59.

²⁸ For details of Article 25 of the Constitution of the People's Republic of Bangladesh, visit, http://bdlaws.minlaw.gov.bd/sections_detail.php?id=367§ions_id=24573, accessed on 20 November 2016.

²⁹ Article 25, Part II, *Constitution of the People's Republic of Bangladesh*, *ibid.*

concerned. With the four notions, Bangladesh has decided to develop a robust and proactive foreign policy, which would assist the country to achieve the upper-middle-income status and subsequently become a developed nation. In achieving the landmarks, some of Bangladesh's major decisions to build and nurture its foreign policy include promoting bilateral relations, multilateralism and regional cooperation; abating climate change impacts; combating terrorism and violent extremism; pursuing maritime diplomacy and blue economy; promoting international labour migration and preserving their rights; facilitating regional connectivity; ensuring safe and sustainable energy resources; mobilising international support for debt reduction, market expansion and promotion of trade; and branding Bangladesh as a secular, democratic and progressive nation. Materialising the decisions requires strong supports from neighbours, regional friends and major powers.

As per the constitutional provision, upholding national interest and safeguarding national power lie at the core of Bangladesh foreign policy. Though national interest varies from country to country, overriding one is preservation of national sovereignty and territorial integrity which is also true for Bangladesh. Foreign policy of Bangladesh aims to ensure physical survival of the state which includes internal security and protection from external aggression. It is a constant endeavour of Bangladesh foreign policy to safeguard its national power and to augment it whenever opportunities arise. Bangladesh's national security and national power are closely associated with its military capacity and ability to pursue hard power diplomacy. Modernisation of military and pursuing military diplomacy are thus important aspects of Bangladesh foreign policy which have gained greater attention in recent times. It should be kept in mind that in the world of today the weapons are not only used for wars, but also are produced to deter. The complexity of multi-polar world, global power politics and regional power structure have forced the nations like Bangladesh to think about the issue of hard power seriously for their own survival. Bangladesh is closely working with China, Russia, India and the US to strengthen its military, buying modern and advanced military equipments and expanding its military capabilities. The country is also regularly participating in different military exercises with friendly nations to showcase and hone its military might.

Within the parlance of foreign policy and national security, a critical issue that has gained much importance in recent times is terrorism and violent extremism. Bangladesh is not out of the danger of such trans-boundary crime. The rise of terrorism and violent extremism has been lethal by the manipulation of religious doctrines, use of modern technology, advanced communication facilities and overseas money transfers. It has also become complicated in particular by the proliferation of cheap but highly destructive small arms, and widespread radicalisation of youths. The government of Bangladesh has taken zero-tolerance policy which has also become an important notion of its foreign policy.³⁰ The country has rendered greater importance

³⁰ "Bangladesh's Fight against Terrorism Continues", 18 July 2016, available at <https://www.albd.org/index.php/en/resources/special-reports/3857-bangladesh-s-fight-against-terrorism-continues>, accessed on 01 May 2017.

on global cooperation and engaged itself with several regional and international bodies for countering forces of terror. Representing Bangladesh as a moderate and tolerant country which is totally against any kind of terrorism and religious extremism is also pursued by the diplomats of the country with great importance.

Upholding national interests notably and equally consider issues of economic security, energy security, maritime security and environmental security. Therefore, economic diplomacy, energy diplomacy, maritime diplomacy and environmental diplomacy constitute important parts of Bangladesh foreign policy. Consequently, growing bilateral relations, engaging with regional and multilateral platforms are of contemporary agendas. Bangladesh's relations with countries especially with the neighbours have always been of vital interests to the country's foreign policy, not only for national security implications but also for positive contributions they might have for the realisation of legitimate economic interests. Bangladesh is fully committed to work consistently towards furthering, deepening and consolidating friendly relations with South Asian neighbours, India in particular. Apart from some issues, at present, the country is enjoying warm relations with most of its South Asian neighbours and envisages continuing such momentum. Beyond South Asia, Bangladesh has attached special emphasis to its relations with Southeast Asian nations. It is keen to strengthen age-old relations with countries of the region and is eager to explore potentials through mutual cooperation and diplomatic efforts. Bangladesh continues its diplomatic effort to peacefully settle Rohingya Refugee crisis with Myanmar, which remains a source of contention between the two neighbours for long. On the other hand, Bangladesh's relations with the East Asian countries namely – China, Japan, Korea and Taiwan – are highly crucial for its foreign policy as they are Bangladesh's close economic and development partners. Bangladesh will continue furthering its existing friendly relations with these countries for its accelerated economic growth and sustainable development.

The target for a developed Bangladesh by the year 2041 encompasses a vision for greater engagement with countries of the western world. The US, UK, Canada and members of the European Union (EU) will continue to be close friends and development partners of Bangladesh, making important contributions to the country's development efforts through different kinds of cooperation. These countries are and would remain Bangladesh's important trading partners.³¹ Apart from economy and trade, with these countries, Bangladesh shares a deep commitment to uphold democracy and fundamental human rights, and a keen desire to contribute to regional and global peace. Bangladesh will continue to work closely with them also in seeking effective response to transnational issues like climate change, environmental

³¹ For details of Bangladesh's trade, see, 'Bangladesh: Country Brief', International Trade Centre, available at <http://www.intracen.org/country/bangladesh/>, accessed on 01 May 2017; 'Bangladesh', available at <http://atlas.media.mit.edu/en/profile/country/bgd/>; 'The Observatory of Economic Complexity', available at <https://atlas.media.mit.edu>, accessed on 01 May 2017; 'Bangladesh Trade at a Glance: Most Recent Values', World Integrated Trade Solution, available at <http://wits.worldbank.org/CountrySnapshot/en/BGD>, accessed on 01 May 2017.

degradation, trans-boundary crime, human trafficking, global migration, terrorism and violent extremism, etc.

Bangladesh's relations with countries of the Muslim world, deeply rooted in common bond of faith, traditions and commitment to the spirit of religion, are of great importance for the country's foreign policy. Solidarity of the Muslim Ummah and areas of cooperation within the structure of the Organisation of Islamic Cooperation (OIC) are vital for Bangladesh economy as the country's largest share of foreign earnings comes from remittances sent by Bangladeshi migrant workers residing in the Gulf Cooperation Council (GCC) countries.³² Maintenance and expansion of existing labour markets and search for untapped potentials in the Arab countries stand top in the country's foreign policy priorities. Bangladesh is now also focusing on diversifying its trade contacts in the region. On the contrary, on economic grounds, Bangladesh is yet to tap much potential in the regions - East Asia, Central Asia, Africa and Latin America - which are now a major push of the country's Ministry of Foreign Affairs (MoFA). Bangladesh has taken several initiatives to intensify and consolidate relationships of cooperation with countries of these regions in order to explore the potentials.

Beyond bilateral relations, Bangladesh is a firm believer of multi-level cooperation and this is a key aspect of the country's foreign policy. The country pioneered regional cooperation in South Asia known as South Asian Association for Regional Cooperation (SAARC) and still believes that this regional platform could be a vital instrument contributing to the consolidation of peace in South Asia, accelerated development of the region and establishment of cooperative links that would enable the people of South Asia to address mutual differences and work energies for the common good of the entire region.³³ Apart from SAARC, Bangladesh is also a founder member of Developing Eight (D-8) and Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC). Bangladesh's engagements with sub-regional initiatives like BBIN (Bangladesh, Bhutan, India and Nepal) and BCIM (Bangladesh, China, India and Myanmar) are also a clear manifestation of the country's deeper commitment to cooperate with its immediate and distant neighbours. Besides, Bangladesh is the member of different multilateral initiatives like ASEAN Regional Forum (ARF), Asia Cooperation Dialogue (ACD), Asia Europe Meeting (ASEM), etc., which are now considered as the second tier of the future regional foreign policy priorities. Bangladesh continues its constant endeavour to develop closer ties with Association of Southeast Asian Nations (ASEAN) and has signed the Treaty of Amity and Cooperation in Southeast Asia. There are some emerging multilateral initiatives like BRICS (Brazil, Russia, India, China and South Africa), TPP (Trans-Pacific Partnership) and RCEP (Regional Comprehensive Economic Partnership) in which Bangladesh is not a member. But getting maximum benefits from these multilateral frameworks and

³² "International Migration from Bangladesh", Bundeszentrale für politische Bildung, available at <https://www.bpb.de/gesellschaft/migration/laenderprofile/216104/international-migration-from-bangladesh>, accessed on 28 April 2017.

³³ Khan, *op. cit.*, p. 60.

engaging with the initiatives in time are also a focus of the country's foreign policy.

For broader multilateral platforms, foreign policy of Bangladesh targets playing an active role at the UN, UN specialised agencies and in all international organisations of which the country today is a member. Through robust diplomatic efforts, Bangladesh has been able to be elected at different influential positions of various international organisations, *e.g.*, International Maritime Organization (IMO), United Nations International Children's Emergency Fund (UNICEF), United Nations Development Programme (UNDP), United Nations Population Fund (UNFPA), United Nations Environment Programme (UNEP), Food and Agriculture Organization of the UN (FAO), UN Women, Human Rights Council, United Nations Economic and Social Council (ECOSOC), United Nations Educational, Scientific and Cultural Organization (UNESCO), World Health Organization (WHO), Convention on the Elimination of all Forms of Discrimination Against Women (CEDAW), *etc.* The Government of Bangladesh (GoB) is also continuing its persistent diplomatic efforts to popularise the Honourable Prime Minister Sheikh Hasina's People's Empowerment Model which has been globally praised and adopted by the UN.³⁴

Not only bilateral but also regional and multilateral engagements are focused on gaining politico-economic gains. Since independence of Bangladesh, economic diplomacy has thus been a major thrust of the country's foreign policy. Both economy and foreign policy of Bangladesh are in transition, moving from aid dependency to trade integration and its augmentation. In this context, Bangladesh has focused on growing multi-level trade relations, engaging with regional and mega trade blocs and attracting FDI. These require economic diplomacy. Here, it is pertinent to mention the importance of labour migration from Bangladesh. The country is vocal in global forums regarding migration and continues its diplomatic efforts to establish rights of migrants. With around 10 million workers residing abroad, protecting their rights and ensuring other facilities are crucial for diplomatic missions of Bangladesh.³⁵ This is also a priority issue of the country's foreign policy and economic diplomacy. Several initiatives have already been taken to translate the notion of economic diplomacy into concrete actions. Some of the steps include reorienting efforts to promote trade volume and FDI inflow in Bangladesh, constantly looking for markets for Bangladeshi workers abroad to increase inflow of remittances, enhancing interface with private sectors, trade and investment related bodies as well as maintaining coordination with line ministries or agencies dealing with the matters including Ministry of Foreign Affairs, Commerce and Finance, Board of Investment (BoI), Bangladesh Export

³⁴ Bangladesh Prime Minister Sheikh Hasina's 'People's Empowerment and Peace Model', which she placed at the 66th UN General Assembly on 24 September 2011, was included in the resolution of the General Assembly by all nations on 22 December.

³⁵ For details about labour migration from Bangladesh, see, "Overseas Employment of Bangladeshi Workers: Trends, Prospects, and Challenges", *ADB Briefs*, No. 63, August 2016; "Overseas Employment and Remittances From 1976-2016", Bureau of Manpower, Employment and Training, Ministry of Expatriates' Welfare and Overseas Employment, Government of Bangladesh, available at <http://www.bmet.gov.bd/BMET/viewStatReport.action?reportnumber=20>, accessed on 26 April 2017.

Processing Zones Authority (BEPZA), Export Promotion Bureau (EPB), etc. Bangladesh is also negotiating for preferential access to markets of the western countries as well as those of India and China. Asymmetry in bilateral trade relations with these two is a concern, which Bangladesh is trying to deal efficiently.

Energy is the lifeline of modern economy and a key aspect of economic diplomacy. Bangladesh needs a steady average economic growth of eight per cent or above to become a developed nation by 2041. For maintaining such growth, Bangladesh demands adequate amount of energy supply which the country lacks. Moreover, it is not endowed with abundant and varieties of energy resources and sources. Hence, Bangladesh continues pursuing energy diplomacy robustly to foster regional cooperation in order to meet its present demand of energy and future sustainability of energy supply. Multilateral regional cooperation in energy sector will reduce dependency risk on a single source of energy and will unlock regional long-term energy potential in a cost effective way. Every stakeholder can be benefited from that. Consequently, Bangladesh is now focusing on integrating energy security interests into foreign policy decision making, prioritising energy diplomacy in foreign policy to take the leverage of bilateral and multilateral energy cooperation with neighbours and other states.

After resolving maritime boundary disputes with India and Myanmar, Bangladesh focuses on exploration and development of oil and gas resources in the Bay of Bengal's shallow and deep waters. It is looking at exploring prospects in the offshore areas located between India's producing Bengal Basin and Myanmar's Rakhine Basin.³⁶ Two different arbitrations under the UN Convention on Law of the Sea have demarcated Bangladesh's maritime border and resolved ownership issues concerning offshore territories. Energy and maritime diplomacy have thus been crucial components of the country's foreign policy. Bangladesh with the help of maritime diplomacy is now also focusing to establish its legal rights over its newly demarcated maritime boundary for transportation, exploration of bio-vital material, marine and fisheries resources. The country being a littoral state of Indian Ocean and with strategic interests has been vocal and actively participating in different multilateral Indian Ocean forums like Indian Ocean Rim Association (IORA), Indian Ocean Naval Symposium (IONS), etc. Such initiatives aforesaid are to realise and materialise the concept of 'blue economy' as a priority area of Bangladesh foreign policy.

Another vital area of Bangladesh foreign policy is to work on environmental diplomacy, particularly climate diplomacy in addressing a major developmental concern - adverse impact of global warming and climate change. Increased temperature, one of the most vivid depictions of climate change, will add twin

³⁶ Bangladesh has resolved maritime boundary dispute with Myanmar and India in 2012 and 2014 respectively and now it has sovereign rights over 118,813 sq km of area in the Bay of Bengal. For details, see, "Bangladesh Maritime Boundary: Where Do We Stand Now?", *Foreign Affairs Insights and Reviews*, available at <http://fairbd.net/bangladesh-maritime-boundary-where-do-we-stand-now/>, accessed on 02 May 2017.

problems for Bangladesh - melting of glaciers and sea level rise. While Himalayan glaciers feeding waters to Bangladesh rivers are slowly disappearing, coastal zones including the Sundarbans mangrove forests are being threatened by rising sea levels. Most of the problems are originated or caused by factors that are external to Bangladesh.³⁷ As a result, Bangladesh is now intensively pursuing climate diplomacy to align itself with countries, which are also facing similar problems due to global warming and climate change, and to make a joint initiative so that their voices are united in the four key aspects of climate change (adaptation, mitigation, technology transfer and funding) at all regional and international forums. The country has continued to project its vulnerabilities to global community through its active participation and diplomatic lobbying. Bangladesh is now leading climate discourse globally which has been possible because of the unwavering effort of the country's climate diplomacy.

Besides, three "C"s – consular diplomacy, conference diplomacy and cultural diplomacy – are important aspects of Bangladesh foreign policy. Interconnected areas of providing citizens with consular services and working with diaspora are getting considerable attention. The MoFA of Bangladesh is focusing on consular diplomacy to improve its consular services in different missions abroad. The country is also focusing on its global image and branding. Hence, pursuing conference diplomacy has been a regular phenomenon to increase Bangladesh's involvement in global arena, uphold an image of secular, democratic and progressive Bangladesh contributing to global peace and stability. On the other hand, with a rich and diverse culture and deeply rooted heritage, cultural diplomacy being an important tool of soft power diplomacy and its promotion have been pertinent to the country's foreign policy. Cultural diplomacy can be exploited for branding of Bangladesh and building images of the country.

4. Emerging Challenges of Bangladesh Foreign Policy

In a world that is changing fast, being a country transitioning from lower-middle-income to upper-middle-income and wishing for a developed one, a set of emerging questions arises. With what and whom, to engage and not to engage, and again whether to engage actively or passively? What to negotiate at what level [e.g., bilateral (e.g., for raw materials at the cheapest cost), regional, plurilateral and multilateral (e.g., for addressing Sustainable Development Goals (SDGs))]? How to engage or disengage with major as well as emerging powers and to what extent? What to affect at what levels in growing steadily? How to deal with close-door neighbours? How to engage with mega blocs (e.g., for economic or specifically trade)? How to deal with countries/regions bearing major implications? How to segregate offers potential either far or immediate? How far to liberalise (e.g., for trade, economy,

³⁷ Harun ur Rashid, *Bangladesh Foreign Policy: Realities, Priorities and Challenges*, Dhaka: Academic Press and Publishers Library, 2010.

etc.) and believe in protectionism by what time? These are some of many questions to be critical in near and distant future while considering emerging challenges facing foreign policy of Bangladesh. These require practicing multiple sorts of diplomacy, e.g., economic, political, conference, consular, commercial, maritime, etc. In this section, the scope of emerging challenges is limited to some factors, and actors of foreign policy making. The factors include soft power diplomacy and image building, trade in goods, manpower export, FDI, ODA, energy, transport connectivity, water and maritime security, climate change and balancing between parties, interests and initiatives.

Before going to discuss what to prioritise or what the major challenges are, there are also some issues to be explored. Who are the actors of foreign policy making, whether direct or relevant? How active, dynamic, capable, patient and responsible are they? How informed the actors are with required sorts of diplomacy and negotiation, information and intelligence³⁸ to avoid any strategic surprise? What is the tactic of making foreign policy, whether adhoc or ideational, whether proactive or reactive in nature, whether coherent or consistent? How resourced the actors are with necessary budget, assets and coordination? These are really deterministic on how a country is going to face emerging challenges of its foreign policy. Bangladesh will not be an exception to the phenomena.

An important issue is foreign policy making, which involves multifaceted and diverse actors, various institutions and processes. Modelski defines foreign policy making as the process whereby a state adjusts its actions to those of other states so as to minimise adverse actions and maximise the favourable actions of foreign states.³⁹ There are three broad schools of thought dealing with the debates of foreign policy making. Firstly, the *Innenpolitik* School that argues domestic dynamics are primarily responsible for any state's foreign policy behaviour. Secondly, the *Aussenpolitik* School that offers the opposite: pressures from international system, which include either incentives or constrains, influencing states in their foreign policy pursuits. Finally, Integrative Approaches usually combine both domestic dynamics and international systemic pressures.⁴⁰ In the case of Bangladesh, foreign policy making is still considered as an exclusive matter of government and bureaucracy where the Prime Minister (PM) and her office, advisers to PM, cabinet headed by the PM, parliamentary standing committee, Foreign Minister, MoFA and their missions abroad with their yearly reports, as well as ministries, institutions and agencies related with trade and economy⁴¹ are most important actors. At the functional level, there are some other important actors, for

³⁸ Intelligence refers to a cyclical process of defining needs, collection, processing and analysis of information, and the dissemination of such information to decision-makers.

³⁹ G. Modelski, *A Theory of Foreign Policy*, London: Pall Mall, 1962, p. 3.

⁴⁰ Chakraborty, *op. cit.*, p. 213.

⁴¹ Ministry of Finance, especially Economic Relations Division, Ministry of Trade and Commerce, Ministry of Power, Energy and Mineral Resources, Ministry of Expatriates' Welfare and Overseas Employment etc.

example, political parties, influential political and business elites, press and media, intelligence agencies, specialised bodies, pressure groups and associations, *etc.* In the rules of business⁴² prepared by the GoB, role of government agencies is specified but challenges lie with the coordination of their tasks vested on them.⁴³ although the parliament arranges debates on various issues, its engagement with the issues on external affairs of the country is not always visible. Likewise, the coordinating role of MoFA is interrupted owing to lack of inter-ministerial cohesion.⁴⁴ In fact, in numerous occasions, fragmented and compartmentalised approaches of different ministries towards the conduct of external relations create bottleneck in producing a coherent and integrated policy. In such a situation, though sometimes media and press play important role as a crucial actor, public opinion gets insignificant attention/reflection in the whole process. Most importantly, the role of academia remains limited, and to some extent elusive in the process of foreign policy making.⁴⁵ Consequently, total control and authority of the foreign policy making is believed to be influenced by "groupthink"⁴⁶ attitude. Therefore, it can be said that dearth of proper coordination and engagement of crucial actors and institutions; inept role played by some of them; and the complex processes of country's foreign policy making continue to be the critical challenges.

Exercising soft power diplomacy is a challenging task for any country's foreign policy like Bangladesh. There has to be a substantial investment in matters of culture or what Joseph Nye called the use of "soft power". A beginning could be made by sponsoring 'Bangladesh Cultural Centre' in different cities of the world or working with Bangladeshi diaspora, Non-Resident Bangladeshis (NRBs) and particularly with migrant students and workers.⁴⁷ Besides mainstreaming cultural diplomacy, branding Bangladesh and increasing its images globally are of the essence. Being (a) one of the top performing countries of the Millennium Development Goals (MDGs), (b) an example of successful disaster management and Ready Made Garment (RMG) exporter, (c) one of the largest troops contributing countries in the UN Peacekeeping Operations (UNPKO), (d) an nation of cricket loving nation, *etc.* has given Bangladesh a branding and a global image. The country does not want to lose it by any context, whether it is by terrorism, extremism or

⁴² Cabinet Division, *Rules of Business 1996*, Government of the People's Republic of Bangladesh: Cabinet Division, available at http://cabinet.portal.gov.bd/sites/default/files/files/cabinet.portal.gov.bd/legislative_information/d8e711a8_0744_47d4_a1fd_fce1dfb1a5d7/Rules%20of%20Business%20December-20140001.pdf, accessed on 31 July 2017.

⁴³ Authors' interview with Ambassador Munshi Faiz Ahmad, Chairman, Board of Governors, Bangladesh Institute of International and Strategic Studies (BISS) in July 2017.

⁴⁴ *Ibid.*

⁴⁵ Authors' interview with Professor Dr. Rashed Uz Zaman, Department of International Relations, University of Dhaka and with Professor Gobinda Chakraborty, Department of Political Science, University of Dhaka in July 2017.

⁴⁶ Groupthink is a phenomenon that occurs within a group of people in which the desire for harmony might result in debatable decision making outcomes. The term was coined by social psychologist Irving Janis in 1972.

⁴⁷ Imtiaz Ahmed, "Bangladesh Foreign Policy: Constraints, Compulsions and Choices", *BISS Journal*, Vol. 32, No. 3, July 2011.

violence within or outside its periphery. Nonetheless, these are challenging with costs and consequences.

What would be the guiding issues of any country's foreign policy, particularly for a country like Bangladesh that is transitioning? Undeniably, responses will include trade in goods and services, investment, developmental assistance, energy security, connectivity, water and climate change. These will get immense priority at multiple-levels. The more a country is rich in negotiating the issues at multiple-levels, the more it will flourish with resource mobilisation. The alternative will definitely produce challenges. Bangladesh is no exception to that.

With very few selected items (*e.g.*, RMG) and some traditional markets (*e.g.*, EU, North America), Bangladesh's international trade moves ahead with a set of challenging questions. How Bangladesh successfully could exercise "decoupling" (*e.g.*, connecting with the east⁴⁸, increasing economic engagement with regions like East or Central Asia, Africa and Latin America)? How to offset "uncertainties" (detailed in Annex 1) at home (*e.g.*, industrial accident and labour unrest) with spill-over effects (*e.g.*, reconsidering [of buyers] sourcing options whether to continue or not) as well as on bilateral (*e.g.*, US Generalised System of Preference (GSP), regional (*e.g.*, proposed EU-India Free Trade Area (FTA) and international (*e.g.*, Aid for Trade (Aft), implementing Nairobi text on Rules of Origin (RoO) trade fronts that are likely to affect?⁴⁹ What to compensate (*e.g.*, trade privileges) while graduating to Middle Income Country (MIC) status and what preparations (*e.g.*, increasing supply side capacities) ought to be undertaken? How Brexit and its aftermath could be dealt with (*e.g.*, negotiating Bilateral Trade Agreement (BTA)? What are the implications (*e.g.*, losing competitiveness of exports) of not being part of any plurilateral trading agreements (*e.g.*, Regional Comprehensive Economic Partnership (RCEP), Trans Pacific Partnership (TPP)? How Bangladesh could be a party of mega trading bloc? What is the necessary homework for that? To what extent, trade liberalisation and trade integration at multiple-levels are necessary for trade promotion?⁵⁰ What trade blocs (*e.g.*, South Asian Free Trade Area (SAFTA), Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) FTA, Asia Pacific Trade Agreement (APTA), *etc.*) to be prioritised? How Bangladesh could negotiate the issues of preferential RoO, Duty Free Quota Free (DFQF) market access, Special and Differential (S&D) treatment, preferential provision for having local content or value

⁴⁸ Japan and Newly Industrialised Countries (NICs) of the Asia-Pacific region namely South Korea, Taiwan, Hong Kong, Singapore, Indonesia, Malaysia and Thailand - a centre of economic power second only to the west. Industrial Asia with its surplus capital, modern technology, technical know-how and a growing market for the products of labour-intensive industries offers enormous opportunities. This may include cooperation in such vital areas as trade and investment, transfer of technology, human resource development, environment and others. China, Japan, India and Association of South East Asian Nations (ASEAN) states are becoming increasingly important in world economy transcending the borders of Asia.

⁴⁹ Authors' Interview with Dr. Ahsan H. Mansur, Executive Director, Policy Research Institute (PRI), Bangladesh in 2014.

⁵⁰ *Ibid.*

addition and waiving of several types of duties? How Bangladesh could be engaged with Global Value Chain (GVC) and increase FDI-centric trade? How both horizontal and vertical diversifications of products could be pursued? How to increase trade and business capability of Bangladesh? How successfully Bangladesh could devise its trade negotiable issues at multiple-levels? How strongly instruments of trade diplomacy be exercised by Bangladeshi negotiators? These are very challenging issues of Bangladesh's trade promotion, a key aspect of the country's foreign policy.

Trade in services, *e.g.*, manpower export, has long been vital not only for eradicating poverty, offsetting unemployment and promoting rural development of Bangladesh but also for the country's increasing reserves, overall economic growth and development. Since the late 1970s, manpower export sector flourished with erratic trends, though remittances increased. But recently the inflow of remittances decreased due to various reasons. Shrinking new recruitment opportunities, expatriates compelling to return home, sudden official/unofficial ban on recruitment, difficulty in renewing residential permit, strict enforcement of immigration rules and layoffs or long-run vacation by employers, cancellation of visas, difficulty in regularising unauthorised workers, lack of interest in employing less-skilled workers, fraudulent practices of recruiting agencies, migrants' ignorance on legal issues and cultural settings of destination countries are major concerns for Bangladesh's traditional manpower export destinations (*e.g.*, countries in the Middle-east and Southeast Asia). Therefore, further exploring traditional sectors and markets by addressing country- and region-wise dilemmas will remain critical for Bangladesh foreign policy.⁵¹ Important would be introducing "ladderisation"⁵² system. Mapping potential destinations and sectors by examining global labour market scenario, increasing promotional activities and legally-binding arrangements, specifying actors-specific timely efforts and making manpower-oriented economic diplomacy effective are crucial. Indeed, expanding the sector would be a challenging issue of Bangladesh's foreign policy. Mobilising opinion within the international community to ensure the protection of rights of migrant workers, including those of undocumented workers in the receiving countries will also be a great concern for Bangladesh in the coming days.

In comparison with countries growing at six per cent growth or more, Bangladesh still lags behind in receiving and attracting FDI even after undertaking several initiatives and policies. Nurturing long-term relations with foreign investors, retaining current investors, targeting potential investors, continuing relations with investors, seeking strong manufacturing base in Asia, mapping sectors and countries-specific FDI opportunities, encouraging FDI by global companies in Bangladeshi RMG, engaging more with recent shift in global FDI composition,

⁵¹ Authors' interview with Dr. Tasneem Siddique, Executive Committee Member, Refugee and Migratory Movements Research Unit (RMMRU), Bangladesh in 2014.

⁵² For those who worked abroad, are skilled and came back home; such workers with advanced guidance could further be exported.

increasing investment promotional activities, looking for joint ventures, dealing nuances related to competitors, establishing some Special Economic Zones (SEZs) nearby India's north-eastern states, encouraging FDI from NRBs and increasing regional connectivity are vital issues for Bangladesh. Indeed, turning FDI proposals into FDI reality is an emerging challenge of the country's foreign policy.⁵³ What it requires is also challenging: to continue relations with states that have already realised FDI in Bangladesh, intensify relations with states keen to offer FDI and classify potential states to attract them in investing prospective sectors; to tap investment complementarities and mobilise FDI by pursuing economic diplomacy at multiple-levels; concluding and updating legally-binding contracts, intensifying the role of Bangladesh's foreign missions and employing commercial diplomats; promoting consular diplomacy, engaging NRBs and Bangladeshi diaspora, showcasing environment favourable for FDI, increasing positive image of Bangladesh globally; finding out and addressing what to do to enhance global image of Bangladesh abroad; trying to include Bangladesh in the list of a country's mid-/long-term outward investment plans; liberalising FDI regimes in line with requirements of existing and potential investors.

Fluctuating Country Programmable Aid (CPA), shifting priority from grants to loans and diverse preferences for funnelling foreign aid are radical developments of global aid diplomacy. Though foreign policy of Bangladesh has been shifting from foreign aid to international trade, the former is still significant to meet development priorities of the country. The challenging issues of Bangladesh's aid diplomacy are realising global aid dynamism, meeting commitment and disbursement of aid gap, lessening difficulties among the GoB and Global Financial Institutions (GFIs) and between/among the GFIs, examining conditionalities of aid, assessing Multi Donor Trust Fund (MDTF) in a single project, studying emerging Development Partners (DPs) as the new sources of ODA, assessing aid modalities to fully access International Development Association (IDA) allocations, examining conditionalities to access AfT and global climate fund, *etc.*⁵⁴ Therefore, what requires are: negotiating with DPs on aid conditionalities, understanding psychology of donors, studying long-term plans of major DPs, encouraging non-traditional DPs (*e.g.*, India, China, Asian Infrastructure Investment Bank (AIIB), New Development Bank (NDB) to set up their country-level offices in Bangladesh, influencing headquarters of regional and GFIs to empower their branch offices in Bangladesh, strengthening already established joint aid assessment mechanisms, and pressurising DPs to harmonise their aid strategies with Bangladesh's developmental goals. For mobilising climate aid, important steps include (i) participating actively through dispatching experts in climate change related multiple-level forums; (ii) increasing bilateral efforts through signing MoUs and agreements; (iii) showcasing Bangladesh to climate

⁵³ Authors' interview with Ambassador Farooq Sobhan, President and CEO, Bangladesh Enterprise Institute (BEI), Bangladesh in 2014.

⁵⁴ Authors' interview with Dr. Shamsul Alam, Member, General Economics Division, Planning Commission, Ministry of Planning, Bangladesh in 2014.

change related global watchdogs and donors on how already disbursed funds are being utilised and how committed funds would be used; and (iv) exercising climate diplomacy coined with economic diplomacy.⁵⁵

Taking economic potential further will require resolving the deficit in the energy sector. Or, to put it differently, Bangladesh must embark upon a newer phase in its foreign policy, that is, energy diplomacy creatively.⁵⁶ Procurement of energy at the cheapest costs will be a big challenge for the country in the upcoming years. If Bangladesh is to go beyond its current economic growth and reach growth of 10 per cent in less than a decade's time then it needs to fulfil its energy requirements on a priority basis. Bangladesh needs to think beyond oil and coal and keep all options, including peaceful nuclear technologies open. Energy trading (e.g., electricity, diesel, etc.) between India and Bangladesh, Bangladesh-Singapore energy cooperation, Bangladesh-Russia energy collaboration, thinking of inter-grid connectivity and energy trading within BBIN countries, planning to lay a 6900-km gas pipeline (to carry gas, Liquid Petroleum Gas (LPG) and diesel) between BIM (Bangladesh, India and Myanmar) countries, examining International Oil Companies (IOCs) to extract energy resources from the Bay of Bengal, starting to implement mega energy projects, etc., are some of the initiatives that would help Bangladesh resolve its energy deficiency.⁵⁷ Nonetheless, energy cooperation and sufficiency need formulating a coordinated plan for development of the energy infrastructure, and this will remain a key challenge before Bangladesh's foreign policy.

For keeping the existing growth momentum continuing and taking it to a higher level, bilateral, sub-regional and regional transport connectivity will have increasing priority as they are likely to facilitate trade and investment cooperation and people-to-people contact. At bilateral level, transport connectivity between Bangladesh and India and between Bangladesh and Myanmar will be crucial. With a potential and strategic geographical location, Bangladesh is expected to be a transport hub of many linked regions. Keeping these in view, Bangladesh has already been a party of several connectivity initiatives like BBIN Motor Vehicle Agreement (MVA), Bangladesh China India Myanmar Economic Corridor (BCIM-EC), United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP)-led Trans Asian Highway (TAH) and Trans Asian Railway (TAR) initiatives and proposed SAARC MVA and BIMSTEC-led thinking respectively. What will remain challenging includes: at bilateral level, developing hard and soft infrastructure (e.g., introducing e-governance and digitalisation at entry and exit points) in unison as well as prioritising national interests and development needs beyond politics regarding perceived security threats; agreeing on common routes in BBIN MVA and BCIM-EC and take all out effort to operationalise these agreements; signing SAARC MVA; implementing UNESCAP-led TAH and TAR initiatives; mobilising financial resources,

⁵⁵ Authors' interview with Dr. Ainun Nishat, Professor Emeritus, BRAC University, Bangladesh in 2014.

⁵⁶ Imtiaz Ahmed, *op. cit.*

⁵⁷ *Ibid.*

receiving and utilisation of resources in time; implementing projects within stipulated timeframe, *etc.* Not only engaging with regional connectivity initiatives but also implementing mega projects within Bangladesh like proposed deep sea port, Payra sea port, economic zones projects, further modernising Chittagong and Mongla ports, *etc.*, are challenging tasks. Most importantly, harmonising regional connectivity initiatives will be critical.⁵⁸ In addition to that, as Bangladesh is a littoral state of the Bay of Bengal and the Indian Ocean, eyeing maritime connectivity through different initiatives (*e.g.*, One Belt One Road (OBOR), Maritime Silk Route (MSR) by China or Indian projects like Mausam⁵⁹, Spice Route Project⁶⁰ and Sagar Mala⁶¹, *etc.*) for expansion of the country's trade and meeting energy requirements will really be a challenging task of its foreign policy.

Like before, a key challenge of Bangladesh foreign policy will hang about common water resource management between/among countries concerned. Hence, bargaining with India on the sharing of the River Ganges and Teesta river water sharing agreement will remain a daunting task.⁶² On the contrary, settlement of maritime dispute between BIM countries has given Bangladesh opportunities to have legal arrangements with international companies to explore marine resources (both living and non-living) from the Bay of Bengal. While Japan is keen to cooperate with Bangladesh through Bay of Bengal Industrial Growth Belt (BIG-B) initiative, China has come out with its OBOR or 21st Century MSR. These two are coined with the Bay. Maritime connectivity through the Bay towards Indian Ocean and South China Sea (SCS) is being crucial. As a country on the coast of the Bay of Bengal, the gateway to Indian Ocean, the geo-political importance of Bangladesh has increased manifold. Bangladesh faces the Indian Ocean through the Bay of Bengal which is gradually being militarised by many littoral states. Peacetime functions of the navy of many coastal countries have changed considerably. It is not confined to defence of territories. The navies patrol the distant waters to keep safe the sea lanes for transportation of oil from the Middle East to Far East and promotion of trade. Thus, importance of the Bay of Bengal or "Blue Economy" is growing. It has

⁵⁸ Authors' interview with Riaz Hamidullah, Director General, Economic Affairs Wing, Ministry of Foreign Affairs, Government of the People's Republic of Bangladesh in 2014..

⁵⁹ Project 'Mausam' is the Ministry of Culture project of Indian government to be implemented by Indira Gandhi National Centre for the Arts (IGNCA), New Delhi as the nodal coordinating agency with support of Archeological Survey of India and National Museum as associate bodies. Focusing on monsoon patterns, cultural routes and maritime landscapes, Project 'Mausam' is examining key processes and phenomena that link different parts of the Indian Ocean littoral as well as those that connect the coastal centres to their hinterlands.

⁶⁰ This 'Spice route project' of India aims to explore the multi-faceted Indo-Pacific Ocean 'world' – collating archaeological and historical research in order to document the diversity of cultural, commercial and religious interactions in the Indian Ocean – extending from East Africa, the Arabian Peninsula, the Indian subcontinent and Sri Lanka to the Southeast Asian archipelago.

⁶¹ Sagar Mala project is a strategic and customer-oriented initiative of the Government of India to modernise India's ports so that port-led development can be augmented and coastlines can be developed to contribute in India's growth

⁶² Authors' interview with Dr. Ainun Nishat, *op. cit.*

given Bangladesh a huge chance to be growing as a regional power and a maritime nation. But at the same time, challenges remain with ocean governance, marine resource management, monitoring and playing a role in the area of security, etc. These have long term connotations.

Another long term concern is climate change. With the dire condition of the marginalised people owing to the issue of environment particularly global warming, Bangladesh is already on the top of the Global Climate Risk Index.⁶³ Most of the problems originated or caused by climate change are external to Bangladesh. The long-term effects of climate change are likely to hinder the progress towards sustainable development and undermine the development gains. Hundreds of thousands of coastal impoverished communities have already been displaced and pushed into extreme poverty without any livelihood opportunity and shelter. Millions more will follow if the sea level rise and saline water intrusion continue to move upward in the inland. A 45 cm rise in sea level will not only affect the vast coastal ecosystem, hamper agriculture and food production, it has the potential to dislocate about 38 million people from 20 coastal districts.⁶⁴ This is a challenge that could only be met with regional and global efforts and therefore, climate diplomacy is bound to emerge in the priority list of Bangladesh foreign policy agenda. Climate-induced displacements will create new housing, livelihood and settlement challenges. It will enhance competition and conflict over scarce resources including land, water, fisheries and forests. Rural to urban as well as cross border migration will continue in the slums without adequate income, food, water, shelters and basic amenities. Therefore, segregating issues of climate change to be negotiated at multiple-levels would be a concern. Challenges will remain with stakeholders and policymakers to be continuously equipped in environmental discourse and climate negotiations to reap benefits from climate diplomacy. Resource (financial) mobilisation from domestic sources and from the GFIs or global arrangements will also be crucial. Furthermore, negotiation on the issues of adaptation, mitigation, technology transfer and global climate fund will be critical for Bangladesh foreign policy. Therefore, blending of climate diplomacy, political diplomacy and economic diplomacy is very important.

Besides, conflict between parties and interests is going to be an emerging challenge of Bangladesh foreign policy. There are concerns about balancing initiatives regarding energy and climate change. On the one hand, green development and sustainable development are of the essence. While on the other hand, industrialisation and economic growth require adequate supply of

⁶³ Bangladesh ranked sixth in the Global Climate Risk Index prepared by Germanwatch; for details, see, S. Kreft, D. Eckstein and I. Melchior, *Global Climate Risk Index 2017*, Germany: Germanwatch, November 2016, available at <https://germanwatch.org/en/download/16411.pdf>, accessed on 15 July 2017.

⁶⁴ Marjana Chowdhury, "Climate Change Challenges in Bangladesh", 29 July 2015, available at <https://iep.berkeley.edu/node/9781>, accessed on 01 May 2017.

energy.⁶⁵ Another point is that Bangladesh requires development assistance, for both facilitating development and tackling climate vulnerabilities. While some argue for having what is on offer or supply, many argue for receiving aid based on development priorities.⁶⁶ In the case of manpower export, some focus on skills, while many argue for increasing numbers of unskilled manpower. Likewise, while some argue for reducing dependency on traditional markets in goods and services trade, others are keen to focus on decoupling. Indeed, Bangladesh requires both simultaneously. Based on the factors aforesaid, there are parties and interests in clash. How to balance in between the two is essential and will remain a key challenge for Bangladesh.

5. Concluding Remarks

The paper discusses comprehensively specific emerging challenges of Bangladesh foreign policy. The challenges include exercising soft power diplomacy, branding Bangladesh and increasing its images, consolidating trade promotion both in goods and services, attracting FDI, coping with global aid diplomacy, materialising energy diplomacy, strengthening regional and sub-regional transport connectivity, working on trans-border water resource management, pursuing blue economy and maritime diplomacy, addressing climate vulnerabilities, trans-border terrorism and violent extremism, and conflict between parties and interests.

In order to address the challenges taking into account changing realities both in domestic and international scene, foreign policy needs to be both proactive and reactive. Actors concerned with foreign policy need to work at multiple-levels with proper understanding of internal and external dynamics, vital countries or organisations and instruments to make the policy a success. As an instance, the success of foreign policy depends to a certain extent on how diplomats can take advantage of the prevailing global and regional developments. At the same time, increasing trade/foreign missions and consulates, providing adequate consular services for NRBs in different missions and effective mobilisation of expertise are indispensable.

Mobilisation of expertise and resource mobilisation (*e.g.*, human, natural, financial and non-financial resources) are vital in formulating and implementing foreign policy of Bangladesh. Resource mobilisation requires speeding up of exploration of domestically available resources, making use of complementary resources and sharing with regional and sub-regional countries, pursuing long-term strategies to strengthen regional/sub-regional trade and economic cooperation (also in resolving cross-border issues), facilitating competitive strength of industrial

⁶⁵ Michael T. Klare, "Global Warming: It's About Energy", *Alternet*, 16 February 2007, available at http://www.alternet.org/story/48089/global_warming%3A_it%27s_about_energy, accessed on 25 April 2017.

⁶⁶ Mohammad Jasim Uddin, "Economic Diplomacy of Bangladesh: ODA in Perspective", *BIISS Journal*, Vol. 37, No. 1, January 2016.

sector and raising competitiveness of Bangladesh's exports, signing comprehensive FTA with the US and EU, building necessary trade related supply side capacities and raising efficacy of trade facilitation measures, emerging as the largest ever manufacturing and export-led take off, internationalising local companies, stimulating FDI inflow and exploiting full potential to export manpower.

ANNEX

Annex 1: Uncertainties

- With a zero-duty benefit under the African Growth and Opportunity Act, African export of RMG has been on the rise to the US. Big companies are eyeing Africa as a future site for apparel production that can be exported to the US, duty and quota free. Consequently, Bangladesh may lose competitiveness to African nations for exporting garments to the US in the face of discriminatory duty benefits.
- Signing of proposed EU-India FTA and Vietnam's joining TPP may have negative impacts on Bangladesh's RMG exports but it will depend on how flexible sourcing requirements and rules are structured. Bangladesh's competitive advantage due to GSP in the EU markets is under threat following Vietnam's recent free trade deal with the EU.
- Myanmar and Cambodia are emerging in the low-end segment that Bangladesh occupies.
- When Bangladesh graduates from its Least Developed Country (LDC) status and loses its existing preferential access to major markets, export growth would face strong barriers. Unless Bangladesh enters FTAs, export-led growth would be vulnerable.
- What are the implications for RMG exporters of Bangladesh if the US attitude not to return GSP facility continues to persist?
- If India imposes ban on exporting cotton to Bangladesh and importing raw jute from the country? If India continues to impose an anti-dumping tariff (up to 20 per cent) on Bangladeshi jute goods, it could deal a heavy blow to Bangladeshi millers and exporters. Besides, concern lies on whether India would lift countervailing duty on importing RMG from Bangladesh?
- A recent concern is Brexit. Bangladesh exports more than US\$ 3 billion to the UK, of which 90 per cent constitute RMG. Withdrawing DFQF market access, grabbing bigger market share by competing countries (e.g., India, Vietnam, Cambodia and Pakistan) in the UK, increasing cost of import in the UK, imposing tariffs on imports to protect domestic industries of the UK and depressed demand among the UK people are some future challenges for Bangladesh. These will erode competitiveness of Bangladeshi exports.
- If Bangladesh remains out of mega trading blocs, its exports would face unequal tariff and non-tariff barriers while competitors being part of the blocs will gain competitive edge in Bangladesh's key export markets.