

Kamal Uddin Ahmed

BANGLADESH-BURMA RELATIONS : THE POLITICO-ECONOMIC DIMENSIONS

One of the foreign policy objectives of Bangladesh is to establish closer friendship and fruitful co-operation with all the countries, particularly with the immediate neighbours. The policy of good neighbourliness is consistently pursued by Bangladesh not only to derive optimum benefits in politico-economic, cultural and other fields of mutual interest, but also to promote peace and security in the region. Relations between Bangladesh and Burma date back to early nineteenth century. In the recent past, official diplomatic relations developed when Bangladesh was a part of Pakistan (1947-71) and after it emerged as an independent state in 1971. A close neighbour of Bangladesh, Burma shares a common border of about 123 miles with this country. During the period of Pakistan (1947-71), the region now constituting Bangladesh used to import rice from Burma to meet occasional food shortages. After 1971, the quantum of rice import from Burma has steadily increased to meet the chronic food deficit of Bangladesh. This is evident from the fact that the rice import of Bangladesh from Burma has jumped from 65,000 metric tons in 1972-73, to 100,000 metric tons in 1979-80.¹ Between 1972-85, Bangladesh and Burma have concluded three important agreements. They are : (1) General Trade Agreement (1973), (2) Repatriation of

1. See A.K.M. Hedayetul Huq, "Bangladesh-Burma Trade", *Asian Affairs* (Dhaka) Vol. 1, No. 1, Jan-June, 1980, pp. 142-143.

Refugee Agreement (1978) and, (3) Land Boundary Agreement (1979). This paper attempts to examine and discuss the development of Bangladesh-Burma relations during 1972-85.

Bangladesh-Burma relations began officially from 13 January 1972, the date on which Burma accorded recognition to Bangladesh as a sovereign nation. Burma was among the first few countries which accorded recognition to independent Bangladesh.² She did so at the cost of her relations with Pakistan which later on closed down its Consulate in Akyab. Indeed, Burma which preferred to pursue 'isolationism' could not ignore the reality of Bangladesh with which it shares a common border. The political justification for somewhat early recognition to Bangladesh could be attributed to the economic interests of Burma as it was keen to retain its trade relations. However, Burma rationalized its stand in the following words :

The Government of Burma does not accept as principle, the solution of a country's internal problems by direct help and intervention of a foreign country's armed organization. However, due to the existence of questions requiring immediate communications and actions, and also due to a desire to live fraternally as neighbours, the Government of Burma has recognised the state of Bangladesh and its Government.³

The people and government of Burma also provided much needed support and sympathy during the liberation war. Naturally the policy makers of Bangladesh desired meaningful cooperation with Burma. After independence, Bangladesh immediately moved to set up diplomatic relations with Burma at the highest level and appointed a senior diplomat as its Ambassador to Burma. Officials and leaders of the two governments have exchanged visits at the top level a number of times. The then Foreign Minister Abdus Samad Azad visited Burma in May 1972. This was the first official visit by the Foreign

2. Burma was the sixth nation in the world followed by India, Bhutan, Bulgaria, Poland and Mongolia to accord recognition to the new state of Bangladesh.
3. *Forward, X* : 12, 1 February 1972, p. 3

Minister to any country after India. A Joint Communique issued simultaneously from Dhaka and Rangoon on 28 May emphasized closer ties and development of bilateral relations on the basis of peaceful co-existence, non-alignment as well as mutual respect for sovereignty and national dignity.⁴

The newly born state of Bangladesh needed political and economic support from the world at large. It was eager to become a member of the United Nations and other international bodies. It was keen to buy rice from Burma on an urgent basis to meet its food deficits. All these motivated the Bangladesh Foreign Minister to visit Burma again in July 1972. The Foreign Secretary of Bangladesh also led a team of officials to Rangoon in early 1973 to finalise a deal for the purchase of rice from Burma. Sheikh Mujib also sent a special envoy, Shamsul Haque, to Burma in May 1973 to muster support of the Burmese Government in favour of the Indo-Bangladesh Joint Declaration to resolve the humanitarian issues.

Accompanied by his Foreign Minister HLA Phon, President Ne Win was the first Asian Head of State to visit independent Bangladesh on 26 April 1974. Interestingly, that was the Burmese President's second official visit to this part of the world, the first was in mid-February 1965 when Bangladesh was part of Pakistan. President Ne Win's three-day state visit was important because he was the leader of a neighbouring country which has a common border with Bangladesh. President Ne Win emphasized that Bangladesh and Burma were "Close neighbours, linked together by geography, history and culture" and added that their "friendship would be everlasting."⁵

That Burma always considered its political and economic relations with Bangladesh as important had been demonstrated by the fact that President Ne Win, again visited Bangladesh in May 1979 and November 1982. The President of Bangladesh, Major General

4. *The Bangladesh Observer*, 29 May 1972.

5. *The People*, 29 April 1947.

Ziaur Rahman, paid a state visit to Burma for four days in July 1977. This was the first visit of a Bangladesh Head of State to Burma.⁶ The whole span of Bangladesh-Burma relations came up for review at the summit talks between General Zia and President Ne Win. It resulted in broad agreement on all issues of common concern to Bangladesh and Burma.⁷ Both decided to co-operate with each other on various matters and agreed to expand and develop trade relations.

At the invitation of president Ziaur Rahman, the Burmese President Ne Win made a 3 day state visit to Dhaka in May 1979 and the consultation that ensued then paved the way for further strengthening of the friendly relations between the two countries. The Burmese President reportedly stressed that it was essential for the peoples of Bangladesh and Burma to preserve and promote the existing harmonious relations in the future also.⁸ The summit level talks between President Zia and President Ne Win had a number of positive results, the most important of which was the signing of the agreement on the demarcation of 123 miles land boundary between the two countries.⁹ The Bangladesh Foreign Secretary described the agreement as "another milestone in the friendly relations between the two neighbourly countries."¹⁰ In fact, the boundary agreement in 1979 had contributed substantially to the promotion of peace and stability in the region.

Political Relations

Although political relations between Dhaka and Rangoon have on the whole been satisfactory, serious friction developed in March-April 1978 following the dispute relating to the forced exodus of Burmese

6. *The Bangladesh Observer*, 21 July 1977.

7. *The Bangladesh Times*, 22 July 1977.

8. *The Bangladesh Observer*, 23 May 1979.

9. *Ibid.*, 24 May 1979.

10. *Ibid.*

Arakense Muslims into Bangladesh.¹¹ It is noteworthy that these evicted refugees had settled in March 1978 when about 6,000 Rohingyas of Arakan state of Burma were forcibly pushed into Bangladesh through the border by the Burmese army in collaboration with the local people. For obvious reasons, Bangladesh Government was concerned as its border of peace was turned into a border of conflict with increasing flow of refugees which exerted tremendous pressure on its economy. The Burmese action came under severe criticism and strained the bilateral relations between the two countries.

Initially, Bangladesh Government chose to pursue a policy of quiet diplomacy with the Burmese counterpart to resolve the problem. When verbal representations and quiet diplomacy failed in dissuading the Burmese administration from persecuting the ethnic minority of Arakans, it was constrained to hand over a strong protest note to the Burmese Government through its Ambassador in Dhaka. The note exposed the problem involving the massive eviction of men, women, and children belonging to a religious minority group and stated that "certain sections of the Burmese nationals in collusion with the Burmese officials as well as the civilian and armed force personnel of Burma are responsible for this criminal act."¹² The note added that "the treatment meted out to the refugees constituted not only a grave violation of Human Rights enshrined in the UN Charter, but also posed a serious threat to the peace in the border and stability in the region."¹³ At this point, the refugee problem seemed to threaten the political relations between the two countries. The active efforts by President Zia's special envoy, Kazi Anwarul Huq, to Rangoon and of the Burmese Foreign Minister to Dhaka, during April 1978, could not make any headway. On the contrary, the situation became worse as an increasing number of Muslims were

11. For details of the dispute involving the refugees, see *Kessing's Contemporary Archives* Vol. XXIV, 1979, pp. 29238-29239.

12. For details of the protest note see *Bangladesh in International Affairs*, Vol. 1, No. 4, April 1978, pp. 13-14.

13. *Ibid.*

forced to cross the Bangladesh border after 18 April, 1978. On 7 May 1978, President Zia in a strong statement expressed his concern and accused the Burmese Government of the 'inhuman evictions of Muslims' and demanded the repatriation of all the refugees.¹⁴

The forceful eviction of Burmese Muslims caused a sharp reaction in Bangladesh. Many eminent leaders, associations, political parties and religious bodies had denounced the 'pre-planned diabolically concerted campaign' of the Burmese authorities on the ethnic minority.¹⁵ The National Bar Association of Bangladesh expressed grave concern over the refugee problem and urged the United Nations to take appropriate measures for immediate solution of the human problem.¹⁶ Some international bodies such as the World Muslim Congress and Muslim World League also reacted strongly, deplored the Burmese action and appealed to the UN Secretary General to

In spite of several strains in the late 1970s in the relations between Bangladesh and Burma it gradually warmed up with the exchange of visits at the highest level, trade expansion and bilateral cooperation.

intervene into the matter to stop the exodus. The pressure on Burma to settle the refugee problem mounted gradually. It may be mentioned here that the Chief Representative of the UN High Commission for Refugees had made some diplomatic efforts for management of the conflict between the two countries. On 6 July 1978, Foreign Minister M. Shamsul Huq, reaffirmed the Bangladesh Government stand on the refugee problem and asserted that the refugees should be repatriated to their ancestral homeland and rehabilitated in the

14. *Kessing's Contemporary Archives, Op. cit.*, p. 29238.

15. See "Burmese Refugees : A Man-made Problem" in *Bangladesh in International Affairs, op. cit.*, p. 6.

16. *The Bangladesh Observer*, 7 July 1978.

shortest possible time 'in the interest of good neighbourliness and in the interest of border peace.'¹⁷

Finally, the Burmese Deputy Foreign Minister, U Tin Ohn, had led an 11-member Burmese delegation to Dhaka to find out a solution to the problem. The official level negotiations between the two countries were resumed on 7 July 1978. And three committees were set up to (a) look into the repatriation of refugees, (b) demarcate land river boundaries and (c) formulate Border Ground Rules respectively. On 9 July 1978, after tense negotiations, Bangladesh and Burma signed an agreement under which Burmese Government agreed in principle to take back more than 200,000 refugees sheltered in different camps in Bangladesh.¹⁸ The agreement also covered some important aspects of bilateral relations including issues pertaining to demarcation of boundaries, formulation of border ground rules, repairing of damaged boundary markings along the Naaf river section and cooperation in preventing illegal crossing of border and maritime boundary.¹⁹ Thus, cooperative bilateral negotiations helped to finally resolve the refugee problem. Commenting on the agreement, the Burmese Deputy Minister for Foreign Affairs said, "I have accomplished the mission for which I was sent by President Ne Win."²⁰ On the other hand, the Bangladesh Foreign Minister, M. Shamsul Huq, described the agreement as a 'remarkable event' because the problem was of such 'magnitude' that it would not have been possible to reach an accord without understanding and cooperation of either side.²¹ Since then the relations between the two countries gradually warmed up with the exchange of visits at the highest level, trade expansion and bilateral cooperation.

In February 1982, former President Abdus Sattar visited Burma and emphasized the need for further augmenting and diversifying trade

17. *Ibid.*

18. *The Bangladesh Times*, 10 July 1978; the first batch of refugees left for Burma on 31 August 1978.

19. *Ibid.*

20. *Ibid.*

21. *The Bangladesh Observer*, 11 July 1978.

and strengthening of economic cooperation between the two countries²² In May 1983, during his official visit to Rangoon, Lt. Gen. H. M. Ershad said, "The flowers of (Burma-Bangladesh) friendship have blossomed with great splendour in recent years."²³ The Burmese Foreign Minister, who visited Bangladesh in May 1984, urged increased co-operation between the two countries in the fields of trade and commerce.

On 12 August 1985, Dhaka and Rangoon further strengthened their ties with each other with the authentication of clear-cut demarcation of 123 miles (196 kms) of common land boundary jointly finalised by the Survey Departments of the two countries.²⁴ This formal demarcation of land boundary stretches from the southern end of the river Naaf to the trijunction of Bangladesh-India-Burma boundaries. The final work of demarcation with 53 boundary pillars and preparation of the strip maps were taken up under the Land Boundary Demarcation Accord signed by the two countries on 23 May 1979. The implementation of the agreement is a bold step in Bangladesh-Burma bilateral relations demonstrating high sense of mutual co-operation.

Economic Relations

The two countries concluded a trade agreement on 23 March 1972 under which Bangladesh desired to import rice from Burma and export jute products, newsprint and paper. However, in order to develop and expand the trade relations, a general trade agreement was signed on 3 August 1973 during the visit of Bangladesh trade delegation led by the then Commerce Minister, A. H. M. Kamruzzaman. There are in all eight Articles in the agreement which has provided the general basis for trade between the two countries in any convertible currency.²⁵ Both sides also agreed to grant most

22. *Asia Year Book 1983*, (Hong Kong), p. 125.

23. *Asia Year Book 1984*, (Hong Kong), p. 139.

24. See *The Bangladesh Observer*, 13 August 1985.

25. For details of the trade agreement see Hedayetul Haq *op. cit.*

favoured nation treatment to each other with regard to custom procedures, tariff, taxes and charges. Although political relations were seriously threatened in 1978, except for the year of conflict when import to Bangladesh from Burma sharply fell to the lowest level, it did not have any measurable longterm negative impact on the trade relations between the two countries.

Data on trade relationship between Bangladesh and Burma in recent years is presented in Table-1 below:

TABLE-1
Bangladesh-Burma Trade, 1976-85

(Taka in lacs)

Year	Export from Bangladesh	Import into Bangladesh	Balance
1976-77	274.41	742.00	(-) 467.59
1977-78	367.85	2931.00	(-) 2563.15
1978-79	955.37	24.00	(+) 981.37
1979-80	1338.00	5022.00	(-) 3684.00
1980-81	1440.00	566.00	(+) 874.00
1981-82	908.88	850.34	(+) 58.54
1982-83	1891.83	2502.00	(-) 611.17
1983-84	1705.10	956.00	(+) 749.10
1984-85	1069.43	3377.00	(-) 2307.57

Source : Bangladesh Bank.

Table 1 above demonstrates that the volume of trade between the two countries is not significant. It shows, however, that Bangladesh's exports to Burma as well as imports from that country has quite often fluctuated. There are two main reasons for this. First, the trade relationship still remains undiversified and secondly, rice is the

only major import from Burma. Whenever Bangladesh is faced with a food crisis due to natural calamities, substantial quantity of food is imported from Burma resulting in a tilt in the balance of trade in favour of Burma at that time.

Jute manufacture is obviously Bangladesh's major export to Burma. From about 89 percent in 1980-81, the export of jute manufacture rose to over 97 percent in 1983-84. Newsprint is another important item that Bangladesh exports to Burma. Sometimes textile materials, paper and fertilizer are also exported. It is evident that the exports of Bangladesh to Burma are limited to a few items. It is also important to note here that jute manufactures of Bangladesh are exported to Burma under cash, barter and also under Special Trade Arrangements (STA). Through the export of jute goods and newsprint,

The present volume and pattern of trade between Bangladesh and Burma underline the need for diversifying the trade between the two countries. The position of trade should be reviewed to identify the problems which prevent a balanced growth of trade between Bangladesh and Burma.

Bangladesh earned about Taka 1705.10 lacs in 1983-84. On the other hand, the major items of import from Burma are rice, animal and vegetable fats, ferrous ores, and non-metallic mineral manufactures. From a meagre amount of Taka 69 lacs in 1973-74, the total import payments of Bangladesh to Burma has significantly increased to Taka 3377.00 lacs in 1984-85 as Bangladesh had to purchase huge quantity of rice in that year to cope with domestic food crisis. It is worth noting here that Burma has expressed its willingness to sell rice to Bangladesh on barter terms against gunny bags. Table 2 below gives the detailed breakdown of imports from Burma during 1981-82 to 1984-85.

TABLE - 2

Detailed Breakdown of Imports from Burma during 1981-82 to 1984-85

(Taka in lacs)

Commodity	1981-82	1982-83	1983-84	1984-85
Cereals (rice) and cereal preparations	365.72	2181.41	846.00	2948.71
Metallic ores	61.56	2.17	—	—
Pulp, Vegetable oil	—	3.34	—	206.82
Non-metallic mineral manufactures	411.34	25.90	—	221.12
Machinery	0.12	282.61	—	—
Total	850.34	2501.70	956.00	3376.65

Source : Bangladesh Bank.

The present volume and pattern of trade between Bangladesh and Burma underline the need for further diversifying the trade between the two countries. In addition to the existing items of imports, Bangladesh government may start a dialogue with the Burmese government for exporting other items such as paper and paper products, pharmaceuticals, G. I. pipe, electric wires and cables, and readymade garments. On the other hand, Bangladesh may explore the possibility of importing some more items from Burma namely, raw-rubber, pulses, and betel nuts. According to an official of the Ministry of Commerce, Government of Bangladesh, Bangladesh faces a tough competition since Burma generally makes its purchases through international tenders. Therefore, Burma should be approached to buy Bangladesh goods on special negotiation basis rather through tenders.

Ever since the general trade agreement came into effect in August 1973, the trade position was not reviewed to identify the problems that have prevented a balanced growth in trade between the two countries. One major obstacle in the development of large-scale trade relations between Bangladesh and Burma is the absence of regular shipping arrangements. Currently, there is no regular shipping services from the ports of Chittagong-Rangoon-Akyab-Chalna. As one

observer has noted, the ships from Burma occasionally come to Chittagong to collect its imports. On the other hand, Bangladesh flag carriers touch Rangoon or Akyab port only to load rice and other items as and when required.²⁶

Conclusion

An immediate neighbour, after India, Burma shares a common border and has trade and commercial ties with Bangladesh. Indeed, the major determinant of their relations is economic. The prompt Burmese recognition to independent Bangladesh clearly demonstrates that economic interests generally influence the shaping of political decisions of a country.

The reciprocity with which the government of Burma has consistently reacted to Bangladesh's policies has not only consolidated traditional friendly ties, it has also on occasion helped resolve a troublesome border conflict as in the incident involving the repatriation of Burmese refugees in 1978. The implementation of 1979 land boundary agreement in August 1985 eliminated the sources of friction at the border and demonstrated the consolidation of friendship between the two countries.

Both Bangladesh and Burma are developing countries and both hold identical views on many of the international issues and work closely in various international forums. Both countries advocate peace and stability in the region. Although two way trade is very small at present, the periodic food deficit of Bangladesh compels her to look to Burma for the supply of much needed rice to overcome crises. It is noteworthy that under an agreement concluded recently, Burma would export about 30,000 metric tons of rice to Bangladesh and import from it about 9.2 million pieces of gunny bags.²⁷ The recent developments in trade relations indicate that the relationship between the two countries is likely to remain warm and excellent. In the coming years, both countries will pursue a policy of close co-operation because it serves their mutual interest.

26. *Ibid.*, p. 146.

27. *The Bangladesh Observer*, 5 April 1985.