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BANGLADESH'S PARTICIPATION IN REGIONAL ARRANGEMENTS: NAVIGATING CHANGING POLITICAL DYNAMICS AND FUTURE OUTLOOK

Abstract

This paper explores Bangladesh's pursuit of membership in various regional arrangements in the wake of the political transition that Bangladesh experienced on 05 August 2024. The paper contends that participation in multiple forms of regional arrangements will advance Bangladesh's economic interests and help to ease bilateral relationships with major global powers, namely India, China, Russia, and the USA. The paper has set up a linkage between regional arrangements and strategic decision-making freedom. The study analyses that in recent times, Bangladesh has sought to engage in several regional frameworks, taking into account its geo-strategic realities and changing global circumstances. By analysing the data sourced from experts and stakeholders across various fields as well as reviewing the secondary literature, the study evaluates the potential benefits of nine regional arrangements (e.g., ASEAN, BRICS, COMESA, EAEU, etc.) for Bangladesh. Simultaneously, considering the complexities inherent in the structure of regional arrangements, and domestic and global factors, the paper assesses some key challenges that Bangladesh may encounter. Notwithstanding those key challenges in mind, the findings of the paper recommend that Bangladesh's joining of regional arrangements will reinforce strategic leverage for the country. However, before joining any new platform, Bangladesh must have some preparations in certain areas related to foreign policy, diplomacy, and economic strategy.

Keywords: Regional Arrangements, Bangladesh, International Relations, Strategic Decision-Making Freedom, Interim Government

1. Introduction

On 05 August of last year, Bangladesh experienced a massive political transition through the popular mass uprising led by students. After the end of 15 years of tyrannical rule of the Awami League (AL) government, the interim administration headed by Dr Muhammad Yunus took power and has been taking various reformative initiatives. As a crucial part of the reform process, the government is emphasising two priority areas: economic recovery and ensuring the security of the country. On this

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new doorstep, Bangladesh seeks cooperation and wants to expand its horizon of opportunities with the international community. This was reflected when (on 28 August 24) Dr Yunus urged for Malaysia's support to include Bangladesh as a new member of the Association of Southeast Asian Nations (ASEAN).¹ He viewed that it could act as a bridge to strengthen ties with the South Asian regional arrangements² such as SAARC. On the brink of Bangladesh's new change, the immediate responses of numerous countries are positive, and several nations have already shown their interests in furthering collaboration with the country. This broad range of support shows the positive mindset of the world community towards the interim government and offers a timely scope for Bangladesh to reap its economic leverage.

Some probable queries can be asked at this juncture of transition: Why does Bangladesh seek to engage with the external community by exploring new regional platforms? Would the engagements with regional arrangements be advantageous for Bangladesh while its prime focus is now on fixing its domestic challenges? If the country intends to join in regional arrangements, what would be its likely foreign policy and strategic approach? Would the country go for realignment with a particular external power, or would it adopt a balancing behaviour with the external entities? In fact it is hard to get definite answers immediately, but it is reasonable to hope that in these current political dynamics, the country seeks to achieve greater political stability and economic prosperity by engaging with the regional bodies, which will assist her in opening new windows of opportunities. From historical records, it is observed that Bangladesh is keen to cooperate with regional partners for multiple reasons, including enhancing trade and investment, removing trade gaps, reducing economic inequality, and ensuring stability in the region. In South Asia in particular, Bangladesh wants a secure and peaceful region conducive to fostering economic growth, and this objective was notably emphasised when Dr Yunus called the South Asian members to revive SAARC.³

Similar to Bangladesh, the entire world is going through an unprecedented transformation witnessed within the contemporary international system. The proliferation of middle powers, the tension of Sino-Indian rivalry, US politics under the Trump administration, the shifting focus towards the Indo-Pacific region, and the resurgence of Cold War-like situations—mostly evidenced in the Russo-Ukraine War,

¹ "Yunus: Bangladesh can become bridge between ASEAN, SAARC," *Dhaka Tribune*, August 28, 2024.

² In this paper, regional arrangements denote certain norms and principles in which nationstates agreed to act collectively, guided by certain principles. Here, the word 'regional arrangements' is synonymously used as 'regional forums', 'regional landscape', and 'regional frameworks'.

³ "Dr. Yunus for SAARC's revival for enhanced regional cooperation," *Prothom Alo*, August 27, 2024.

and the expansionary trajectory of the North Atlantic Treaty Organization (NATO), have had profound impacts on the fabric of both bilateral and multilateral relationships. Moreover, the dominant stature of the USA evident in the current Israel-Palestine War has accentuated the discussion on a nation's imperative for strategic decision-making freedom (SDF) in contemporary times. The question recurrently arises of how the country can act independently and engage itself regionally and globally. Since the current world situation is more complex than before and the non-traditional security threats loom large, the countries, especially the small nations, have to rethink how they enhance their extent of cooperation in different areas by securing core national interests.

Amid these global complexities, Bangladesh, located in a geographically favourable position, has to consider the complexities arising from great power competitions, regional complexities, and other global challenges. While navigating the complex situation, Bangladesh wants to pursue a foreign policy marked by SDF. In this paper, the concept of SDF in the context of regional arrangements refers to a policy choice that avoids excessive dependence on any singular external country and enjoys its full autonomy while making any major foreign policy decision. This principle of SDF indicates Bangladesh's adoption of an approach that is free from external pressures, thereby enhancing its bargaining capacity and win-win situation in a regional platform.⁴

It is worth mentioning that since the 1970s, Bangladesh has participated in 30 out of the 80 regional organisations working globally.⁵ At present, Bangladesh has engaged itself with several regional bodies that include SAARC, the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC), the Indian Ocean Rim Association (IORA), etc. Through proactive participation in these regional initiatives, the country desires to enhance its economic connectivity, security initiatives, and diplomatic posture. Hence, the key argument of the paper lies that increased participation in more regional platforms can act as a viable strategy for Bangladesh to open more options, which will ultimately help her to adjust to the changing political situation.

Outlining the problem statement in brief, the paper seeks to explore the prospective regional arrangements that Bangladesh could participate in addressing its

⁴ Delwar Hossain, Roundtable Discussion on "Bangladesh's Strategic Autonomy: Participation in International/Regional Organisations including BRICS," November 05, 2023, BIISS.

⁵ Md Rais Hasan Sarowar, Roundtable Discussion on "Bangladesh's Strategic Autonomy".

wide-ranging concerns from the economy to the environment. The paper raises some specific questions listed below:

- Considering the regional and global complexities, which new regional bodies Bangladesh can join while safeguarding its SDF?
- What are the probable challenges that Bangladesh may face while joining those prospective regional arrangements?
- How can Bangladesh overcome those challenges by maintaining its SDF?

The significance of discussing this topic in the ongoing political context is manifold. For example, the question of SDF in a small country like Bangladesh is crucial, particularly in light of the termination of the former government, which had been in power for the last 15 years. It is quite often alleged that during this regime, Bangladesh was guided by the strategic choices of its big neighbour, despite attempting to balance with other major powers at different times.⁶ This has prompted the question of whether Bangladesh can make autonomous policy decisions by itself or whether it is guided by external powers. During the current interim government, the uncertain political climate again stimulated thinking of how Bangladesh should navigate with regional and global actors to secure its key national interests and direct its foreign policy in the future. Having observed the current political situation, it can be said that it is too early to give a comment, direction, or forecast of the strategy. One of the major challenges of the current administration is to get legitimacy and support nationally and internationally. Hence, the interim government will attempt to maintain amicable relationships with all countries to ensure its stability and longevity. Considering the country's political landscape, engaging with more regional arrangements will help the country regain its international image, create economic opportunities, and attain the development visions that Bangladesh aspires to.⁷ It can also be anticipated that inclusion in regional bodies will provide Bangladesh with some leverage to handle shared common concerns such as climate change, terrorism, and other related challenges.

In order to streamline the discussion and narrow down the scope, the paper solely counts those regional organisations which have received significant interest from the Government of Bangladesh at different times. Also, the country wants to diversify its foreign policy and desires to explore various options for ensuring economic

⁶ Syful Islam, "Has Bangladesh Lost Its Footing in the China-India Balancing Act?" *The Diplomat*, July 16, 2024.

⁷ United Nations, "Regional Integration as a Strategic Avenue for Bangladesh: LDC Graduation with Momentum," (Geneva, 2023).

prosperity, political stability, strategic influence, and addressing common global challenges. In particular, the study has discussed nine regional arrangements considering the potential prospects for Bangladesh. These are namely ASEAN, Brazil, Russia, India, China, South Africa (BRICS), Common Market for Eastern and Southern Africa (COMESA) Eurasian Economic Union (EAEU), Gulf Cooperation Council (GCC), Indo-Pacific Economic Framework (IPEF), Southern Common Market (known as MERCOSUR), Regional Comprehensive Economic Partnership (RCEP), and Shanghai Cooperation Organization (SCO), (for details, see, Annex 2).

Qualitative research methods were considered a prime technique for data collection, which has significance in gathering new insights into the subject matter. For this paper, data were collected from both primary and secondary sources. Among all the qualitative techniques, in-depth interviews were employed with ten Key Informant Interviewees (KII), including academics, economists, security experts, and officials from the Ministry of Foreign Affairs (MoFA) for incorporating insights into the subject matter. For KII, a specific format is followed in four distinct phases: developing a semi-structured KII checklist, selecting respondents, scheduling the interview, and collecting data and interpretation. The selection of KIIs was accomplished based on purposive and snowball sampling methods using both personal and professional networks. For secondary data, numerous sources were used, such as government and non-government documents, academic journals, recent online reports, and newspaper articles.

The structure of the paper is organised as follows: After outlining the Introduction of the paper, Section 2 reviews the literature regarding the concepts of SDF. In addition, this section set up a linkage between SDF and regional organisations in the context of Bangladesh. Bangladesh's engagement with the existing regional bodies along with the key research gaps have also been touched up in this section. Section 3 has provided detailed information about areas of cooperation of nine regional organisations for Bangladesh. Section 4 highlights the major challenges of participation in such regional bodies while Section 5 provides some suggestions before concluding the paper.

2. Literature Review and Conceptual Analysis

2.1 *Defining Freedom of Strategic Decision-Making*

The concept of freedom of strategic decision-making, as already introduced as SDF in the paper, is a relatively understudied but emerging concept within the disciplines of Social and Political Science as well as International Relations (IR). It

has emerged as a recent phenomenon related to the concerns of small countries while tackling the major powers' influences in world affairs. Protecting the country's SDF and pursuing its national interest in the complex geopolitical landscape are arduous; hence, studying this emerging field bears significance. In the realm of IR, understanding the concept of SDF is pertinent for a country while navigating its foreign policy, security, and global standing. Within this domain, SDF is sometimes analysed based on core components related to 'power', 'independence', 'strategic autonomy', 'external constraints', and 'domestic factors'.⁸ Since there is no specific definition of SDF, in this paper, the concept refers to the capacity of a state, organisation, or actor to perform independently and avoid undue interference from external authorities while formulating or implementing strategies.

Although no single theory/theorist comprehensively explains this concept, scholars like Morgenthau, Waltz, Jervis, Wendt, Mearsheimer, and Walt contributed immensely to developing the idea through their works. Realists such as Morgenthau focused primarily on power, state sovereignty and pursuit of national interest which are closely related to SDF.⁹ Other Realist scholars like Mearsheimer, emphasise the great power politics and competitive nature of the international environment, while Walt¹⁰ argues that states form alliances considering security concerns and power dynamics.¹¹ In contrast, Neo-realists such as Waltz propose that a country's behaviour and choices are shaped by the anarchic structure of an international system.¹² Jervis came up with the notion that a country's strategic choices are decided by the perception and misperception in international politics.¹³ Wendt—a leading figure of constructivist theory—explains that SDF is influenced by certain factors such as the international social environment and identity and beliefs of a country.¹⁴ Other IR scholars like Lake and Powell explained this as a 'strategic-choice approach' meaning actors' capability is contingent upon the behaviours of other actors and each actor must consider other's actions while making any major policy decision.¹⁵ In brief,

⁸Joseph Borrel, "Why European strategic autonomy matters," *The European Union* (Blog), December 03, 2020, https://www.eeas.europa.eu/eeas/why-european-strategic-autonomy-matters_en.

⁹ Hans J Morgenthau, *Politics among Nations: The Struggle for Power and Peace*, (New York: Alfred A Knopf, 1949).

¹⁰ Stephen Walt, *The Origins of Alliances*, (USA: Cornell University Press, 1987).

¹¹ John Mearsheimer, *The Tragedy of Great Power Politics*, (New York: W.W. Norton & Company, 2001).

¹² Kenneth Waltz, *Theory of International Politics*, (USA: Addison-Wesley Publishing Company, Inc, 1979).

¹³ Robert Jervis, *Perception and Misperception in International Politics*, (USA: Princeton University Press, 2017).

¹⁴ Alexander Wendt, *Social Theory of International Politics*, (UK: Cambridge University Press, 1999).

¹⁵ David A Lake and Robert Powell, "International Relations: A Strategic-Choice Approach," in *Strategic Choice and International Relation*, ed. David A Lake and Robert Powell, (New Jersey: Princeton University Press, 1999).

these scholars, among others, help to understand how states behave and navigate the complexities of international relations and balance their SDF taking into account both external challenges and domestic factors.

By and large, each country adopts its strategy to maintain its SDF. India, for instance, emphasises ‘non-alignment’ and ‘multilateralism’ while at the same time, engaging with major global actors such as the US, Russia, and China.¹⁶ Taking these dynamics into account, some specific questions can be posed for Bangladesh: What is SDF in Bangladesh’s context and what factors shape its SDF? Is it possible for the country to achieve SDF in these changing circumstances? SDF, to some extent, is a prerogative of the powerful nations while considering the issues of foreign policy and security. Thus, for Bangladesh, several factors need to be taken into account while dealing with the powerful nations for attaining its SDF. First and foremost, upholding and safeguarding Bangladesh’s national interest is the cornerstone of ensuring its security and economic prosperity. Bangladesh wants to increase its capacity to act independently when and where necessary and with partners wherever possible. The second core issue is to understand the actions of other major countries, global trends, and shifting geopolitical dynamics. Bangladesh’s SDF, thus, more or less depends on its capacity to pursue its national goals in the global arena and be free from excessive reliance on a single country or major powers. The third factor is the ability to assess probable risk factors in advance and make necessary preparations accordingly (e.g., taking both immediate and long-term preparations). The fourth key factor is related to crafting a coherent diplomatic approach through building proper negotiations and alliance-building mechanisms with the neighbours and global partners. Finally, it needs to be mentioned that foreign policy decisions are predominantly influenced by the vision and ideology of political leadership since strong political leadership can only navigate the country on the right path during a crisis. In essence, these are the key parameters that guide Bangladesh’s strategic approach while playing in the regional and international arena.

Nonetheless, it is realised that following COVID-19, the concept of SDF is not only confined to a country’s security concerns but also expanded to the issues of economy, technology, and innovation. To act self-reliantly, over 50 years of its journey, Bangladesh has focused on growing gross domestic product (GDP), increasing manufacturing strength, leveraging demographic dividends, attaining development

¹⁶ Kabir Taneja and Hasan Alhasan, “The coming of strategic autonomy in the Gulf countries,” *ORF Commentaries*, March 29, 2022, <https://www.orfonline.org/research/the-coming-of-strategic-autonomy-in-the-gulf/>; S. Jaishankar, *The India Way: Strategies for an Uncertain World*, (India: Harper Collins, 2022).

goals, and strengthening the information technology (IT) sector. Instead of following Western models, Bangladesh relies on its own development path to ensure its economic sustainability while engaging with any country or partnership.¹⁷ In continuation, the interim government also shows openness to collaboration and has widened the scope of engagement across numerous sectors. Although Bangladesh follows a balanced approach, it also believes this principle must be implemented based on ‘equality’ and a ‘win-win situation’. This core principle with the additional components now serves as a cornerstone of Bangladesh's pursuit of SDF in its foreign policy endeavours.¹⁸ Thus, the prevailing definition of SDF in the context of Bangladesh can be articulated in the paper as the capacity to work together with all countries, maintain a balance with regional and global powers, ensure a win-win situation through increased bargaining power, uphold its national interests above everything and make independent foreign policy decisions without undue influence with the external powers. This approach underscores the consideration of both domestic factors and external constraints while maintaining Bangladesh’s SDF.

2.2 Contextualising SDF with Bangladesh’s Regional Engagements

Being one of the key littoral or maritime countries in the Bay of Bengal, Bangladesh seeks to maintain its neutrality to uphold its core national interest. Certain geopolitical challenges grossly impact Bangladesh because of its geographical location. For example, due to the growing importance of the Indo-Pacific, the rise of China, and the Sino-Indian rivalry, Bangladesh has to take a careful look while balancing or optimising its strategic leverage in its international relationships.¹⁹ Bangladesh declared its regional policy through the Indo-Pacific Outlook in April 2023 delineating a neutral posture in the contemporary geo-political and geo-strategic landscape. The Outlook resembles Article 25 of the country’s Constitution, which reaffirms the ‘principles of non-interference, peaceful co-existence, respect for international law and cooperation’.²⁰ That is, instead of defence collaboration with any regional body, the country advocates specific issues and certain parameters linking to ‘economic growth’, a ‘culture of peace’ ‘rules-based-multilateral system’ and ‘equitable and sustainable development’ for a peaceful international order aligned

¹⁷ Lailufar Yasmin, “Bangladesh at 50: The Rise of a Bangladesh that Can Say No,” *Security Nexus*, vol 23, 2022, <https://dkiapecss.edu/wp-content/uploads/2022/01/Security-nexus-Bangladesh-at-50-Jan-2022.pdf>

¹⁸ Aynul Islam and Rubel Molla, “Contemporary Geopolitical Competitions in the Bay of Bengal Region: In Search of Greater Strategic Autonomy for Bangladesh,” *BIISS Journal* 45, no. 1, (2024): 31-64

¹⁹ Johannes Plagemann, “Small states and competing connectivity strategies: what explains Bangladesh’s success in relations with Asia’s major powers?” *The Pacific Review* 35, no. 4 (2022): 756–757.

²⁰ Rubiat Saimum, “Bangladesh’s strategic pivot to the Indo-Pacific,” *East Asia Forum* (Blog), 2023, https://www.researchgate.net/publication/371958167_Bangladesh's_strategic_pivot_to_the_Indo-Pacific

with the United Nations (UN) Charter. Bangladesh's active participation in numerous regional frameworks over the last five decades has also reflected these fundamental notions.

While negotiating on a platform, the concept of SDF in Bangladesh's context is not only linked to the trade and investment sector but also encompasses other critical areas, e.g., technology, energy, cyber security, climate change, and so forth. The significance of achieving development visions bears importance too, since Bangladesh aims to foster a progressive and technologically advanced country. Bangladesh has laid out strategic national plans and visions with the ambition of transforming into a modern, knowledge-based, developed nation. The country intends to realise these goals by leveraging economic regionalism and harnessing its inherent dynamism. The pivotal role of aligning these national development aspirations with regional dynamics is to facilitate Bangladesh's progression towards becoming a smart, forward-thinking nation. To sum up, Bangladesh's SDF lies in its historical experience, national interest, development visions, sovereignty, and self-reliance.

It is anticipated that there will be a great shift in foreign policy direction during the interim government. However, it has only been a few months since the administration was formed, and they have been trying hard to reset and advance those policies which serve the country's best interests. This can be applicable in the case of joining both bilateral and regional arrangements. It is obvious that instead of relying on a single party or country, Bangladesh will increase its focus on regional arrangements, both existing and prospective. The government prefers those entities that offer fair deals and help to create a win-win situation commensurate with its national interests. The Chief Adviser has already made this point clear that Bangladesh's foreign policy direction with its neighbour will be based on 'equal treatment', and 'mutual respect and cooperation'.²¹ By maintaining its SDF, Bangladesh seeks to enhance investment opportunities and diversify its options through participation in new regional arrangements. Thus, based on foreign policy principles, constitutional frameworks, and development goals, it can be asserted that Bangladesh's participation in regional arrangements while securing the country's SDF includes navigating several complex parameters and domestic and external factors.

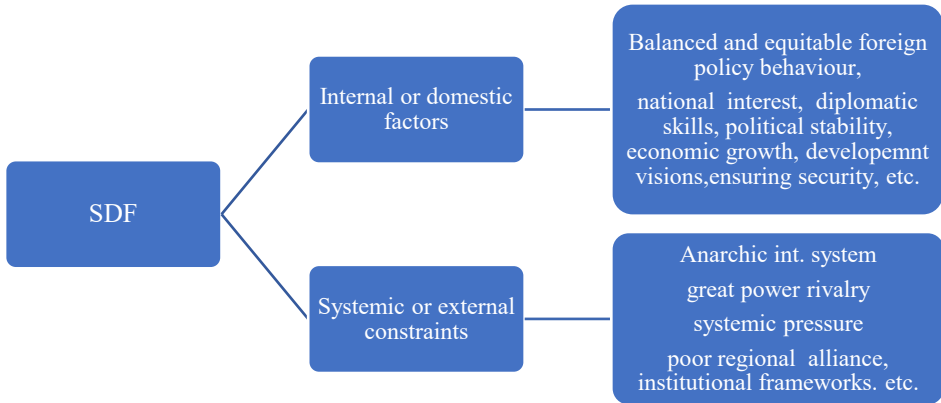
In contemporary times, maintaining friendly relations with its neighbouring countries (especially with India) has been a crucial factor in Bangladesh's foreign

²¹"The Interim Government in Bangladesh," *CBGA Special Brief*, August 27, 2024, <https://www.cbga.bd.org/2024/08/27/the-interim-government-in-bangladesh-charting-a-new-course-in-foreign-policy/>

policy. During the previous periods (especially prior to 05 August 24), India had a considerable influence over the country's foreign policy decisions. During that period, there was a "dependency syndrome" while characterising and analysing Bangladesh-India bilateral relations. However, under the current interim government, Bangladesh is gradually trying to come out of this pattern and looking for more independent foreign policy choices. On the other side, there was a great political shift when the Trump government came into power for the second time in November 2024. His unprecedented comeback has created a great deal of uncertainty about trade, migration, climate change policies, and the overall international order. His actions will certainly determine the changing political dynamics and future structure of the world order. Bangladesh has to adjust to these changing dynamics while upholding its SDF and continuing its cooperation through regional mechanisms.

In these changing dynamics, certain key parameters need to be taken into consideration while ensuring the country's SDF. Figure 1 demonstrates that Bangladesh protects its SDF in a regional framework considering both the external power dynamics and domestic factors. Domestic factors encompass national interests and priorities (economic stability, economic diversification, development goals etc.); security and defence needs (national security and defence modernisation); diplomatic skills (balancing approach while building alliances, avoiding biases toward particular countries, and partnerships by increasing bargaining power); internal political instability (government's stability, public opinion, accountability etc.) and national power and soft power (cultural influence, education, and skill development, science and technology and so forth) that can collectively impact SDF.

Figure 1: Bangladesh's SDF in the Context of Regional Arrangements²²



External factors include geo-political competition (considering the influence of global powers and balancing the interests); regional influence (regional security dynamics, and relations with neighbours); economic considerations (economic partnerships and agreements); legal and institutional frameworks (organisation's distinct rules and regulations); historical relationships (historical affinity and previous interactions with regional organisations) that shape to retain strategic flexibility. Bangladesh can effectively engage with the regional platforms and enjoy SDF once it balances these parameters.

2.3 Bangladesh's Existing Participation in Regional Framework: A Brief Overview

Since its independence in 1971, Bangladesh has joined several sub-regional, regional, and international arrangements (see, Annex 1.); therefore, the country is called the advocate of multilateralism. In particular, the participation of Bangladesh in regional frameworks highlights its strategic objective of promoting improved connectivity, fostering economic growth, and promoting collaborative approaches to address common concerns. Bangladesh coined the idea of SAARC founded in 1985 in Dhaka to promote economic growth, social advancement, and cultural enrichment in the South Asia region. Bangladesh, as a founding member, has played a crucial role in advancing the organisation's objectives, with a particular emphasis on addressing poverty, combating terrorism, and promoting regional integration. Nevertheless, the

²² Source: Author 2025.

efficacy of the SAARC has been intermittently impeded by tension and political conflicts among its member nations, particularly India and Pakistan which had a detrimental influence on the achievement of SAARC's complete capacity for regional collaboration.²³

In contrast to the challenges encountered in SAARC, BIMSTEC provides Bangladesh with a dynamic framework for regional interaction with countries from South and Southeast Asia.²⁴ BIMSTEC, an amalgamation of South Asia and Southeast Asian nations, places its emphasis on fostering collaboration in 14 key areas, encompassing trade, tourism, energy, and technology. The decision to establish the BIMSTEC Secretariat in Dhaka highlights Bangladesh's dedication and significant contribution to this regional institution. BIMSTEC plays a crucial role in strengthening Bangladesh's trade relations and connectivity with neighbouring nations, hence, enabling a more comprehensive integration into the Asian economy. Besides, to foster economic collaboration among eight developing nations, Bangladesh perceives the D-8 as a forum that can facilitate the exchange of technologies, promote industrial cooperation, and facilitate trade and investment among its member nations.

Perhaps one of the most vibrant regional initiatives for Bangladesh is the Bay of Bengal Industrial Growth Belt (BIG-B) as a renewed focus of the 'Look East' policy. Under BIG-B, 5-6 projects (e.g., Third Terminal of Hazrat Shahjalal International Airport, Matarbari Deep Sea Port, Dhaka Metro Rail construction, etc.) are going on for the development of quality infrastructure and create more investment opportunities in Bangladesh.²⁵ On the contrary, Bangladesh's involvement in IORA is of considerable importance due to its strategic location along the Bay of Bengal. The nation's objective is to utilise IORA to improve disaster risk management, trade and investment, and maritime safety and security along the periphery of the Indian Ocean. Bangladesh-China-India-Myanmar Economic Corridor (BCIM-EC) continues to be a prospective initiative of regional trade and investment for Bangladesh, notwithstanding its sluggish advancement.²⁶ It is perceived as an important option to enhance infrastructure, foster investment, and gain entry into adjacent markets. The

²³ Dr. Sunita Pachori, "Conflicts in South Asia – Challenges to SAARC Regionalism," *International Journal of Research in Geography* 5, no. 1 (2019).

²⁴ ESCAP, "Unlocking the Potential of Regional Economic Cooperation and Integration in South Asia: Potential, Challenges and the Way Forward," *the UN*, 2016.

²⁵ Tarina Maliat-E-Rahman, "The Big-B Initiative: Alive or Dead?" *BIPSS*, <https://bipss.org.bd/pdf/The%20Big-B%20Initiative%20Alive%20or%20Dead.docx.pdf>

²⁶ Mohd Aminul Karim and Faria Islam, "Bangladesh–China–India–Myanmar (BCIM) Economic Corridor: Challenges and Prospects," *The Korean Journal of Defense Analysis* 30, no. 2 (2018): 283–302.

Asia-Pacific Trade Agreement (APTA) is a preferential trade accord that seeks to diminish trade barriers and tariffs among its member nations in the Asia-Pacific region. Bangladesh, being an initial member, is granted preferential trade terms that bolster its ability to compete economically in the Asia-Pacific region's major export markets. Bangladesh is also a member of the Asia Cooperation Dialogue (ACD) which aims to enhance interdependence among countries of Asia in all sectors of cooperation. Besides, Bangladesh is actively involved in various subregional initiatives (e.g., BBIN). Although Bangladesh's active engagement in these regional arrangements presents huge prospects for economic and strategic advantages, the country is looking for more options to manage geopolitical competitions, guaranteeing fair and balanced advantages from regional initiatives, and overcoming bureaucratic and infrastructural barriers considering trade and connectivity.

2.4 Scopes of Contribution Through Finding Out Research Gaps

The review of the relevant literature reveals that SDF is an underexplored area within academic debate because of its complex nature and country-specific explanation. In the case of Bangladesh, participation in regional bodies by securing its SDF is comparatively a new phenomenon; therefore, there are some ambiguities. By emphasising the changing global circumstances, the emerging area that needs more attention is how Bangladesh perceives its SDF and can enhance its cooperation by making more regional alliances. Although the country is forwarding about joining more regional arrangements, regrettably, there is no comprehensive study of Bangladesh's participation and its role in regional frameworks by protecting its SDF. Bangladesh is one of the pioneers of SAARC, but intra-regional trade and other forms of cooperation have not received full potential. Thus, it is high time for Bangladesh to focus beyond the South Asian region and explore the immediate and more distant regions. Identifying this gap, nonetheless, needs more attention in both academic and practical domains. Another crucial gap in the study of how influential actors such as India, China, Russia, and the USA, shape Bangladesh's SDF in regional arrangements. However, these explorations are largely insufficient, highlighting the need for robust academic interventions and the development of the right policy guidelines to assist the government in securing its SDF.

3. Prospective Regional Arrangements and Probable Areas of Cooperation

In the last few years, Bangladesh has expressed its keen interest in participating in various regional arrangements and has joined the new regional bodies in capacities as an observer or dialogue partner. Reflecting on this proactive stance, a scholar from

North South University opined, *“Participating in regional organisations is not an option now; it is rather a necessity for Bangladesh to ensure its security and economy”*²⁷. Now, the following section briefly discusses the potential regional arrangements including the probable benefits for Bangladesh (see also Annex 2).

3.1 ASEAN

ASEAN, formed in 1967, is a collaborative initiative by the 10 Southeast Asian countries²⁸ that aims to advance social, economic, and cultural growth, following the principles of the United Nations (UN) Charter. Worldwide, it is regarded as one of the successful regional models that work for maintaining peace and stability in the region and beyond, in partnership with other supranational bodies like the UN, GCC, MERCOSUR, etc. Situated at the crossroads of the South China Sea and the Indian Ocean, this regional initiative offers ample opportunities in the economic and cultural sectors of both South Asian and Southeast Asian countries. Realising its potential, Bangladesh joined as a member of the ASEAN Regional Forum (ARF) in 2006 and also applied for Sectoral Dialogue Partner status. Recently, going a step ahead, Bangladesh’s Chief Adviser Dr Yunus requested Malaysia to support Bangladesh’s inclusion being a member of this regional organisation.

This regional organisation, to a great extent, offers a big marketplace for over 600 million people, and Bangladesh can also get opportunities by enhancing its exports and attracting Foreign Direct Investment (FDI). Already, Bangladesh has enjoyed a robust economic rapport with some ASEAN countries, namely Malaysia and Singapore, where a substantial number of Bangladeshi workers are employed. In addition, China—a full dialogue partner of ASEAN—is deeply engaged in Bangladesh’s infrastructure projects, and this involvement can create scope for the latter to involve more broadly with ASEAN. ASEAN also deals with global concerns such as climate change, disaster management, and other security issues in collaboration with external powers. This might help Bangladesh to participate in regional dialogues and cooperative projects, and obtain technical assistance, thereby enhancing its diplomatic exposure. Bangladesh, being an ARF member, has limited enforcement power, but if the country can secure the Sectoral Dialogue Partner status or full membership, it could secure benefits from numerous trade agreements. It is also hoped that by securing such status, Bangladesh could increase interaction with

²⁷ Interviewed on 03 August 24.

²⁸ Namely Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam. Papua New Guinea and East Timor hold the observer status while China, Japan and South Korea are involved as ASEAN Plus Three nations.

the member countries to get proactive support for the repatriation of 1.2 million Rohingyas.

3.2 BRICS

BRICS is considered an active intergovernmental initiative that comprises 30 per cent of the global surface and 45 per cent of the world's population.²⁹ Its key goal is to promote trade and investment opportunities among the nine member countries. The major strength of this bloc is its vibrancy since for the last 15 years, it has regularly convened meetings and formulated policies. The prime initiatives of BRICS are to form the New Development Bank (NDB), BRICS Contingent Reserve Arrangement, and BRICS Pay, among others.

On 19 June 2023, Bangladesh formally applied to get membership in BRICS, however, it could not secure its position during this period.³⁰ The recent BRICS summit (22 October, 2024), which was hosted by Russia, played a vital role in formal expansion (Egypt, Ethiopia, Iran and the United Arab Emirates received full membership) procedures for the organisation. Although Bangladesh could not achieve its membership, its invitation to join the summit indicates a light of hope for future inclusion. Membership in BRICS is expected to create opportunities to strengthen economic partnerships and diplomatic alliances with the member countries. Since Bangladesh is a member of the BRICS Bank, it has scope to access development finance, low interest rates, and alternative financial support.

3.3 COMESA

Africa, as a vast continent, has several regional blocs, and COMESA is one of those regional initiatives. COMESA—an important pillar of the African Economic Community (AEC)—was formed in 1994 with the motto of ensuring 'economic prosperity through regional integration' among 21 African countries.³¹ From numerous regions, members are included³² for enhancing trade and investment

²⁹ The members include Brazil, Russia, India, China, South Africa, Iran, Egypt, Ethiopia, and the United Arab Emirates (UAE). There were four founding members but later, South Africa joined this bloc in 2010. On 01 January 2024, BRICS added Iran, Egypt, Ethiopia and the UAE as full members.

³⁰ Nurul Islam Hasib, "BRICS expansion: Why Bangladesh could not make it this time," *Dhaka Tribune*, August 24, 2023.

³¹ "The Common Market for Eastern and Southern Africa," *World Organisation for Animal Health* (Blog), <https://rr-africa.woah.org/en/projects/sps-afcfta-project/common-market-for-eastern-and-southern-africa/>

³² Horn of Africa (Djibouti, Eritrea, Ethiopia, Somalia); North Africa (Egypt, Libya, Sudan, Tunisia); Indian Ocean (Comoros, Madagascar, Mauritius, Seychelles); African Great Lakes (Burundi, Kenya, Malawi,

opportunities in the region. Initially, nine of these member countries signed a Free Trade Agreement (FTA) in 2000, but later on, seven other countries joined this agreement at subsequent intervals. Since then, this regional economic community has expanded its free trade zone and joined with two other trading blocs, namely the South African Development Community (SADC) and the East African Community (EAC). COMESA has also considered the implementation of a common visa scheme for promoting tourism.

If Bangladesh were to join COMESA, it is expected that the country could gain several benefits. First and foremost, Bangladesh will be able to access a vast consumer market across 21 African members. This will assist Bangladesh in diversifying its markets and products. Due to its significant contribution through peacekeeping, Bangladesh has a good image in African nations. Despite Africa being rich in natural resources, certain Bangladeshi products have a considerable demand in the African market, including food products, garments, medicines, ceramics, etc. Membership in this initiative could reduce tariffs and better integrate into regional supply chains. For regional connectivity, COMESA emphasises on infrastructural projects and Bangladesh could receive certain benefits from these projects by creating better transportation links and improved access to a regional market. Overall, by taking the joint venture, COMESA can act as a pivotal regional arrangement for Bangladesh by ensuring a stable business environment.

3.4 *EAEU*

The key focus of the EAEU is forming an economic union comprising five Eurasian and post-Soviet countries.³³ One of the notable strengths of this regional initiative is the ability to operate an integrated single market with a combined GDP of around US\$2.4 trillion. Additionally, to enhance further economic integration, the Eurasian Economic Council (EEC) was established in 2014 to foster trade and reduce trade barriers. The EAEU primarily focused on the free movement of goods and services and cooperation in specific sectors such as agriculture and energy. Focusing on sector-specific collaboration indicates EAEU's commitment to fostering economic cooperation among the member states.

Rwanda, Uganda); Southern Africa (Eswatini, Zambia, Zimbabwe); and Central Africa (Democratic Republic of Congo).

³³ They are namely Russia, Armenia, Belarus, Kazakhstan, and Kyrgyzstan. It also included three countries (Cuba, Moldova, and Uzbekistan) as observers.

Bangladesh has expressed its keen interest in signing an FTA with the EAEU, which is predominantly led by Russia.³⁴ The five member countries of Eastern Europe play a positive role in diversifying Bangladesh's trade and investment valued at over US\$1.5 billion.³⁵ An FTA with this regional bloc can increase its trade opportunities and gain access to the regional supply chain, especially for exports of frozen food, knitwear, jute goods, shrimp, and other essential commodities. Currently, Bangladesh's export performance is not up to the mark because of a lack of duty-free facilities and problems with direct banking transactions. To overcome these challenges, Bangladesh Bank has already initiated some measures (e.g., currency swap) with the Central Bank of Russia. Following the agreement of the Trade and Investment Framework Agreement (TIFA) with the USA in 2014, Russia offered Bangladesh to form an intergovernmental commission to boost trade and investment. Later on, a Memorandum of Understanding (MoU) was signed between EEC and Bangladesh in May 2019 to create valuable economic opportunities.³⁶

3.5 GCC

Since its establishment in 1981, GCC³⁷ has played a significant role in attaining the economic, political, and overall regional aspirations of the Gulf member countries. This intergovernmental union has the potential to enhance Bangladesh's geopolitical standing as a Muslim country. The GCC has set several ambitious goals, including creating customs unions, a common market, and a common currency.³⁸ GCC is regarded as a promising regional bloc for Bangladesh and the latter has been trying to strengthen its relations with the former. Already a significant number of Bangladeshis are working in the GCC countries, and their remittances have a substantial impact on Bangladesh's economy and foreign exchange reserves. In November 2022, Bangladesh signed an agreement, which is marked as a 'baseline' to take the relationship a step ahead with the Gulf countries.³⁹ Saudi Arabia, Kuwait, and the UAE are the major suppliers of crude oil in Bangladesh. The UAE, in particular, expressed its interest in investing in Bangladesh's specific sectors like telecommunication, real estate, and infrastructure. On the contrary, Bangladesh can be a lucrative market for the GCC member countries in certain sectors such as food,

³⁴ "Bangladesh keen on FTA with Eurasian Economic Union," *The Guardian*, January 09, 2022.

³⁵ Abul Kashem, "Russia offers food items at competitive prices," *The Business Standard*, September 05, 2023.

³⁶ "Bangladesh keen on FTA."

³⁷ comprises six Middle Eastern countries such as Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and UAE.

³⁸ "GCC Monetary Union-Gulf Currency- A new symbol is ready ahead of time," <https://web.archive.org/web/20150123143202/http://www.gulfcurrency.org/>

³⁹ "Bangladesh working to boost ties with Gulf Cooperation Council: Envoy", *The Business Standard*, August 06, 2023.

textile, and agriculture products. Besides, cultural integration by promoting shared religious values can be another area of cooperation between Bangladesh and the Gulf members.

3.6 *IPEF*

In May 2023, former US President Joe Biden initiated IPEF, an intergovernmental economic initiative with 14 founding members⁴⁰ of the Indo-Pacific region. This initiative is fundamentally based on four main pillars: trade, supply chains (approved in November 2024), clean economy (approved in June 2024), and fair economy (approved in June 2024). President Biden viewed this approach as a new rule of the twenty-first-century economy, however, critics opined that it is an initiative to counterweight China's influence in the region.⁴¹

Although expert opinions about participating in IPEF are mixed, it is apparent that Bangladesh does not want to miss any opportunity from regional bodies that could offer benefits and good prospects for its economy. However, a scholar from the Political Science Department, Dhaka University (DU) opined that during this interim government period, Bangladesh could emerge as a potential partner of the USA to ensure the strategic leverage of both parties.⁴² It is also anticipated that if the country joins this regional venture, especially in supply chain security, Bangladesh's exports could be facilitated in the Indo-Pacific region and will be able to expand its economic partnership as an alternative to the traditional market. Besides, it can reduce reliance on specific economies, and attract FDI from member countries (e.g., in infrastructure, technology, and green energy sectors). In brief, participating in IPEF could assist Bangladesh in tapping into economic prospects, encouraging regional cooperation, and driving growth using trade, investment, and technological collaboration.

3.7 *MERCOSUR*

MERCOSUR, known as the 'Southern Common Market', was established to promote economic integration among the South American countries. It is composed of five member states (Argentina, Bolivia, Brazil, Paraguay, and Uruguay); six

⁴⁰ India, Japan, South Korea, Australia, Fiji, New Zealand, Brunei, Indonesia, Malaysia, Philippines, Singapore, Thailand and Vietnam

⁴¹ Dingding Chen and Yingfan Chen, will IPEF help the US counter China? *The Diplomat*, 15 June 2022.

⁴² Interviewed on 05 September 2024.

associated countries (Chile, Colombia, Ecuador, Guyana, Peru, and Suriname); and two observer countries (Mexico and New Zealand).

Bangladesh has formally submitted its petition to join MERCOSUR and has shown its interest in signing an FTA to enhance trade ties. Experts opine that the signing of an FTA with this regional bloc will open a new door for Bangladesh to further relations with South American nations.⁴³ Among the members, Argentina and Brazil are lucrative destinations, and these two countries have already shown their interests in boosting trade with Bangladesh. The reopening of the Argentine embassy after a closure of 45 years (since 1978) in Dhaka gave a signal to increase cultural (e.g., sports, people-to-people connectivity) and trade relations with Bangladesh. For exporting processed food, textiles, pharmaceuticals, plastic, and ceramics, the region can be a lucrative destination for Bangladesh.

3.8 RCEP

RCEP, signed in November 2020, comprises 15 Asia-Pacific countries.⁴⁴ Realising its potential as an economic bloc, 10 ASEAN members, three East Asian countries, and two Pacific nations have joined. This economic partnership accounts for 30 per cent of the world's population and offers a market of US\$ 26.3 trillion, making it one of the largest trading pacts in history.⁴⁵ It is the first trade agreement among some Asian countries that has connected several Asian countries such as China, Indonesia, Japan, and South Korea. In RCEP, Bangladesh is one of the four countries⁴⁶ that applied for accession to the partnership.

Experts opined that RCEP could act as a 'game changer' for Bangladesh.⁴⁷ It is a prospective regional body for Bangladesh that promotes multilateralism in collaboration with high-middle and low-income countries. Although this regional bloc does not address labour, human rights, environmental, and other pressing concerns, it can be a potential bloc for trade and investment at the TRAC II level. For

⁴³ "Bangladesh should go for PTA with Latin American trade bloc," *The Daily Star*, July 12, 2022. Also see, "Bangladesh interested to sign FTA with big economies of South America", *The Business Standard*, February 11, 2022.

⁴⁴ Namely Australia, Brunei, Cambodia, China, Indonesia, Japan, South Korea, Laos, Malaysia, Myanmar, New Zealand, the Philippines, Singapore, Thailand and Vietnam.

⁴⁵ Abul Kashem, "Bangladesh's application to join RCEP awaits PM's nod," *The Business Standard*, September 06, 2023.

⁴⁶ The other three are Hong Kong, Sri Lanka, and Chile.

⁴⁷ Nasif Tanjim, "Bangladesh's biggest focus should be getting into ASEAN," *The Business Standard*, March 07, 2022.

instance, with the agreement, the member countries will be able to lower tariffs by 90 per cent, which facilitates the navigation of enjoying preferential treatment and simplifies the country's access to the global market. Moreover, the rules of origin in RCEP are expected to streamline the international supply chain and create scope for Bangladesh to enter into the Asia-Pacific regional market.⁴⁸ Being a big regional bloc that covers both East and South Asian countries, RCEP can offer potential opportunities for Bangladesh. Despite being led by China, interestingly, some US allies such as Japan, South Korea, and Australia have been members of this bloc. Bangladesh has been trying to negotiate for an FTA with six countries (Japan, Indonesia, Malaysia, Singapore, South Korea, and China). Since some member countries belong to this regional bloc and signed a trade agreement in 2020, there is scope for Bangladesh to separately negotiate such a form of trade deal with member countries.

3.9 SCO

SCO is an intergovernmental organisation of Eurasian countries that primarily emphasises economic, political, and security issues. Formed by China and India in 2001, it is one of the world's largest regional frameworks considering the geographic coverage, which is 80 per cent of Eurasia and represents 40 per cent of the global population. Initially, its members were few (China, Kazakhstan, Kyrgyzstan, Russia and Tajikistan, and Uzbekistan). Two additional countries from South Asia—India and Pakistan—joined in 2017, and recently, two other countries (Iran in July 2023 and Belarus in July 2024, respectively) were added as full members. In 2002 and 2003, a joint statement and Framework Agreement were signed to increase cultural and economic cooperation, but since 2023, they have been working on numerous security-related issues such as human trafficking, counter-terrorism, and intelligence sharing. From 2003 to 2024, SCO members regularly organises summits which have given the organisation a unique strength.

Taking into account the issues of security, economic collaboration, cultural exchange, and infrastructural development, SCO could open multiple avenues for Bangladesh in those sectors. Mostly, by engaging with this platform, Bangladesh can enter new markets and create new investment opportunities. The organisation can boost connectivity since one of its primary focuses is infrastructural development. As SCO focuses on the issues of counter-terrorism for the security and stability of the region, Bangladesh can enhance its collaboration in this area. Energy can be another

⁴⁸ "Asia Pacific countries sign one of the largest free trade deals in history," *Financial Times*, November 15, 2020.

area in which Bangladesh can ensure its engagement against the growing energy demands.

4. Limiting Factors

In order to join in regional arrangements effectively, Bangladesh requires extensive and comprehensive preparation. The pertinent questions posed earlier should be brought out now: Is Bangladesh prepared to engage such regional bodies in the current changing context? If it is not, what kinds of preparatory measures should the country attempt? In addition, what are the key challenges that Bangladesh needs to consider while safeguarding its SDF? The following section sheds light on some key challenges that Bangladesh needs to focus on.

4.1 *Geo-political Tension and Strategic Risks*

Due to its strategic location, Bangladesh cannot avoid the geopolitical competition between India and China. The country recurrently faces the challenges of managing the intricacies with caution to manage a balanced relationship. For instance, India is a great factor in extending cooperation through regional organisations. It is undeniable that after 5 August 2024, the relationship between India and Bangladesh has been passing through a critical phase, marked by friendship during the previous regime.⁴⁹ Therefore, balancing a relationship with this country is a challenge. Being a powerful neighbour, India has a considerable influence on Bangladesh's efforts toward regionalism and this impact is noticable in the country's pursuit of membership in BRICS. In the case of other major powers such as the USA and Russia, quite often, maintaining strategic neutrality is an arduous task for Bangladesh because of the ongoing polarisation. This is observed in the case of joining IPEF, which is part of a wider geopolitical strategy of the US and China. Quite often, Bangladesh's joining in a particular group dissatisfies the other group and creates diplomatic tension. To safeguard its SDF, Bangladesh has to carefully consider the alignment, considering its geographic realities and the competitive geopolitical landscape.

4.2 *Systemic Issues*

Each regional organisation has its own framework, special regional arrangement, different politics and goals, institutional culture, and methods of maintaining SDF. This point is also raised by a Former Ambassador of MoFA.⁵⁰ Therefore, reaping the full benefits from a regional organisation depends on the efficacy of the regional

⁴⁹ Interviewed on 03 August 24.

⁵⁰ Interviewed on 03 August 24.

frameworks as well as the procedural capacities of member states. Being an emerging economy, Bangladesh faces certain limitations (e.g., negotiation, activity, preference, structural impediments, etc.) in advancing its core national interests compared to established regional powers. Due to regional dynamics, decisions of certain concessions have to be taken, which do not necessarily create an equilibrium and reflect the interests of the country. For example, the railway agreement between Bangladesh and India signed during the previous regime is argued to provide benefits disproportionately to the latter.⁵¹ In the case of Africa, Bangladesh has been facing challenges in exploring the markets due to limited diplomatic ties with certain African countries. Hence, navigating the right path is beneficial for Bangladesh while preserving its SDF and dealing with evolving issues.

4.3 Power Asymmetry

Quite often, countries at different stages of development, with diverse economic levels, political systems, and development agendas, are frequently included within regional frameworks. This concern is also raised by an official from MoFA, that power asymmetry is a major stumbling block in advancing economic growth. In such contexts, the most powerful members of a regional body make major decisions and shape the priorities; whereas the small states play only a symbolic or less important role.⁵² Comparing the examples of SAARC and ASEAN, a scholar from North South University added that “*ASEAN is more functional than SAARC because there remains less power asymmetry*”. Other frameworks like IPEF, SCO, and EAEU exemplify that the big powers play a pivotal role in shaping major decisions and setting regional priorities.

4.4 Lack of Mutual Trust

One of the crucial challenges of regional organisations observed is the lack of mutual trust among member states. A high official from MoFA mentioned that “*regional antagonism*’ is a major barrier to enhancing mutual collaboration”.⁵³ The distrust not only obstructs potential collaboration but also hampers to undertaking of major initiatives. It also creates a negative institutional atmosphere to take collective actions which delays decision-making process and quite often leads to ineffective

⁵¹“India-Bangladesh rail agreement faces both criticism and support,”

<https://tribune.com.pk/story/2476195/india-bangladesh-rail-agreement-faces-both-criticism-and-support>

⁵² Justinas Juozaitis, “Small States, International Institutions, and European Strategic Autonomy,” *European Strategic Autonomy and Small States' Security: In the Shadow of Power*, ed. Giedrius Česnakas, Justinas Juozaitis, (London: Routledge, 2022).

⁵³ Interview taken on 04 June 2024.

results. SAARC is an example of that sort in which distrust among members exacerbates conflicts, limits sharing of resources, and hinders the materialising any collective goals.

4.5 *Economic Tension and Lack of Bargaining Cheap*

Usually, regional frameworks rely on economic integration and cooperation among member states. Nonetheless, instead of exporting, Bangladesh is primarily an import-driven country. This import-driven economic model of the country creates heightened dependence on its trading partners, thereby creating a vulnerable position. Moreover, Bangladesh has limited export diversification products, which exacerbates the concerns of managing its trade balance. This has increased the difficulties for Bangladesh to bring leverage in regional frameworks.

Bangladesh has limited bargaining power, unlike other countries with significant leverage. For example, Taiwan has considerable influence in the global Information, Communication and Technology (ICT) sector while Middle Eastern countries (e.g., Iran, and Saudi Arabia) have substantial negotiating power because of their control of energy resources. Likewise, Ukraine which produces a significant amount of the world's corn has bargaining strength that it used during the war with Russia as a weapon. Regrettably, Bangladesh does not have similar leverage to assert its interest on the global stage.

4.6 *Domestic Compulsion*

Currently, the interim government is facing political instability, endemic corruption, and deteriorating law and order creating an uncertain democratic future. Besides, the slowdown of GDP, growing inflation, and instability in the banking sector, instability in the garment sector are crucial macro-economic challenges for the administration. These internal security dynamics also affect the country's external affairs, strategic choice, and SDF. Tackling the challenges skillfully will determine the country's future stability and prosperity.

4.7 *Inefficient Soft Power and Image Crisis*

Soft power (e.g., culture and heritage, diplomatic posture, value systems, and nation branding) helps a nation to give a unique identity and enhance its global image.⁵⁴ In contrast to many Asian countries, Bangladesh lags in nurturing its soft

⁵⁴ Joseph S. Nye, "Public Diplomacy and Soft Power," *Annals of American Academy of Political and Social Science* (2008): 94-95

power and leveraging its foreign policy worldwide. Countries such as India (democracy), China (economy), Japan (technology), and Thailand (tourism) are successful in branding themselves effectively on the global stage. A positive national image is a vital component of soft power and has a strength for reshaping public and foreign affairs. In the wake of political crisis and unrest, Bangladesh is facing an image crisis that harms the FDI, especially in the garment sector. The reputation and global acceptance of any country significantly influence its strategic decisions and uphold its national interests. Getting priorities in trade negotiations or receiving any trade benefits in a regional body largely depends on this credibility.

4.8 Limited Hard Power Capacity

In any regional forum, countries with substantial hard power can shape decisions, policies and strategies. Unfortunately, Bangladesh is not on the list of top military powers worldwide considering its military size, defense budget, logistic capacities and so on. Unlike China and India, Bangladesh has limited hard power despite its economic strength. For example, as per the Global Firepower Index 2024, Bangladesh ranked 37th out of 145 countries.⁵⁵ Due to its limited military capability and strategic posture, Bangladesh cannot exert influence much in regional and global affairs, hence, it has to play a peripheral role. This diminished influence creates an obstacle to upholding its national interest and ensuring favourable terms while negotiating regional agreements.

5. Recommendations and Conclusion

Research suggests that in international institutions, small states' leverage depends on their ability to set preferences and other co-related factors such as choices and arguments of member states, broader political goals, diplomatic reputations, balance between domestic and foreign policy and so on.⁵⁶ Therefore, before engaging in new regional arrangements, Bangladesh needs preparation taking into account both its domestic and external environments. To reap the benefits from the regional arrangements, Bangladesh needs to work in certain areas described below:

5.1 Domestic Reform

At the critical crossroads, Bangladesh needs to focus on the domestic issues first as these are linked to external affairs which serve as a guiding compass of the

⁵⁵ "2024 Bangladesh Military Strength," *Global Firepower*, January 08, 2025,

https://www.globalfirepower.com/country-military-strength-detail.php?country_id=bangladesh

⁵⁶ Juozaitis, "Small States."

country's foreign policy. Since political insecurity is impacting Bangladesh's trade and investments (e.g., the garment industry), Bangladeshi investors could face increased challenges from established producers in the region. The issues of corruption allegations, and money laundering concerns have suffered the country's economy to a large extent. As per the Global Financial Integrity (GFI) Report, Bangladesh loses US\$8.27 billion annually due to illicit financial flow and it is projected to exceed \$US14 billion by the year 2030 if this is not addressed properly.⁵⁷ Therefore, setting urgent strategic plans and decisive actions are the only ways to stabilise the financial sectors. Side by side, Bangladesh needs to focus on its security issues and political instabilities. As a part of security reform, the government needs to focus on certain sectors such as ensuring good governance, establishing rules of law, and confirming transparency and accountability.

5.2 *Prudent Foreign Policy for Adjusting with Major Powers*

To ensure SDF in the current political situation, Bangladesh needs to cultivate a smart foreign policy aligned with its key national interests since upholding state interest is above everything. This can be possible through various initiatives like engaging in trade, crafting sophisticated diplomacy, and the right choice of strategic partners. Such measures will help Bangladesh to set its development agenda rather than materialising the objectives of external powers. To control its own policy decisions, and manage external pressures, it is pertinent for Bangladesh to reduce over-reliance on a single country. Taking lessons from the previous regional experience, Bangladesh must assess how much benefits it can derive from the participation and new arrangements. As remarked by a Professor of the Department of IR, Faculty of Security and Strategic Studies, Bangladesh University of Professionals (BUP)⁵⁸, *"We cannot avoid the geo-political challenges because of geographical position and trade dependency, even it is difficult to maintain to take a neutral position sometimes. So, we have to adjust to the challenges by making formidable alliances for the sake of economy and prosperity. A voice of cooperation is always good for us"*.

5.3 *Improving Bilateral Relations for Balancing Interest*

Before joining any regional arrangement, establishing robust bilateral relations is important to ensure a win-win situation. Bangladesh needs to enhance diplomatic ties with significant regional actors such as China, Russia, the EU, ASEAN members and

⁵⁷ Faiz Ahmad Taiyeb, "Bangladesh has many ways to tackle money laundering," *The Daily Star*, September 11, 2023.

⁵⁸ Interviewed on 06 June 2024.

others to uphold Bangladesh's strategic independence. Instead of being overly reliant on a single country, Bangladesh needs to pursue a balanced approach to ensure the leverage of relationships and secure both economic and strategic dividends. This will also minimise the concerns of alignment with any geopolitical rivalry and ensure a more autonomous stance.

5.4 Increase Political Will and Mutual Trust with Neighbours

Each member state's conception of SDF is distinct that leads to divergent priorities. For example, the European countries believe in the collective European interests considering the geographical proximity and best use of comparative advantage in trade. This unified approach has helped them to act cohesively and foster strong political will and mutual trust. Likewise, Bangladesh also needs to make efforts to strengthen relationships with neighbours to pursue its strategic autonomy effectively. Like other countries (e.g., India), Bangladesh needs to set its priorities using both formal and informal mechanisms. Increasing trust and collaboration with neighboring countries will create a harmonious and conducive environment that ultimately benefits Bangladesh due to its strategic positioning.

5.5 Focusing More on the Global South in terms of Regional Arrangements

Bangladesh needs to place greater emphasise on the regional arrangements within the global South (Africa, Asia, and Latin America). Considering the current local and global situations, the global South is a conducive platform for Bangladesh to advance its interests. Besides, engaging actively in existing regional mechanisms like SAARC and BIMSTEC is pivotal for Bangladesh to increase trade, connectivity and address non-traditional security issues. As remarked by a Former Ambassador of MoFA⁵⁹ *"Currently, we need extensive economic support, so we cannot avoid anybody"*. As said by an academic from the Political Science & Sociology Department of North South University, *"Engaging with more countries/members means more benefits; Bangladesh needs a strategy of multi-alignment, and to ensure this, it has to develop good relations with each key player in the international arena. This approach will ultimately maximise trade opportunities and secure its strategic objectives. Furthermore, this will help Bangladesh to create a regional and global position."*

⁵⁹ Interviewed on 03 August 2024.

5.6 Focusing on Global Fora

Bangladesh, in the current circumstance, needs to diversify its trade partners to ensure financial stability. International platforms such as the United Nations General Assembly (UNGA), the World Economic Forum, and G-20 can facilitate dialogue and collaboration at a broader scale. Broadening the range of trade partners worldwide will bolster the export of products and reduce the reliance on a limited number of export items and markets. In this aspect, effective engagement with international organisations will help to devise solutions to common problems. For example, the collaboration with the global community will also help to expand Bangladesh to mitigate non-traditional security challenges like cyber threats, terrorism, human trafficking, human rights, climate change, etc. To engage efficiently with the global community, adopting a pragmatic approach is essential that addresses its vulnerabilities and enhances capacities.

5.7 Prioritising Economy and Setting Development Visions

In the wake of the political crisis, one of the direct and immediate impacts is an economic slowdown along with a disrupted supply chain and a stalemate of development in Bangladesh. Thus, reviving the economy should be one of the prime goals of the interim government. Economic diplomacy, in this aspect, is crucial to strengthen trade ties, attract FDI, and involve negotiations for FTAs. A Professor of Economics, Jagannat University, emphasised on the reformation of two prime areas for seamless economic benefits: the autonomy of central bank (since it controls monetary policy, the policy of foreign exchange rate and ensuring remittance flow); and signing agreements to attract FDI⁶⁰; Another Professor from Political Science, DU, opined that “*whoever in the regime, political standing might be changed but economic relationships will be continued for the sake of development*”.⁶¹ For enhancing economic diplomacy, more focus needs to be given to national development goals, equitable distribution of gains, and promotion of inclusive growth. To maintain SDF, Bangladesh should focus on development agendas and social sectors that cater country’s specific needs.

⁶⁰ Interviewed on 09 October 2024.

⁶¹ Interviewed on 06 September 2024.

5.8 Trade Diversification

SDF will be supported greatly if Bangladesh explores a wide range of economic partnerships and investments. The increase in regional trading agreements creates promising opportunities for doing business.⁶² Regrettably, Bangladesh's prime export market is narrowly focused, particularly confined to the US and the EU. Referring to the country's garment sector, a Security Expert remarked⁶³ *"We are largely dependent on the EU and America for our garments. But why are we not looking for Africa, for example? Africa buys our rejected garment products through unofficial channels from Gulistan, Bangabazar, and New Market. This means our product has a demand in the African market and we have to formalise that in the future"*.⁶⁴

Thus, Bangladesh must diversify its export baskets as well as its markets as per the needs of foreign investors. This venture will enhance economic stability and resilience and reduce the dependency on a single economy and trade partner.

5.9 Increase Human Resource Capital

Bangladesh needs to allocate a significant number of resources for human resource development. For preparing an efficient workforce that directly impacts foreign relations, focus should be given to expert and skilled individuals. Improving their capacity will help to improve diplomatic and economic engagements. As said by an economist⁶⁵, *"We have a cheap labour option; but if we can add science, technology, engineering, and mathematics (STEM) to them, we will be able to catch foreign markets"*.

5.10 Soft Power Diplomacy for Restoration of Image

Since Bangladesh has limited hard power, increasing soft power is crucial to nurture a favourable regional and global perception of Bangladesh and this has been agreed upon by the scholars interviewed. To achieve this, Bangladesh should promote its own version of soft power strategy (culture and heritage, trade, tourism, export, sports, films, peacekeeping, etc.) by showcasing its crucial role in fostering peace, security, and stability on the world stage. The role of diplomats is crucial in enhancing the country's soft power diplomacy. They can play a vital role in promoting dialogue

⁶² "Dhaka needs to join bilateral, regional pacts, South South Cooperation," *Financial Express*, February 05, 2023.

⁶³ Interviewed on 06 September 2024.

⁶⁴ Interviewed on 08 October 2024

⁶⁵ Interviewed on 07 September 2024.

and cooperation with other countries through cultural exchanges, hosting public events, engaging in humanitarian initiatives, and involving in educational partnerships. MoFA's Public Diplomacy Wing needs to be strengthened by increasing awareness, expanding the budget, allocating more resources and adopting communication strategies. On the contrary, diaspora communities can be leveraged as key collaborators to advance and restore the country's image in the world arena. By setting up cultural connectivity, this community can contribute to strengthening their global standing.

5.11 Enhance Defence Capabilities

Bangladesh should strengthen its defense capabilities by modernising its military force. Improving defence infrastructure and adopting modern equipment and technologies are other important initiatives to safeguard its national interests. To maintain its SDF, Bangladesh must develop its robust defence and security policies in accordance with the country's strategic goals.

In concluding remarks, it can be stated that Bangladesh has been suffering political instability at present, hence, the country needs international support and cooperation to implement essential policies and institutional reforms for a democratic and prosperous future. Amid these changing geo-political dynamics, Bangladesh must maintain robust and amicable relations with everyone to ensure equal benefits and maintain peaceful co-existence. Surely, the current interim government's primary challenge lies in navigating this volatile landscape while addressing the pressing economic issues by securing its SDF. Since the future of Bangladesh's political landscape and international environment are hard to predict, securing foreign policy goals by participating in regional and multilateral arrangements can be a viable option for Bangladesh to sustain and retain its economic growth. At this juncture, Bangladesh cannot go far and meet its development goals unless the cooperation of the international community is obstructed. Besides, some pressing concerns such as climate change, food and energy insecurity, and price hikes of commodities demand coordinated and concerted actions. In current situation, Bangladesh prioritises achieving SDF and places great importance on its active involvement in regional arrangements. To attain the desired goals, Bangladesh needs to adopt a realistic approach while maintaining relationships with prominent global and regional powers. Also, Bangladesh needs to take a positive diplomatic stance that enables her to materialise developmental goals and help her to ensure economic security by safeguarding its SDF. The country must address both internal (political instability, declining economic growth, lack of soft power and hard power, etc.) and external

(e.g., geo-political competition, diverse regional frameworks, power imbalance, etc.) challenges to get full leverage from regional bodies. Nonetheless, the country requires thorough and careful examination to effectively navigate the probable institutional landscapes. It is seen that quite often, participation in a regional initiative has been a political choice (e.g., IPEF, BRICS) but at the same time, these challenges can be overcome by adopting pragmatic initiatives related to the economy, diplomacy, and strategy mentioned earlier. The interim administration has already pursued its external relations stressing the areas of accessing market, concession and bilateral and multilateral aid and assistance. It is thus the ideal time for Bangladesh to evaluate the possible advantages of joining in new regional arrangements, leverage the existing regional frameworks (e.g., SAARC, BIMSTEC, IORA, etc.), and ensure a win-win situation on the one hand, and on the other, consider the key challenges of engaging in such forms of global and regional frameworks.

Annexes

Annex 1: Bangladesh's Existing Membership with Different Regional Organisations

Regional Organisations	Aims and Objectives	Areas/ Region	Members	Bangladesh's Status	Areas of Bangladesh's Cooperation
SAARC	Strengthening economic cooperation and promoting peace in South Asia.	South Asia	8	Member	Trade, peace, economic development, cultural exchanges.
BIMSTEC	Enhancing socio-economic cooperation and promoting connectivity in the Bay of Bengal region.	Bay of Bengal	7	Member	Trade, technology, energy, tourism, transportation
BCIM-EC	Increasing greater integration of trade and investment between the countries	South Asia and Southeast Asia	4	Member	Trade and connectivity
D-8	Improving member states' position in the global economy, diversifying and creating opportunities in trade relations.	Regional Grouping of Africa and Asia	8	Member	Trade, industry, agriculture, energy.
ACD	Promoting Asian cooperation at a continental level.	Asia	35	Member	Energy, agriculture, education, and finance.

IORA	Strengthening regional cooperation and sustainable development within the Indian Ocean Region.	Indian Ocean Rim	23	Member	Maritime safety, trade and investment, fisheries.
APTA	Reducing trade gaps among the member countries	South and Southeast Asia	7	Member	Trade and investment
BIG-B	Maintaining bilateral cooperation between Bangladesh and Japan.	Asia (Bangladesh -Japan India)	3	Partner	Trade, connectivity, energy, security, cultural ties

Source: Compiled from different sources by the author, 2024

Annex 2. Probable Future Options for Bangladesh's Engagement in Regional Arrangements

Regional Organisations	Aims and Objectives	Areas/Region	Members	Bangladesh's Status
ASEAN	Promoting social, cultural and economic development	Southeast Asia	10 Member States	Joined in ASEAN Regional Forum (ARF) in 2006
BRICS	Strengthening economic regionalism	Inter-governmental Organisation	11 Member States	Not a Member
COMESA	Expanding common market in Eastern and Southern Africa	Eastern and Southern Africa	21 Member States	Not a Member
EAEU	Creating a common market like the EU	Eastern Europe	5 Member States	Not a member
GCC	Attaining a vision for regional security and prosperity	Middle Eastern Region	6 Member States	Not a Member
IPEF	Advancing resilient, sustainable & inclusive economic growth	Indo-Pacific region	14 Partner Countries	Not a Member
MERCOSUR	Promoting economic and political integration among South American countries.	South America	5 Member States	Not a Member
RCEP	Creating a regional free trade agreement among Asian countries.	Asia-Pacific	15 Member States	Not a Member
SCO	Enhancing mutual trust and boosting cooperation in politics, trade, culture, etc.	Asia & Europe	8 (Full members) + observers	Dialogue Partner

Source: Compiled from different sources by author, 2024