CHAPTER-II

BANGLADES-UNITED STATES POLITICAL RELATIONS:

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Fall of Mujib government was a victory to anti-Soviet and anti-Indian faction of ruling Awami League of which Khondokar Mushtaque was the leader. Though he was the first foreign minister in Mujib government he was later on replaced by Abdus Samad (pro-Soviet) due to his pro-American stand. Influenced by anti-Indian tide rising in Bangladesh, Khondokar Mustaq immediately jailed four prominent pro-Indian leaders and reinstalled Air Vice Marshall M.G. Tawab and other armed personnel at important army posts who were anti-Indian. But above measures were not able to support his government for long and in a counter coup he was replaced by pro-Indian forces. Within four days, anti-Indian forces again staged a coup and captured power. General Ziaur Rahman became Chief Marshall Law of Bangladesh.

As we have discussed in the first chapter, Mujib had two objectives before him at the time of independence of Bangladesh. First objective was to strengthen independence of Bangladesh and second to make social-economic progress. But in the face of economic constraints he was unable to satisfy the demand of people in general and ruling elites in particular. Therefore, there was an increase in tension and conflict along with rise of anti-Mujib, anti-Indian, anti-Soviet feeling in Bangladesh. Slowly within the Awami League, a faction opposing policies of Mujib and India became
stronger. These forces were also getting the support of external forces which were anti-secular, anti-socialist and non-alignment. Prevailing tension and conflict was successfully manipulated by anti-Indian forces and in a coup on 15 August 1975 Mujib was killed.

Mujib chose secularism, socialism for the path of socio-economic progress of Bangladesh. Accordingly Mujib policies aimed at

(a) Developing public sector as the dominant force in the economy;
(b) Abolishing the remnants of feudalism;
(c) Checking the spread of capitalism in agriculture.

Though his policies were noble and in the interest of masses, but it terrified the dominating elites of Bangladesh. They came out to oppose socialism and secularism tooth and nail.¹ Faction of Awami League opposing Mujib and his pro-Indian policies received support from dominating rural and urban rich.

Another reason for his downfall was administrative reform initiated by him. Being aware of the true nature of the administrative system he had inherited, set out to thoroughly reform it. His initiatives to reform administration and bring it closer to the people, annoyed the bureaucrats and

¹ Sangbad (a Bengali daily from Dacca), 1 April, 16 and 17 May and 17 June 1975.
The dominant social groups.\(^2\) This group strengthened anti-Indian faction and worked for the downfall of Mujib government.

In the last years of Mujib government there was rise of pro-capitalist, and anti-administrative forces.\(^3\) One significant development at this juncture was the rise of communal forces. These communal forces combined with pro-capitalist and anti-reformist forces. Since these forces had control over means of production and were efficient at manipulation, Mujib's pro-democratic, anti-coercion stand was unable to suppress them and finally these anti-Mujib domestic forces received the backing of external forces, staged a coup in which Mujib was killed and power was grabbed by forces which were anti-Indian, anti-Soviet and pro-Islam, pro-American and pro-West.\(^4\)

**Shift in Foreign Policy: Domestic Circumstances and External Influence**

Foreign policy is projection of a country's socio-economic and political compulsions in international politics.\(^5\) Aware of this link between domestic and foreign policy, Ziaur Rahman adopted a pragmatic foreign policy reconciling domestic factors with international factors. Aware of domestic

\(^3\) Ibid., p.91.
\(^5\) S.R. Chakravarty (ed.), n.2, p.112.
reality and external challenges Ziaur Rahman initiated a number of policy changes quite contrary to his predecessor Sheikh Mujib.

Domestically, during Zia's period, Bangladesh emerged with a distinct Islamic identity. On assuming the office of President in April 1977, Ziaur made some fundamental amendments to the 1972 Constitution. He dropped the principles of secularism in favour of Islam. The new provision that was incorporated placed full faith in Almighty *allah*. As a result, Islam provided opportunity to the government to strengthen ties with Pakistan and other Muslim countries.

Through his policy of upholding Islamic principles, Ziaur secured the support of the Islamic revivalist section to whom Awami League was an enemy. The President was praised for introducing Islam in the Bangladesh Constitution. In 1979 parliamentary elections many candidates from the Muslim League and Islamic Democratic League fought the elections under the banner of the BNP with the slogan "defeat Awami league and keep Islam safe in the hands of President Zia." Restoration of Islam had even been popular with army. Thus with such a sentiment being predominant in the

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9 Faranda, n.6, p.276.
country, Islam seemed to be an useful instrument for rallying majority support for the new regime.\textsuperscript{10}

Though Mujib tried to improve the economic situation, resources crunch proved to be a big constraint. India and USSR, were unable to provide adequate resources to Bangladesh. America was providing economic resources, but due to Bangladesh's close ties with India and USSR, and along with its approach to adopt a socialistic pattern of economy, US was not giving aid in adequate amount. In the face of such constraint there was no real improvement in development of country and it was continuing to suffer from its longstanding problems of poverty, unemployment, inadequate finance and resources. Moreover rapid population growth compounded these problems and plagued Mujib and his government.\textsuperscript{11} Ziaur was well aware of increasing anti-Indian anti-Soviet feeling in Bangladesh and inevitability of the country's aid dependence and sought to maximize foreign assistance to the extent possible.\textsuperscript{12} He argued for increasing aid from western sources, not only because Bangladesh had the capacity to absorb more aid but also because of the fear that if Bangladesh was deprived of such resources there would be imbalance and confusion all over the world.\textsuperscript{13}

\bibitem{10} Ibid., p.286.
\bibitem{11} The Washington Post, 10 February 1978.
\bibitem{13} Ibid., p.59.
Therefore, during the post-1975 period, Bangladesh's foreign policy witnessed significant changes, which were partly due to the domestic environment and partly in response to the changing external (both regional and global) environment. As such rescheduling of the priorities and objectives in the foreign policy different from what was pursued by the previous government became necessary.\textsuperscript{14}

Previously, the developing of closer working ties with the US was hindered by Bangladesh's proximity with India and the Soviet Union and its emphasis upon socialism. But now the new regime adopted anti-Soviet and anti-Indian stand favouring capitalism rather than socialism. Socialism was redefined to conform to the Islamic ideas of social justice and economic equality. In view of the large scale aid requirements of the country the new government sought to cultivate political ties with richer resources particularly US in order to secure more economic benefits and thereby to ensure political and economic stability of the country.\textsuperscript{15} Middle East countries also became Bangladesh's major aid donors on Islamic grounds.

Another significant change at international level that went in favour of Bangladesh's pursuit of foreign policy goals was the coming of the Carter government in Washington. It brought positive development in US-

\textsuperscript{14} Ibid., p.60.

Bangladesh relations. Carter government was also keen to improve its relations with Bangladesh.

The amendment of the 1972 Constitution, the pursuit of friendly relations with China and the Muslim countries and the consequent dissociation from the predominating Indian and Soviet influence, were all indication of the new priorities of the Zia's regime that did not appear to go against US calculations. In fact the US began to take Bangladesh more seriously since the removal of Awami League government and the establishment of a pro-West regime in its place. Thus even before a year lapsed after the Mujib's death, the US indicated its willingness to consider export license request from Bangladesh for the cash sales of military equipment.

The US also showed great interest in Bangladesh affairs. A political and economic appraisal of the country was placed before the US Congress on the eve of the Presidential elections in the Bangladesh and surveys of US-Bangladesh relations were frequently in the general assessment of US-South Asian relations, signifying the importance of the country in the US's regional calculation. The appointment of Mr. Tabarak Hossain as the ambassador of Bangladesh to Washington who was considered to be the chief architect of

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16 Biswas, n.12, p.61.
17 Ibid., p.58.
the country's foreign policy during Ziaur's period signified its interest in developing closer relationship with the US.\textsuperscript{18}

Bangladesh indicated its tilt towards Washington by signing Non-Proliferation Treaty (NPT). As India and Pakistan, the two powerful nations of subcontinent were non-signatories, the US attached special significance to Bangladesh accession. Convergence of views on the NPT became a strong bond in the US-Bangladesh friendship.\textsuperscript{19}

The development of bilateral economic relationship between the US and Bangladesh during Ziaur's period was the most significant achievement between these two countries. In 1978 Bangladesh became the first country in Asia to receive new PL 480 Title III 'Food for Development' program. The inclusion of Bangladesh in the Title III program signified the US interests in playing a more influential role in the Bangladesh's development efforts. Moreover, with the liberalization of private investment ceiling and the government encouragement to foreign and private enterprises, several US firms engaged themselves in offshore oil exploration in Bangladesh.

Bangladesh signed a Peace Corps Agreement with the US on 13 July 1978, solidifying the relationship which allowed American voluntary activities in Bangladesh. In the past, Mujib had asked the US to withdraw its peace corps members. Zia government faced sharp flak over its decision to allow

\textsuperscript{18} The Bangladesh Observer, 19 September 1978.

\textsuperscript{19} Ibid., pp.61-62.
American volunteers to work in Bangladesh and therefore agreement could not come into force.20

The US government was highly supportive of Zia Regime which is evident from several political episodes.21 The parliamentary elections of 1979 in Bangladesh was accepted by the US as "a part of the democratization process" though opposition parties were intensely critical of its fairness. Zia's attempt at civilizing the country's political system was interpreted as a deliberate gesture made toward the US. Washington deemphasized the alleged human right violations in Bangladesh. In 1977, Zia executed many people involved in the coup to destabilize his government. But for understandable reasons, the State Department started acclaiming Zia government for improved human right's situation and in its 1978 report it observed that since 1975 there has been a modest but broad based improvement in public order.22

Ziaur's visit to the US in August 1980 further strengthened Bangladesh's relations with the US.23 His hour-long talk with President Carter over bilateral relations as well as regional and international issues were conducted in a friendly atmosphere. The two leaders expressed identical


21 Ibid., p.238.

22 Ibid., pp.133-34.

views on Afghanistan and Kampuchea and called for immediate withdrawal of all foreign troops from these places. Bangladesh took active part in the drafting of the resolutions, while voting on both the issues at the UN. Moreover, the US President "expressed his personal admiration for the Ziaur's economic and political leadership and assured him of all possible cooperation in the successful implementation of the second five year plan of Bangladesh.

Zia's policy led to a perceptual change in American assessment of Bangladesh in the framework of its South Asian security interests. Soon after Zia's assassination in August 1981 the US Permanent Representative to the UN, Jeane J. Kirkpatric visited Bangladesh to reaffirm the continuance of Bangladesh-US ties. Referring to the cooperation between the two countries in the UN, she opined that collaboration and consultation with Bangladesh was particularly important for the US, because it recognized Bangladesh as one of those countries which played a positive role in the UN, always raising the voice of reason and moderation. She remarked "the most important reason of my visit is to extend the greetings and to assure our continuing appreciation for Bangladesh of the determination of our new administration to

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24 Reference is to Kampuchea (Resolution 34/22) and Afghanistan (Resolution ES-6/2). UN Chronicle, Vol.XVII, January 1980, p.6.


cooperate with Bangladesh steadfastly. It amply illustrates the fact that within half a decade Bangladesh by carving American confidence and trust became one of the strong pillars of the US foreign policy calculations in South Asia.

**Relationship during Ershad Era**

On 30 May 1981, Ziaur Rahman's regime in Bangladesh came to an end. In a coup, Ziaur Rahman was killed at Chittagong by a group of army rebels called "Biplabi Parisad" led by Major General Manzur Ahmad. End of Ziaur Rahman regime was the result of rivalry between civil and military authority. Ziaur's excessive preoccupation with foreign relations led him to neglect of domestic politics to some extent, which brought about corruption within his own party, the BNP, and also affected the discipline of the army.

But the major reason for the coup is believed, in some quarters to be the personal enmity that had developed between Ziaur and Major General Manzur. Though Major General Manzur was loyal to Zia initially but Zia neglected him and made Lt. General H.M. Ershad as the Chief of Army Staff -- a post which Manzur aspired for -- crystallized Manzur's hostility towards the

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27 Bangladesh Fortnightly, 1 September 1981 (Dhaka: Ministry of Information and Broadcasting, Department of Film and Publications), pp.1-2.


regime. Manzur began to criticize the Government's failure to reduce corruption and its reliance upon international economic aid.\(^{30}\)

Soon after the coup, the Vice President Abdus Sattar took over as the acting President and declared emergency throughout the country as a temporary measure. Coup did not immediately bring about a cessation of the constitutional process. Elections were held in November 1981, which confirmed the Presidency of the 71 year old Abdus Sattar. Abdus Sattar followed the policies of his predecessor, but was faced with growing pressure from the army to allow its participation in the administration of the country. Sattar's refusal to allow such participation intensified the rift and on 24 March 1982, the Government was overthrown in a bloodless coup by General H.M. Ershad on grounds of "corruption in public life and fight of power."\(^{31}\)

**US-Bangladesh Relations during Ershad's Period**

Ershad, who was known to be loyal to Ziaur, followed the Zia's domestic and foreign policy. Ershad tried to consolidate US-Bangladesh relationship on the grounds made by Zia during his regime. He sought the US support by referring to the Soviets as dangerous.\(^{32}\) Soviet diplomats were expelled from the country and the Soviet Cultural Centre was closed down. This diplomatic move bagged a plus point for the regime from those who did

\(^{30}\) Jayashree Biswas, n.28, p.68.


not like the alignment of the Bangladesh with USSR. Therefore during Ershad period, Dhaka-Moscow relations came under serious strains. A complete shift away from the Indo-Soviet axis was thus discernible.

Ershad at the domestic level followed the policies of Zia. He took bold steps towards creating conducive atmosphere for a market economy to work. On the domestic front, his regime followed the World Bank and USAID prescriptions for privatization of the supply of the agricultural inputs and the withdrawal of subsidy from agriculture. Various other steps were taken to promote and expand private sector's role in the economy. All these policies, foreign and domestic provided an elevated dias for the Ershad regime in its negotiations with the US.

Bangladesh's desire for peace, disarmament, and a new international economic order was reiterated by General Ershad in June 1982 in his address to the second special session of the United Nations on Disarmament. He urged the developing nations to cut down their spending on armaments and divert the money to promote the economic well being. General Ershad had, to his great pleasure, the opportunity to meet President Reagan at the United Nations.

**Ershad's Visit to the US**

Ershad was formally invited to the United States by Reagan for a

33 For details, see the text of President Ershad's on the UN General Assembly on Disarmament, New York, 17 June 1982.
working official visit, the first invitation for a Bangladeshi head of government. Ershad's two predecessors, Mujib and Ziaur Rahman, had only brief meetings of less than an hour with American President Ford and Carter, respectively. Ershad's working official visit was therefore a positive development between the US and Bangladesh. 34

The evolving closer relationship between the two countries was confirmed by the agreement signed on 26 October 1982, which corrected the title-III of the PL 480 Program. Under the new arrangement, Washington agreed to supply $60 million worth of extra food to Bangladesh as well as long term loans totalling $200 million for the augmentation of food grain production and distribution in the following three years. 35

During his meeting with the President Reagan in Washington, General Ershad discussed a wide range of bilateral, regional, international issues. Bangladesh's stand on Afghanistan and Kampuchea and active membership of Non-aligned Movement (NAM) and the Organization of the Islamic Conference, were highly commended by President Reagan. 36 Washington was highly pleased when Bangladesh, as a Third World country, abstained from voting at the UN General assembly resolution condemning the American

35 Ibid., p.117.
36 Daily Ittefaq, 26 October 1983.
invasion of Granada.\textsuperscript{37} Even in 1986, when the US mounted an air attack on Libya, the Government of Bangladesh remained tight-lipped, giving enough indications of its willingness to remain friendly with the US.

The improved trends in the US-Bangladesh relations were also reflected by the exchange of visits by the high dignitaries of both countries after 1983. Senator Larry Preslar, visited Bangladesh in 1985 and C. Whitehead, Deputy Secretary of State in October 1985. They were followed by Ambassador Vernon Walters, US President Representative to the United Nations, in June 1986, who had discussions with both President Ershad and the foreign minister. At the invitation of the government of Bangladesh, former US President Jimmy Carter and his wife Rosalyn visited Bangladesh between 1-2 November 1986. They met President Ershad during their stay and initiated the Bangladesh Program of a voluntary organization, Global 2000, of which Carter was Chairman.\textsuperscript{38}

Senator Larry Preslar, the first US Senator to visit Bangladesh raised the issue of American policy towards the smaller states of South Asia vis-à-vis India and Pakistan. The Senator perceived that other smaller countries were not getting enough attention in US South Asian foreign policy objectives and were psychologically suffering disadvantage vis-à-vis India. In this

\textsuperscript{37} Ibid., 28 October 1983.

\textsuperscript{38} Dilara Chowdhury, n.34, p.117.
context he recommended giving more emphasis to the US-Bangladesh relations and suggested that the US would benefit from greater political and economic stability in South Asia. He recommended that an exchange of high level visits would foster enduring and mutually beneficial ties between the two countries.39

US-Bangladesh Military Relations during Ershad Regime

Growth in military ties was also witnessed during Ershad’s regime. Contacts between senior military officials of the US and Bangladesh began with the visits to Bangladesh by Lieutenant General Charles Wilson Bagral, Commander of the United States Army Western Command, and Admiral Ronald J. Hays, Commander in Chief of the US Pacific Command, in January and November 1986 respectively. During their visits they met the President and high ranking military officials and discussed matters of mutual concern. A goodwill visit was paid by the US ship Capondanno to Chittagong port in December 1986.40

A report, though not fully documented, circulated in Bangladesh following these events held that the US wanted a base on St. Martin's Island in the Bay of Bengal. In the event of the American military disengagement from Southeast Asia, it was reported that Bangladesh could offer the US to be Washington’s last "eastern staging post". However, Ershad government did

39 Ibid., pp.117-18.
40 Ehsanul Haque, n.23, pp.239-40.
not clarify its position on the issue thus allowing the rumor mill to play up. It should be recorded that such kind of speculation during Zia regime proved wrong when Bangladesh foreign ministry clarified, "It was absolutely baseless... that a foreign country was permitted to build a naval base on the St. Martin Island... Bangladesh did not even contemplate to permit the construction of any kind of naval base in its territory since this was against its national policy."

During his tour General Ershad consistently tried to impress upon the policy-makers of the US that, due to his disinvestment and other policies, the United States would be able to play a bigger role in the economic development of Bangladesh. In a meeting with journalists in Houston, Texas, General Ershad emphasized the favourable conditions created by the recent adoption of new policies to attract foreign investment. Prior to Ershad's visit, he had taken a number of economic measures to develop a comprehensive structural adjustment program. During Ershad's period Foreign Private investment was about two percent of the total investment in which significant investment came from the US. In the wake of such measures adopted by Ershad, Reagan labeled Ershad as a "man of private enterprise".

Gradually Ershad consolidated his regime in Bangladesh. But after 1985 onward, demand for establishment of democratic government was

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41 Statements by the spokesman of the foreign ministry, 18 December 1980, see Document 149 in R.K. Jain, n.26, p.169.

42 Dilara Chowdhury, n.34, pp.117.
rising. In the wake of rising demand Ershad declared Parliamentary and Presidential elections in Bangladesh in 1986. The elections of 1986 were supported by the US administration as steps towards democratization, despite reports of large scale rigging by the government. The US administration viewed the elections of 1986 as "badly flawed, but they did lead to the lifting of martial law and the restoration of constitutional government." According to the US assessment, the elections allowed the people of Bangladesh to participate in nation building.

A vigorous political movement to unseat Ershad was started in November 1987 and culminated in the dissolution of parliament in December that year. The next parliamentary election which was to be held within 90 days. It was boycotted by the main opposition parties.

Ershad again visited the US on an official tour in November 1988 with twin objectives of addressing the UN General Assembly session and meeting the President of the US. In his address to the UN he said, sustained international support alone could solve the problems of flood faced by Bangladesh and help in reconstruction and rehabilitation of Bangladesh.

During Ershad's meeting with President Reagan the latter assured Ershad of adequate aid and assistance for rehabilitation and reconstruction.

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43 Testimony given by Flaten at a hearing before the Sub-Committee on the Near East and South Asia, Committee of Foreign Affairs, House of Representatives, 14 April 1988.

The *Bangladesh Observer* noted with satisfaction that the visit President Ershad had brought the US and Bangladesh closer as never before, and that his talks with the American leadership resulted in far greater understanding of Bangladesh's problems and aspirations of the people.\(^4^5\)

It is essential to emphasise here that the US had supported the military regime and ignored democratic institutions for two reasons. First was the US, geopolitical interest in Bangladesh in the wake of USSR-India influence in the region. Like in other third world countries, the US promoted military regime in Bangladesh to keep off USSR (communist) influence from Bangladesh. Therefore US adopted soft policy towards military regime, and overlooked Ershad's gross violation of democratic process and widespread corruption in the country.

Second reason was to provide stable government in Bangladesh for the reconstruction of economy for which stability was essential. Bangladesh's military regime was able to provide a stable government in the US's assessment. Thus the US had supported military regime of Zia and Ershad in Bangladesh, aid was continued and Ershad survived the political unrest.

Meanwhile in Bangladesh opposition charged US with cooperating with military government. Replying to this charge US ambassador to Bangladesh W.A.O. Pree said that US has no intention to interfere in internal matters of

\(^4^5\) Ibid., 20 November 1988.
Bangladesh and US aid had directly helped the poor.\textsuperscript{46}

End of Cold War and the Changed US Perceptions

But in 1989, the US's stand on restoration of democracy in Bangladesh changed. Earlier it has been pointed out that US ambassador to Bangladesh had made remarks not to interfere in internal matters of Bangladesh, but in the wake of disintegration of USSR and collapse of USSR influence in East Europe, withdrawal of USSR army from Afghanistan, geostrategic significance of Bangladesh changed the perspective of US South Asian policy. Now in these countries including Bangladesh due to failure of communist government in USSR and East Europe, chances of spread of communism was minimum.

Thus in the face of such change at the global political scenario, US started promoting democratic form of government in Bangladesh. Stephen Solarz, the US congressman during his visit to Bangladesh in February 1989 stressed that Bangladesh would greatly benefit from a government that has confidence of people. He emphasized that the US assistance to Bangladesh would continue on the condition of holding free and fair election in Bangladesh. Solarz who was the Chairman of the Sub-committee on Asia and Pacific Affairs presented a Bill known as Pilot Bill in the US Congress in which democracy was linked with US aid and assistance to Dhaka but the US

Congress—both the Senate and the House of Representatives—did not approve of any suspension of the US aid, on the ground of its being non-military and non-political in nature. It was continued on economic and humanitarian ground. But it reflected a shift in its policy from no interference in internal matters of Bangladesh to promotion of democracy using economic aid as an instrument.

In October 1990, when the fresh anti-government protest movement began, Washington hardened its policy towards Bangladesh. American officials recommended Bangladesh to follow the lead of new democracies in East Europe, Nicaragua and elsewhere by leaving the past and searching in good faith for a peaceful way to make its elections free and fair. There was a veiled American pressure on Ershad to hold free and fair elections and the representatives from various countries including the US carried on negotiations between Ershad, Sheikh Hasina and Khaleda Zia. Negotiations and pressure from donors like the US pushed Bangladesh towards democracy, when in December 1990 Ershad capitulated to opposition demands by resigning and it opened the horizon for institutionalizing democracy in Bangladesh.

However, Bangladesh's domestic policies and US's strong reservations against continuation of military regime, did not affect converging perceptions of both the countries on international issues. Rather both countries shared

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47 Ehsanul Haque, n.23, pp.241-42.
common perceptions on global and regional issues. In the aftermath of the Iraqi invasion of Kuwait in August 1990, Bangladesh supported UN Security Council's sanctions against Iraq. Bangladesh and the US were also partners in a common enterprise in trying to reverse the effects of Iraq's aggression in the Gulf. Bangladesh dispatched 2,300 troops to Saudi Arabia for defensive purposes and participated in the US led Multinational Force (MNF) that fought against Iraq in January-February 1991.48

Development in the Relationship during Democratic Government

Begum Khaleda Zia, widow of General Ziaur Rahman was installed in power after the 1991 elections. The foreign policy of Begum Khaleda Zia resembled the foreign policy, which was formulated after the coup by her husband General Zia. The basic framework of Khaleda Zia's policy with regard to the external relations of Bangladesh were greatly based on the policies of Ziaur Rahman and H.M. Ershad.

Bangladesh's economic situation when she took over power was in shambles. Political instability prevailing during the second half of Ershad's regime had hampered the economic growth of Bangladesh. Public sector units were unproductive and were dependent on government support for running. Import bill was rising and on the other side there was not significant improvement in exports. Rising import-export gap had created problem of balance of payment before government. General condition of masses had

48 Ibid., pp.242-43.
deteriorated in the wake of 1991 cyclone and flood, which had swept away crops and affected the purchasing power of people.

Realizing the state of affairs prevailing in Bangladesh, Begun Zia adopted a policy of economic restructuring and shifted from aid and assistance to export and investment. She strongly suggested that Dhaka should be projected to world community in general and Washington in particular in proper perspective and foreign relations must be utilized for prospect of trade and investment in the country.49

In the wake of such necessities, Begum Khaleda Zia attempted to strengthen political and economic relations with those countries with whom her predecessors had established close relations. Begum Khaleda Zia like her predecessors maintained close relations with China and the Islamic world. During her period, Bangladesh and US came closer for mutual benefits. This is substantiated by the fact that she liked to develop good relations with West, more importantly for economic cooperation. For this purpose she visited Japan, China, Malaysia and numerous Islamic countries.50 Khaleda Zia restructuring the content of domestic economic policy to drive diplomatic initiatives for trade and investment with the US and West.51

The main objectives of her foreign policy were as follows:

(i) Sustaining the current flow of foreign aid and removal of conditionalities as far as possible;

(ii) Strengthening trade relations with particular emphasis on promotion of export;

(iii) Attracting foreign investment and joint venture, especially from the US.

These developments added external economic content in the foreign policy of the Bangladesh. There were also changes at the global economic structure in which Soviet Union ceased to be a power due to its disintegration. The US redefined its strategies and started promoting democracy for peace and stability in the new world order, which also secured its geo-economic interests.

All these developments brought a shift in the foreign relations of Bangladesh from merely receiving foreign aid and assistance to a country striving for promotion of trade and investment and following policy of liberalization and globalization that suited the US and West.

Soon after the restoration of democratic government of Bangladesh was struck by a devastating cyclone in April 1991 causing widespread destruction. According to an estimate total amount of damage was $2.5 billion. In response, international relief efforts were mounted quickly from many countries. In the wake of crisis, largest assistance came from US
Marines who were returning to home bases from operation desert storm.\textsuperscript{52} These forces were diverted to Bangladesh with the objective of assisting the cyclone hit people. This American relief effort earned great appreciation by Bangladesh government and people for the efforts undertaken by them, especially in areas where only the specialized equipment used by the Marines could be effective. The assistance of the US naval task force was credited with having saved as many as 200,000 lives. On the other hand for the cyclone, USAID provided $4,662,000 for disaster grants to non-government organizations.\textsuperscript{53} In March 1992, Bangladesh and the US signed PL 480 agreement. The agreement contained a 4-year program for up to $268 million of food aid to Bangladesh. The assistance was to be used not only to meet Bangladesh's food security needs, but was also meant to generate local currency to finance the annual development investment program, much of which was used for agricultural development.\textsuperscript{54}

In trade relations, US became the vital trading partner of Bangladesh. The note-worthy feature of trade relationship was the export of garment and knitwear which in 1993 constituted 85\% of all Bangladeshi exports to US. Garment industry became a key source of foreign exchange for Bangladesh.\textsuperscript{55}

\textsuperscript{52} Ehsanul Haque, n.23, p.245.
\textsuperscript{53} Ibid.
\textsuperscript{54} Ibid., p.246.
During Zia's period Bangladesh garments industries became a subject of intense debate in the US. Use of child labour in textiles industries was opposed by a US pressure group Child Labour Coalition. The coalition threatened to launch the boycott campaign against Bangladesh's garments for using child workers under the age of 14 in Bangladesh's garment factories that came to light after Harkin Bill was tabled in the US Congress.\textsuperscript{56} Senator Tom Harkin also maintained that the MOU would benefit Bangladesh's garment industry by allowing the country the maximum access to the US market.\textsuperscript{57} However an agreement for eliminating child labour from Bangladesh's garment industry was signed on 4 July 1995. In return, Bangladesh government expected an increase in export of Bangladesh's garments to the American market by increasing the quota.

During Khaleda Zia period, Dhaka liberalized and deregulated Bangladesh economy.\textsuperscript{58} Bangladesh sought the US businessmen and entrepreneurs to utilize the new opportunities that created an atmosphere for unfettered trade and investment in Bangladesh. Dhaka argued that Bangladesh provided the US the opportunities to establish mutually beneficial commercial and trade relations.\textsuperscript{59} In response to attractive market and

\textsuperscript{56} Democratic Senator, Tom Harkin introduced this bill in the United States Congress in 1992, seeking a ban on goods produced in the country.

\textsuperscript{57} The Independent, 12 July 1995.

\textsuperscript{58} Ehsanul Haque, n.23, p.247.

\textsuperscript{59} Ibid.
investment opportunities the US framed several positive policies designed to improve trade and investment in Bangladesh. Roger C. Altman, Deputy Secretary of the US Department of Treasury, hailed the "bold and dynamic" economic policy measures undertaken by Bangladesh government and the tangible results achieved so far.60

In addition, growing trade and investment relations between the US and Bangladesh were epitomized by the organization of the US trade shows in Dhaka which was one of the premier trade events in Bangladesh. The first ever trade show was held in Dhaka in 1992, the second in 1993, the third in 1994, and the fourth in 1995 demonstrating sustained US business interest in the market potentials of Bangladesh. Khaleda Zia opted for the parliamentary democracy in place of presidential form of government. The logical argument for such transformation was to ensure people's participation in the government of the country and effective role of the opposition, unlike authoritarian regimes. Bangladesh's stand on democratic form of government was reflected again during Haiti Crisis in which Bangladesh maintained and supported US perception of democracy.61

In February 1995, the US transferred twelve T-37B primary jet trainers to Bangladesh under the US excess defense articles transfer program. As Lt. Colonel James Dunn, Defense Attache of the US Embassy in Dhaka termed

61 Ehsanul Haque, n.23, p.248.
this, the most significant transfer of military equipment ever from the US to Bangladesh.\(^{62}\)

In August 1995 in the Bay of Bengal, US Navy and Bangladesh Navy carried Operation Sea Bat, a joint exercise as a symbol of their collaboration. This exercise focused on cooperation between US and Bangladesh naval forces in the fields of surveillance, search, and rescue operation during natural calamities. It was also aimed at forging a cooperation between US Navy and Bangladesh Airforce in search and rescue operation.\(^{63}\)

Therefore, like Zia and Ershad regime, Bangladesh received proper response from the US during Khaleda period as well. The US had been responsive to Bangladesh's economic needs and security concerns and the US was indeed forthcoming with aid and support when mattered. Bangladesh, in return, reciprocated by being sensitive to US calculations in respect of policies adopted by the US on several global issues like Kuwait and Haiti during Khaleda Zia period.\(^{64}\) It could be safely concluded that Bangladesh and the US made serious effort to enlarge the area of cooperation especially in the field of trade and development. Even the American government recognized Khaleda Zia's attempt towards expanding press freedom, independence of judiciary and local elections that were free


\(^{63}\) Ehsanul Haque, n.23, .244.

\(^{64}\) Ibid., p.250.
and fair. Democratization in Bangladesh under Khaleda Zia period was successful in alleviating earlier American reservations due to Bangladesh's previous record in forming and sustaining democratic institutions.

Bangladesh maintained and supported the US perception on democracy. In September 1994 Bangladesh agreed to participate in the UN sponsored Multi National Force (MNF) formed under the UN Security Council resolution concerning military intervention in Haiti-designed to force Haiti's military Director General Raul Cedras to step down and to restore democratically elected President Jean Betrand Aristide to his office. The decision came after a direct request from President Bill Clinton to Bangladesh Prime Minister Khaleda Zia. In an attempt to justify its position Bangladesh announced that it would help in maintaining public safety and basic civil order after restoration of legally elected government in Haiti. The foreign minister announced that the principled decision of Bangladesh was based on its abiding commitment to fully support the UN and to uphold the cause of democracy and peace around the world. The US welcomed Bangladesh stand and the Secretary of State Warren Christopher commended Bangladesh for its commitment to democracy demonstrated by its stand "to give democracy a chance" in far away Haiti. It implies that Bangladesh support to US on issues like democracy and peace, projected Bangladesh as an important partner in protecting American political and strategic interests in even the remote Carribean region. In Bangladesh, this was seen as an opportunity to work closely with the country like America.
However, the democratic process received a setback in the country. In March 1994, opposition parties staged huge demonstrations and rallies, boycotted parliament and eventually 147 opposition members of parliament resigned en masse in December 1994 to press home their demand for a non-partisan caretaker government. They demanded that Constitution be amended to provide for a caretaker government. The government of Khaleda Zia refused to yield to their demand. Through regular diplomatic contacts, the US encouraged the ruling BNP and opposition to engage in a more productive dialogue and suggested this as the only panacea to the ongoing political impasse. Amidst political deadlock, Robin Raphael visited Bangladesh in early September 1995 mainly to review Bangladesh-US relations. But the 18th month stand off in Bangladesh featured as an additional agenda. Raphael underlined that the US was interested in the continuation of the democratic process and made it plain that there is no American solution to Bangladesh's current political deadlock. It was seen as a typical Bangladesh problem and hence needed a Bangladeshi prescription. But notwithstanding her denial Raphael left an important message for both the government and the opposition politicians that the US

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65 Ehsanul Haque, n.23, p.249.
66 Ibid.
68 Ibid.
wanted democracy to take firm roots in Bangladesh and preferred to see a
government in Bangladesh which subscribed its politico-strategic thinking in
the region and one which at the same time enjoyed popular support within the
country.  

Despite an escalation in opposition agitation, which brought the
country's economy to a near halt, Government refused to resign and held
elections under caretaker government. Consequently all the main opposition
parties boycotted the election, which was held on 15 February 1996. The
BNP of Khaleda Zia virtually the only serious participant in the polls, won an
overwhelming victory and claimed that it had thus achieved a mandate for a
future term in the power. The opposition refused to recognize the legitimacy
of the polls and announced the launch of a non-cooperation movement
against the Government. Renewed street protests made the country
practically ungovernable. Ultimately pressure from the army and other
sources (US) forced Begum Khaleda Zia to agree to the holding of fresh
elections under neutral caretaker government as the opposition had
demanded all along. Khaleda Zia and her government resigned on 30 March
and the Jatiya Sansad was dissolved.

President Biswas appointed the former Chief Justice, Muhammad
Habibur Rahman, as acting Prime Minister and asked that a fresh general
election be held under the auspices of an interim neutral government, within

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Ibid., p.582.
three months. A new election commissioner was also appointed who was considered to be both effective and impartial.

The general election was held on 12 June 1996, with the participation of all major political parties of the country. Awami League won the largest number of seats and its leader Begum Sheikh Hasina Wajed was sworn in as the new Prime Minister on 23 June 1996.70 She has followed the policy of her predecessors. She has recognized and reinforced traditional friendship with the US and has tried to project Bangladesh as one of the leading Muslim countries being moderate in its orientation which is an important virtue in a world where many leading Muslim countries have pursued radical and fundamental policies. The other credit is for being a democracy. Not many Muslim countries have made a success of democracy. At a time when the Islamic world is in deep political turmoil, strengthening of democracy in Bangladesh is of considerable strategic value to the United States.71 Parliamentary elections held in Bangladesh in June 1996 made a tremendous impact on the Clinton Government which held the elections as free and fair and particularly appreciated the large turnout of voters. The US President consequently sent a letter to the Hon'ble Prime Minister congratulating on her commendable achievement.72

72 Ibid.
At the domestic front, Sheikh Hasina has placed maximum emphasis on good governance and a transparent accountable administration. Developmental activities on the basis of national consensus and understanding have been undertaken.\(^73\) During Hasina Wajed period, Bangladesh has moulded its foreign policy in the wake of new international economic and political order. Accepting the limit of a developing economy like Bangladesh, government has tried to strengthen the earlier areas of cooperation as well as open new areas of bilateral relations.

Prime Minister Sheikh Hasina paid a visit to the United States in October 1996. Although ostensibly the visit was to address the fifty first session of the UN General Assembly, she availed the opportunity of her stay in New York to meet potential investors and the chief executives of major oil companies and explained to them her government's policies and priorities.\(^74\) In addition, Congress men Bill Richardson met the Prime Minister along with a group of senior executives of US companies. The Prime Minister briefed them on the liberal foreign investment policies of the government, the incentive package offered to investors and urged them to invest in Bangladesh.\(^75\) The US Congress man and his delegation assured the Prime Minister that they would seriously consider investing in Bangladesh. They


\(^75\) Ibid.
even discussed on double avoidance treaty, when the US Assistant Secretary of State Ms. Robin Raphael called on her at her Hotel Suite on 25 October 1996.\textsuperscript{76}

However, an important landmark in the US-Bangladesh relationship undoubtedly was the Sheikh Hasina's visit to Washington in February 1997 to chair the Micro-credit Summit. During her stay she met President Bill Clinton twice and held discussion on issues of national, regional and international importance. According to US officials meetings of the Prime Minister with the US President were highly successful.\textsuperscript{77} During her meeting she explained opportunities Bangladesh offered to foreign investors. She also requested President Clinton to waive Bangladesh's outstanding debt of US $318 million to US on account of PL-480 assistance.

President Clinton on his part commended Bangladesh for its success in reducing poverty level, increasing food self sufficiency and also applauded the Government's vision in recognizing the important role that economic liberalization and foreign investment play in continued success in these areas. He also paid tributes to Bangladesh for, often leading the way in exploring new ideas that hold promise for the poor, and particularly cited, "successful micro credit lending program developed by Grameen Bank in democratic BFPS Chronology, ibid., p.21.


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regime of Hasina Wajed as well as successful implementation of the oral dehydration therapy that has saved so many lives all over the world.\textsuperscript{78}

The US Assistant Secretary of State for South Asia, Karl Inderferth visited Bangladesh in September 1997 and had detailed discussion with Bangladesh officials. He conveyed the US appreciation on the foreign policy achievements as well as the economic policies and performance of the Government of the Bangladesh. He commended Bangladesh government for eliminating child labour from the garment industries and the role of Grameen Bank for its role in removing poverty.\textsuperscript{79} Inderferth, before the House International Relations Subcommittee on Asia and Pacific, described Bangladesh as a friendly country and appreciated advancement of Bangladesh made in democratization of polity, elimination child labour and empowerment of women. He also spoke at length about US interest in energy and oil sector.

In the wake of declining foreign aid and assistance and need of resources and indebtedness of government in Fifth Five Year Plan (1997-2002). Hasina Wajed government has emphasized more privatization and liberalization.\textsuperscript{80} In tune with current global trend, the government has committed itself to the market economy and private sector as dominant player

\textsuperscript{78} Ibid., p.13.
\textsuperscript{80} Fifth Five Year Plan, n.73, p.49.
has been accepted. Bangladesh has also placed huge emphasis on export led industrialization strategy. In order to bring about sustained growth in exports, conscious efforts has been made to transform a regulated economy into a market economy and a wide range of policy reforms have been implemented.\textsuperscript{61} The major element of these reforms, among other things, include liberalization of imports and streamlining of import procedures, rationalization of tariffs and reduction of tariff levels and elimination of quantitative restrictions to the extent possible, adoption of a market oriented flexible exchange rate policy and provision of more effective and transparent export promotion measures.\textsuperscript{82}

At ground level significant measures have been taken by the government to attract US investment in Bangladesh. This includes signing of the Bangladesh-US Bilateral Investment Treaty.\textsuperscript{83} In addition, the Bangladesh-US Business Council set up with active financial assistance of the Bangladesh Government and USID has been trying to project and promote trade and investment opportunities in Bangladesh through investment meetings. So far they have been conducted in in Washington, DC, New Orleans and San Francisco.\textsuperscript{84} Due to these efforts and policies the

\textsuperscript{81} Ibid.
\textsuperscript{82} Ibid., pp.49-50.
\textsuperscript{84} Ibid.
total US investment in Bangladesh which was roughly estimated at US $20 million till June 1996 has sharply risen to US $750 million in 1999, mostly in energy sectors. It is expected that the total investment by US oil and gas companies will amount to several billion US dollars over the next few years. In December 1998, a joint statement on cooperation in energy between Bangladesh and United States was signed. Several officials of the US have visited Bangladesh in recent years and action plan to develop power sector has been signed.

In aid and assistance, the US now concentrates on long term development in Bangladesh. The objective of US assistance includes containing population growth, protecting human health, encouraging broad based economic growth, and strengthening democracy. During the devastating floods of 1998 the US was the largest supplier of food grains. It provided 700,000 metric tons of wheat and provided a variety of other relief measures. Thus we see strengthening of economic cooperation between US and Bangladesh. Before 1990s, the US provided large sum of aid and assistance especially from 1975 up to 1990, in the wake of containing spread of communism and fulfilling development and humanitarian objectives in Bangladesh. This happened in the broader global and regional context of

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the US's foreign policy to protect geostrategic and political interest in South Asian Region and Indian Ocean. But in 1990s, once threat of communism was over and the US became the sole superpower, emphasis of the US changed and has been focussing on geoeconomic interests, such as trade, investment, finance, etc. This geo-US economic activities have been further strengthened due to finding of oil and natural gas in Bangladesh. This sector has become most attractive economy which has attracted huge sum, technologies and managerial systems from the US.

Though after the collapse of USSR, the US is sole superpower but China is heading towards emerging as a second super power. In this perspective, the US has not played down its geostrategic objectives in Bangladesh but still strives for strengthening geo-political and strategic interests in Indian Ocean and Bangladesh.

In her tenure, Bangladesh and the US enjoy healthy defense relations. On 5 July 1998, a MOU was signed between the US peace corps and Bangladesh government to implement peace corps program in Bangladesh.\(^8\)

Bangladesh foreign policy recognized the US role in establishment of world peace and stability and reiterated its continued support for her areas of shared interests. Bangladesh also shares similar perception in regional and international peace and security with the US. Bangladesh thus was one of the leading countries in South Asia to sign the CTBT.

CTBT and NPT

Bangladesh has fully supported Comprehensive Test Ban Treaty (CTBT) and Non-Proliferation Treaty (NPT). Bangladesh was the second South Asian country to sign CTBT. Bangladesh signing CTBT was appreciated by the US in the wake of Pakistan and India not signing it. Bangladesh firmly believes that CTBT is not an end in itself, but a significant step towards the ultimate goal of general and complete disarmament.

Bangladesh has become a member of the Conference on Disarmament in Geneva in June 1996. In the 1995 NPT Review Conference, Bangladesh joined the consensus decision for an indefinite extension of the NPT. Bangladesh has played a more constructive role in all the three prep coms for the 2000 NPT review conference in New York and Geneva. In the Third prep com in New York, Bangladesh reaffirmed that NPT is the legal cornerstone of the nuclear non-proliferation regime and most widely ratified arms control treaty in history.

SOFA & HANA

The US proposed Bangladesh to sign SOFA (Status of Forces Agreement). The SOFA was proposed by the US diplomat, Mr. Bill Richardson during his visit to Bangladesh. The US had suggested that legal

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90 Ibid., p.23.
91 Bangladesh Documents, n.71.
cover be created which would enable its troops to conduct joint exercises in Bangladesh and take part in rescue and relief operations during natural calamities.

But this proposal was opposed by media, intelligentsia and left leaning politicians. They argued that the proposed agreement's provisions would work against Bangladesh's sovereignty and dignity. The Research Director of BLISS Dr. Abdur Rob Khan held that US wanted it for the security of its investment in the country. Even India opposed SOFA and expressed its concern over security and sovereignty. At one point it seemed that Sheikh Hasina government would unhesitatingly sign the agreement. But after deliberating over the issue for months, the government expressed the view that Bangladesh has nothing to gain by signing SOFA in its present form. Finally the Bangladesh government in July 1998 rejected the US proposal to sign the controversial SOFA.92 Despite its refusal to sign the agreement, both countries reaffirmed their commitment to work in the areas of mutual interests.

Later on HANA (Humanitarian Assistance Need Assessment) was signed between two countries. Under the program the US defense department was expected to complete a survey of the country's need in times of calamities and disasters.93 Growth in which in relationship was reflected by

93 Ibid.
the visit of Chief of the US armed forces General Dennis Joe Reimol in April 1998 who headed a 97 member goodwill delegation. He met the Prime Minister, President and senior defense officials. Despite having no military agreement with any country in the world, preliminary negotiations were made with the US to facilitate the holding of joint military exercises and for the participation of American Army personnel in time of natural disaster.

Human Rights

Human rights feature prominently in the US-Bangladesh relations. Promoting human rights is an integral part of the US foreign policy. For promoting human rights in Bangladesh, Bangladesh on 5 October 1998 on the occasion of the 50th Anniversary year of the UNHR has acceded/ratified/signed International Covenant on Economic, Social and Cultural rights, prevention and punishment of the crime of genocide, political rights of women against torture and other cruel inhuman or degrading treatment.94 The Bangladesh government in fulfilment of its obligations under these Human Rights instruments has made sincere efforts for their effective and timely implementation and practices by creating national machinery, formulating new policies and programme of action and legislating new laws. During the 55th Commission of Human Rights Session held in Geneva in 1999 Bangladesh cosponsored and voted in favour of the resolution tabled by the US on "Promotion of the Right to Democracy". This decision was taken in

keeping with the present governments deep commitment to the rights of people of Bangladesh to the democratic process and its institutionalization.95

Bangladesh Position vis-à-vis US Position on Different Issues at the United Nations

Bangladesh was elected as a non-permanent member of the UN Security Council in October 1999 and assumed its non-permanent membership of the Council from January 2000 for a period of two years. As members of the UN Security Council the relation between the United States and Bangladesh has assumed special significance. The two sides are engaged in close consultations on all the issues before the UN Security Council. The contacts between the two sides have intensified especially after 2 March when Bangladesh assumed the Council's Presidency. On Iraq issue US policy rests on three pillars. First, the US will keep up its efforts to conform Saddam Hussein in order to reduce the threat he poses both to Iraq's neighbours and to the Iraqi people. Secondly the US seeks to alleviate the humanitarian cost to the Iraqi people on his refusal to comply with UN Security Council resolutions. Finally, the US wishes to work with forces inside and outside Iraq, as well as Iraq’s neighbours, to change the regime in Iraq and help its new government rejoin the community of Nations. Bangladesh position in the Gulf War in 1990 had helped Bangladesh to score diplomatic points with the US and western countries in general and the Arab and Gulf

countries in particular. During Sheikh Hasina regime Bangladesh has again taken stand on Iraqi which is converging with US views. Bangladesh position is that Iraqi must comply with all Security Council resolutions and allow return of all Kuwaiti prisoners of war without any further delay.

**Afghanistan and Terrorism**

During cold war days, the United States had a special interests in Afghanistan. The US was the main supporter of the Mujahidin in terms of weapon supplies and direct and covert military involvement against the Soviet invasion of Afghanistan. After the Soviet pull out, and the subsequent collapse of all administration, the US became wary of the Afghanistan becoming an Islamic theocracy similar to Iraq and threaten its strategic interests. The US concerns became even more pronounced with Taliban gaining control of Afghanistan and its close links with Osama bin laden. Osma bin laden has been indicted and convicted by US courts for his involvement in the US Embassy bombing that brought about the UN Security Council Resolution calling on the Taliban to hand over binladen or face sanctions.

Bangladesh has a stand similar to the US. Bangladesh has urged the Taliban to comply with the UNSC resolutions and does not support any acts of terrorism from the Afghan territory.
Peace-keeping

The United States is a strong supporter of UN peace-keeping operations and one of the contributors to the peace-keeping budget although it is seeking support to its proposal to scale down contribution from 31% to 25%. Bangladesh is committed to the cause of international peace and security. This is manifested in her active participation in various UN peacekeeping operations. As of December 1999, Bangladesh ranks the second largest contributor of peacekeepers. In the 54th UNGA and in the 1999 session of the special committee on peacekeeping sub Bangladesh maintained that adequate financial resources and support were crucial for effectiveness of peacekeeping operations.

Nuclear Explosion by India & Pakistan

The US criticism was severest in the wake of Indian and Pakistan Nuclear explosion. United States termed the tests as unjustified and capable of creating destabilizing impact in the region of South Asia.

Similarly Bangladesh Prime Minister expressed her apprehensions at the development. She apprehended that this issue is no longer an issue between the two countries (India and Pak) only, because, in the event of an Indo-Pak nuclear exchange the entire region would suffer from terrible consequences. Bangladesh may face a physical threat in a nuclear environment that may occur out of miscalculation or mistargeting. Foreign
Minister Abdus Samad Azad hopes that all the states in South Asia would refrain from further increasing the nuclear arms race.\(^96\)

**Geo-Strategic Location of Bangladesh-China Factor**

The geo-strategic interests that guide the US foreign policy today make it imperative for it to have presence in areas where it can counter China effectively. Emergence of China as a major power, especially in wake of USSR's collapse, has become a concern for US. In Middle East it has reliable friends in Gulf countries. In East Asia, its close relationship with South Korea provides it similar opportunity. However, its presence in Bay of Bengal can give it strategic advantage. So, besides India, it is cultivating friendship with Bangladesh with renewed vigour. Taiwan can prove to be a flash-point, besides Tibet. On these two issues, there have been strong reactions by China on utterances by the US. On the issues of democracy and Human Rights violation also the US and China do not see each other eye to eye. In the calculations of the US, Bangladesh has the potential to become a dependable ally in the event of any mishap with China.

However, we also need to keep in mind that Bangladesh has friendly relations with China as well. So, the US to have an upper hand needs to have its policies in regard to Bangladesh, so that it can take advantage of geo-strategic location of Bangladesh. Bangladesh is also on the route of oil

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\(^{96}\) BISS Papers "Nuclearisation of South Asia: Bangladesh Perspective", Monograph Series, BISS Publication, 1999, p.25.
rich Gulf countries and South East Asian tigers. Bangladesh can also take advantage of the US might in view of two strong neighbours, China and India, who are not on so friendly terms.

SAARC

The South Asian Association for Regional Cooperation was born with the signing of its Charter by the Heads of State or Government at the first SAARC Summit held in Dhaka in December 1985. But landmark point in SAARC history was successful holding of the Seventh SAARC Summit in April 1993 in Dhaka, in which SAARC passed from its organizational phase to the vital implementation phase. Two landmark steps taken in the Dhaka Summit marked the beginning of significant process of tangible cooperation in South Asia. These included the signing of the SAARC Preferential Trading Arrangement (SAPTA) and the consensus to push forward the South Asian Poverty Alleviation programs. SAPTA became operational on 7 December 1995. The Government of Prime Minister Sheikh Hasina has given special attention to strengthening relations with countries in South Asia and promoting regional cooperation particularly under the framework of SAARC. The Prime Minister of Bangladesh attended the Ninth and Tenth SAARC summits held in Male in 1997 and in Colombo in 1998 respectively. Bangladesh was instrumental in convincing the Heads of State or Government to include issues of sub-regional cooperation/growth quadrangle "South Asian Growth Quadrangle" involving Bangladesh, Bhutan, India and Nepal within the framework of SAARC.
United States expressed its willingness to cooperate with SAARC. A draft of MOU on Administrative Cooperation has been received by the SAARC secretariat in this regard. US expects this MOU to provide a legal foundation for cooperation with SAARC countries, which has potential of a large market for American products and services. Bangladesh can be the entry point for the US if the MOU is cleared and approved by the member countries. Probably, keeping this in mind it supported the ideas of sub-regional cooperation and South Asian Growth Quadrangle. It believed that in view of serious differences among the member countries, even if the MOU is not cleared by all the members, it can still enter the market by the consent of four countries. Significantly, except India, all other countries have cleared the MOU. On 6 August 1996 US ambassador to India Frank Wisher called for better cooperation among Indo-Pak-Bangladesh for overall development of the region. On 15 August 1996, US welcomed water treaty signed by India and Bangladesh.

**Extradition**

Bangladesh has serious concern over presence of the three men convicted of murdering Sheikh Mujibur Rahman. During her visit to the US in October 2000 and Clinton's visit in March 2000, she demanded the US their extradition from the US. Mr. Karl Inder Furth, Assistant Secretary of State during Clinton government, acknowledged the profound concerns of GOB on

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subject of presence of fugitives in the US and a possible the US-Bangladesh Extradition treaty. In a letter he assured that the US Department of Justice is seeking their deportation from the United States in a manner consistent with the US law and international obligations. In an interview with Dr. Debapriya Bhattacharya, he accepted that this issue has become very significant today in the context of the US-Bangladesh relationship.96

Increase in Quota and Elimination of Child-labour

The government of Bangladesh requested the US government through the Department of State for an urgent increase in the base quota by 30% for export of textile and apparels. Bangladesh has also requested the merger of the single category item (RMG) into combined category items. According to Bangladesh the proposed increase will help accelerate economic development, alleviate poverty and provide opportunity for empowerment and emancipation of rural women and marginalized sections of the society.

Bangladesh Garment Manufacturers and Exporters Association (BGMEA), with the support of the US Government, has eliminated child labour from garment industries. As a result more and more US companies are now showing interest in buying garments from them. The BGMEA has set an example by eliminating child labour and making arrangement for their education and providing income support for the affected families on the basis

96 Interview with Dr. Debapriya Bhattacharya, a renowned economic and the Research Director in Center for Policy Development, 27 October 2000.
of an MOU signed with ILO and UNICEF. On the ground BGMEA requested to increase garment quota by 30%.

Debt Relief

Bangladesh has a huge external debt liability. It stood at US $14.03 billion in 1997-98 accounting for 4.1% of GDP. For a developing country like Bangladesh with per capita GDP of US $285, it is a huge burden. The US has been providing substantial development assistance to Bangladesh in terms of loans and grants. Past loans provided with long grace period are now becoming mature for repayment. The debt problem could be perceived in the light of the huge debt/export since a major portion of the export earnings of the country goes towards debt servicing. This has a drag and pull effect on the growth of foreign exchange earning of Bangladesh, resulting in reduced domestic resource mobilization which in turn implies that a lesser amount of finances are available for development purposes. In a high debt service scenario, the process of globalization will place Bangladesh at a particularly disadvantageous position. It will reduce capital inflow and capacity enhancement. Consequently, Bangladesh expects visit to play a dominant role in reducing the debt burden both by converting a part of its loan to Bangladesh into grants and by influencing other donors to provide similar debt relief. Bangladesh as coordinator for the least developing countries for international meetings has always been demanding that the LDCs should be assisted in their efforts to grow rapidly and attract foreign investment. For this
LDCs need preferential access to the global markets, measures to promote their capacity building steps to enhance their managerial and technical skills and assistance for building their institutional and physical infrastructure.

**Bill Clinton Visit to Bangladesh**

One of the brightest moments of Bangladesh-US relation was President Bill Clinton's visit to Bangladesh. His visit to Bangladesh proved that Bangladesh gets significant place in the US's South Asian regions calculation.

During his visit, President recognized the role Bangladesh has played in past and immediately in promoting human right, peace and democracy. He also recognized significance of Bangladesh in the wake of growing Indo-Pak tension and their possession of nuclear arms as an established factor. He announced partial debt cancellation under PL480 debt for tropical forest protection.

It was an occasion to cement the bonds of friendship and cooperation between the US and Bangladesh. The visit of President Clinton brought Bangladesh in sharper focus in international affairs. The President Clinton not only assured America's continued support to the economic development and democracy in Bangladesh but also recognized its role in peace making and keeping in region and in the world at large. He remarked, "I think this is a nation with very bright future."

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Hence in conclusion, Bangladesh-US relations are at their best today with two countries cooperating in wide variety of areas. The degree of closeness can be measured by the high level of deliberations between their leaders. Bangladesh attaches particular importance to its relations with the United States not only because of its preponderant role in international affairs but also for the commonality of interests of the two countries in many areas including promotion of democracy, human rights and protection of peace and security in the world. The US today is most important development partner, which also has assisted Bangladesh during the time of natural disasters, like floods and cyclone. Bangladesh has come to realize that in a unipolar world Bangladesh could derive benefit by promoting friendly relations with the US.

During the past few years, especially after the end of cold war, Bangladesh-US relations have attained a new height. The most significant transformation of Bangladesh-US relations has been its evolution from one based on aid dependence to one based on trade and investment. This is result of fall of Soviet Block and promotion of liberalization and globalization in the world by the US and multilateral agencies. Sheikh Hasina has adopted policy of dependence on trade and investment rather than on aid as well as economic reform measures and opening of the market. On the other side, Bangladesh today figures prominently in the US map of countries which matter to it for a number of reasons. In the first place, the US looks at
Bangladesh as a leading developing country where democracy is taking firm roots. It has during last decade of 20th century promoted democracy and has helped the Hasina Wajed government in institutionalizing democracy. As the US Under Secretary of State Mr. Thomas Pickering commented that Bangladesh in less than 30 years of independence has turned itself into a model both of a moderate Muslim democracy and a grass root based economic development. Secondly, Bangladesh has been able to attract attention of leading US companies to invest in gas and power sectors in view of the country's huge reserves of natural gas. US companies have invested about US 2 $ billion in Bangladesh and the investment is expected to reach about US $3 billion shortly.

Further, Bangladesh is being viewed by the US policy makers as a stabilizing factor in South Asia. The US in the wake of nuclear explosion by India and Pakistan and Indo-Pak tension see Bangladesh as a ray of hope. The US has also supported SAARC and integration of market in South Asian Region. President Clinton appreciated Sheikh Hasina's initiatives to resolve Chittagong Hill tracts insurgency and the Ganges water sharing dispute with India through peaceful means.

Hence, the US-Bangladesh relationship which was hostile at the time of independence, has been hugely expanded and both countries are making

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effort to build a forward looking relationship from which both country will benefit.