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Bangladesh: Political and Strategic Developments and U.S. Interests

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Summary

Bangladesh (the former East Pakistan) is a Muslim-majority nation in South Asia, bordering the Bay of Bengal, dominated by low-lying riparian zones. It is the world's eighth most populous country, with approximately 160 million people housed in a land mass about the size of Iowa. It is a poor nation and suffers from high levels of corruption and a faltering democratic system that has been subject to an array of pressures in recent years. These pressures include a combination of political violence, corruption, weak governance, poverty, demographic and environmental stress, and Islamist militancy. The United States has long-standing supportive relations with Bangladesh and views Bangladesh as a moderate voice in the Islamic world. The U.S. government and Members of Congress have focused on issues related to economic development, humanitarian concerns, labor rights, human rights, good governance, and counterterrorism among other issues as part of the United States' bilateral relationship with Bangladesh.

The Awami League (AL) and the Bangladesh National Party (BNP) dominate Bangladeshi politics. When in opposition, both parties have sought to regain control of the government through demonstrations, labor strikes, and transport blockades. Such mass protests are known as *hartals* in South Asia. The current AL government of Prime Minister Sheikh Hasina was reelected in January 2014 with an overwhelming majority in parliament. Hasina has been in office since 2009. The BNP, led by Khaleda Zia, boycotted the 2014 election. The AL has moved forward with a war crimes tribunal to prosecute atrocities from the 1971 war of independence from Pakistan. Street protests and political instability continued in 2015 as the BNP has called for new elections and a return to the system of caretaker government in the lead up to elections. There is little optimism among observers that the AL and the BNP will find a compromise for their political differences. Speculation continues that, should the situation deteriorate further, the army could intervene to break the political impasse. Some analysts are concerned that the influence of Islamist extremists could increase and further destabilize the country. These concerns are heightened by the ongoing political crisis as some observers fear this turmoil may create opportunities for Islamists by diminishing the government's ability to monitor and combat militants. Islamist militants have been vigorously pursued by Bangladesh authorities reportedly with success. Despite this, reports indicate that some groups continue to be able to regroup after successful government operations against them. There are also reports that may indicate increasing transnational linkages with terrorist groups outside of Bangladesh.

Demographic pressure and environmental problems, which experts believe are likely exacerbated by climate change, increasingly are problems for Bangladesh. A growing population of high density, when combined with limited economic resilience and constraints on the extent to which agricultural output can be expanded, could prove to adversely affect human security in Bangladesh in the years ahead. This could further contribute to political instability in the future. Human rights abuses, refugees, and poor labor conditions in Bangladesh also remain of concern to the U.S. government. Extrajudicial killings, arbitrary detentions, weak judicial capacity, pervasive official corruption and politically motivated violence reportedly continue in Bangladesh. There are also reports of attacks against religious and ethnic minority groups. Increasing numbers of Rohingya refugees from Burma, as well as Bangladeshis, have taken to the sea to flee persecution in Burma and seek a better life beyond Bangladesh. Much international attention is also focused on working conditions in Bangladesh as a result of the 2013 Rana Plaza Factory collapse in which over 1,000 people died. Bangladesh plays a significant role in textile industry global supply chains.

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Domestic Issues

Recent Developments

Bangladesh appears to be continuing on a path of political instability and turmoil that could further erode democracy in the country, in the view of many analysts. These observers tend to expect continued rivalry between Prime Minister Sheikh Hasina of the Awami League (AL) and Khaleda Zia, her key rival, and leader of the opposition Bangladesh National Party (BNP). Islamist interests have been represented by the Jamaat-i-Islami (JI) Party.

In recent months the BNP has held a series of street protests and transport blockades demanding that a new election be held under a caretaker government. Trials against Islamist leaders for their role in atrocities committed in the 1971 war of independence are also politically destabilizing as are signs of ongoing Islamist militancy. Ongoing political turmoil could create opportunities for Islamists if there is a breakdown in order. A February 2015 International Crisis Group Report offered the following assessment:

[T]he BNP appears bent on ousting the government via street power ... the political crisis is fast approaching the point of no return and could gravely destabilize Bangladesh unless the sides move urgently to reduce tensions.... [E]xtremists and criminal networks could exploit the resulting political void.... [V]iolent Islamist factions are already reviving, threatening the secular, democratic order.¹

Some observers believe the military may once again step in, as it has several times in the past during periods of deep instability in Bangladesh. Such an intervention could be triggered by a breakdown in law and order and an escalation of street violence.²

In February 2015, the State Department expressed being “gravely concerned” by the ongoing unrest in Bangladesh and “unconscionable attacks including bus burnings, throwing incendiary

Bangladesh in Brief

Land area: 130,168 sq. kilometers, almost the size of Iowa

Climate: tropical

Capital: Dhaka

Geography: most of the country is low-lying delta

Resources: natural gas, arable land, timber, coal

Natural hazards: droughts, cyclones, extensive flooding,

Ethnicity: 98% Bengali

Religion: 89.5% Muslim, 9.6% Hindu

Population: 166 million with 1.6% growth (2014 est.)

Life expectancy: 71 years (2014 est.)

GDP per capita: \$3,400 (2014 est.)

GDP growth: 6.3% (2015 est.)

GDP by sector: agriculture 15.1%, industry 26.5%, services 58.3% (2014 est.)

Labor force: agriculture 47%, industry 13%, services 40%. (2010 est.)

Exports: garments, knitwear, agricultural products, frozen food, jute, leather

Export partners: U.S. 16.3%, Germany 11.8%, United Kingdom 7.7%, France 4.8%, Netherlands 4.7%, Spain 4.4% (2013 est.)

Population below the poverty line: 31.5% (2010 est.)

Sources: State Department; CIA, *World Factbook*; Economist Intelligence Unit

¹ International Crisis Group, *Mapping Bangladesh's Political Crisis*, February 9, 2015.

² Economist Intelligence Unit, *Bangladesh Country Report*, April 22, 2015.

devices, and train derailments that have killed and wounded innocent victims.”³ Such violence appears to be continuing to date. On April 20, 2015, BNP leader Khaleda Zia’s motorcade came under attack by Awami League activists while she was campaigning for her party’s mayoral candidate in Dhaka. Fifteen members of her entourage were injured.⁴ In another incident, police arrested seven members of Jamaat-e-Islami in June 2015 for their role in a firebomb attack on a bus that left seven injured.⁵ A Bangladeshi rights group reported that 137 people had been killed and 3,783 injured in political violence between January and June 2015.⁶

The BNP regards the current AL government as illegitimate and is calling for new elections. A consequence of the BNP’s decision to boycott the 2014 election was that its initial calls for new elections received little public support.⁷ Despite this, observers see no apparent compromise path to move the country beyond the current impasse. In testimony before the House Foreign Affairs Subcommittee on Asia and the Pacific, U.S.-based expert Ali Riaz offered the following:

Repeated calls from the international community and members of civil society within Bangladesh for a dialogue to address the political impasse have been rejected by the ruling party. The opposition also declined to scale down its agitation.⁸

Political Dynamics

Bangladesh is a parliamentary democracy with a unicameral legislature, the Jatiya Sangsad. Members of parliament are elected by majority by district. The Awami League won an overwhelming electoral victory in the 2008 election. The AL won again in the 2014 general election that was boycotted by the BNP.⁹ The smaller Jatiya Party (Ershad) is also tacitly supporting the AL government. The next parliamentary election is due in 2019, when Sheikh Hasina will be 71 years old. Some observers believe that Hasina will seek to secure an elected position for her son Sajeeb Ahmed Wajed.

Since independence in 1971, Bangladesh has suffered through multiple coups and often tense relations between the military and successive civilian governments. Although a parliamentary democracy, since 1990 it “has seen two presidents killed in military coups and 19 other failed coup attempts,” which have included the deaths of Hasina’s father, Sheikh Mujibur Rahman, as well as Khaleda Zia’s husband, Ziaur Rahman.¹⁰ The Army backed a caretaker government in 2007-2008. Tensions between security forces and the government over corruption, poor pay, and poor benefits led members of a paramilitary unit to mutiny on February 25, 2009, killing 57

³ U.S. Department of State, Office of the Spokesperson, “Ongoing Violence in Bangladesh,” February 5, 2015.

⁴ “Motorcade of Bangladesh Opposition Leader Comes Under Attack,” *The Daily Star*, April 21, 2015.

⁵ “7 Jamaat Men Held over Comilla Firebomb Attack,” *The Daily Star*, June 4, 2015.

⁶ “95 Extrajudicial Killings Since Jan,” *Prothom Alo*, June 2, 2015.

⁷ Bangladesh Country Report, *Economist Intelligence Unit*, April 2015.

⁸ Ali Riaz, “Bangladesh’s Fracture,” Testimony Before the House Subcommittee on Asia and the Pacific, April 30, 2015.

⁹ Ali Riaz, Illinois State University, “Bangladesh ‘Election’ 2014,” Presentation Viewgraphs, Council on Foreign Relations, January 8, 2014.

¹⁰ “Bangladeshi Military ‘Fails Coup Plot,’” *The Guardian*, January 19, 2012.

officers and 15 of their family members. The two-day mutiny was quickly suppressed by the army.¹¹

Bangladesh is the largest contributor to United Nations (U.N.) international peacekeeping efforts, having completed 54 U.N. such missions in 40 countries, and contributing approximately 9% of total U.N. peacekeeping force in the world.¹² In May 2015, Bangladeshi peacekeepers were deployed in ten countries.¹³

International Crimes Tribunal

A number of leaders from the Islamist Jamaat-i-Islami Party and the BNP have been arrested under the International Crimes Tribunals (ICT) Act and accused of war crimes dating back to Bangladesh's war of independence from Pakistan in 1971.¹⁴ While accounts differ widely, an estimated hundreds of thousands to 1 million people died in the conflict.¹⁵ It is also estimated that 10 million Bangladeshis were displaced during the 1971 war that was fought between independence forces in then-East Pakistan, with assistance from India, and the Pakistani army that was largely composed of troops from then West Pakistan, and its local sympathizers in Bangladesh.

The BNP and JI have opposed the ongoing trials and view them as being part of an AL effort to further consolidate its political advantage. The trials are aimed at those in Bangladesh who committed war crimes, many of whom are thought to have supported West Pakistan against the Bengali nationalists. The JI is the largest Islamist political party in Bangladesh. It had a paramilitary wing, Al-Badr, which collaborated with the West Pakistani military during the war for independence and is thought to have assassinated journalists and academics sympathetic to Bengali independence.¹⁶ The Jamaat-i-Islami's electoral registration was struck down by a high court in 2013 thus preventing the party from participating in elections.¹⁷

While some observers have been critical of the ICT's use of the death penalty to punish those found guilty of war crimes, others have welcomed the strong stance against Islamist extremism. One commentator has observed that "Western governments have been lukewarm to hostile" to the April 2015 execution of senior Jamaat-i-Islami leader Muhammad Kamaruzzaman for his role in war crimes.

[T]hough Bangladesh has addressed many concerns about its trials, judicial standards certainly don't match those of Denmark or Switzerland. Yet the chorus of criticism in Western capitals ends up serving a perverse purpose. It strengthens precisely those groups in Bangladesh who most threaten human rights, individual liberty and religious freedom.

¹¹ "BDR Peelkhana Mutiny Trial Begins Today," *The Daily Star*, February 23, 2010.

¹² Remarks by Undersecretary of State for Political Affairs, Wendy Sherman, 4th Partnership Dialogue, May 1, 2015.

¹³ Malay Roy, "Bangladesh Ready to Bring Peace to Any Part of the World," *bdnews24.com*, May 31, 2015.

¹⁴ "Unique Opportunity for Justice for 1971 Atrocities," *Human Rights Watch*, May 19, 2011.

¹⁵ International Crisis Group, *Mapping Bangladesh's Political Crisis*, February 9, 2015. "Blood Meridian: The Birth of Bangladesh," *The Economist*, September 21, 2013.

¹⁶ "Bangladesh Politics: Do Mention the War," *The Economist*, July 23, 2009.

¹⁷ Syed Al-Mahamood, "Bangladesh Court Strikes Down Jamaat-e-Islami's Electoral Registration," *The Wall Street Journal*, August 1, 2013.

[Those concerned with human rights] ... ought to applaud Bangladesh for showing pluck to take on a thuggish Islamist movement....¹⁸

The United States supports “bringing to justice those who committed atrocities in the 1971 Bangladesh War of independence” through an ICT process that “must be fair and transparent.”¹⁹

*The Blood Telegram: Nixon Kissinger and a Forgotten Genocide*²⁰ documents how the United States continued to support Pakistan during the events of 1971.²¹ At the time of the conflict, Archer Blood, former U.S. Consul General in East Pakistan, informed Washington of the scale of the killing involved and dissented from American policy. Despite this, according to one analyst of the period, former President Richard Nixon and former Secretary of State Henry Kissinger, “stood stoutly behind Pakistan’s generals” and “barely tried to exert leverage over Pakistan’s military.”²²

Human Rights

Many observers view politically motivated violence by both the opposition and government forces as one of the key threats to human rights of Bangladeshi citizens at present. More than 500 were killed in election related violence in 2014. In February 2015, Human Rights Watch reported that political violence was continuing.²³ The U.S. Department of State Human Rights Report made the following observations about Bangladesh.

[H]uman rights problems included extrajudicial killings, arbitrary detentions, weak judicial capacity.... Politically motivated violence and pervasive official corruption remained serious problems.... Instances of societal violence against religious and ethnic minorities persisted.... Weak regard for the rule of law not only enabled individuals, including government officials, to commit human rights violations with impunity but also prevented citizens from claiming their rights.²⁴

Bangladesh has struggled to stabilize relations between Islamist extremists and its minority religious populations, especially Hindus. Religious minorities in the area have faced varying levels of persecution since independence. The violence against Hindus, especially during the war in 1971, has led to a decline in Bangladesh’s Hindu population.²⁵ According to the Hindu American Foundation (HAF) the Hindu community in Bangladesh is subject to systematic attacks. HAF reports that 47 temples were destroyed and 700-1,500 homes vandalized or burned in 2013. A further 495 Hindu homes, 169 temples and 585 shops were attacked, damaged, or looted in 2014 election-related violence.²⁶ Attacks on minority Buddhist populations in the

¹⁸ Sadanand Dhume, “Bangladesh’s Good Fight Against Islamism,” *The Wall Street Journal*, April 22, 2015.

¹⁹ U.S. Department of State, Office of the Spokesperson, “Statement on the Bangladesh International Crimes Tribunal,” April 11, 2015.

²⁰ Gary Bass, *The Blood Telegram: Nixon Kissinger and a Forgotten Genocide* (New York: Vintage Books, 2014).

²¹ “Gary Bass: Nixon, Kissinger, and the Bangladesh Genocide,” <http://global.stanford.edu/events/gary-bass>.

²² Gary Bass, “Nixon and Kissinger’s Forgotten Shame,” *The New York Times*, September 29, 2013.

²³ “End Deadly Cycle of Crimes,” *Human Rights Watch*, February 6, 2015.

²⁴ U.S. Department of State, *Bangladesh 2013, Human Rights Report*, 2013.

²⁵ “End Deadly Cycle of Crimes,” *Human Rights Watch*, February 6, 2015.

²⁶ Jay Kansara, Testimony Before the House Foreign Affairs Committee, Subcommittee on Asia and the Pacific, “Bangladesh’s Fracture: Political and Religious Extremism,” Hindu American Foundation, April 30, 2015. “Religious (continued...)”

Chittagong District have reportedly continued for years.²⁷ Other minority religions that have been subject to discrimination include Judaism and the Ahmadiyya community.²⁸

Problems of unequal rights for women, human trafficking, and a lack of attention to violence against secular groups persist. While there is a lack of reliable quantitative data “human trafficking in Bangladesh is believed to be extensive both within the country and to India, Pakistan and the Middle East.”²⁹ Many, including children, are reportedly trafficked into sexual exploitation or bonded servitude. The recent killing of the secular humanist Dr. Avijit Roy is viewed by observers as an attack against free thought in Bangladesh.³⁰ In the view of one analyst this assassination, and others like it, “have opened a new front between the values of syncretic, secular, humanistic Bangladeshi culture against a rigid worldview incapable of allowing difference to coexist.”³¹

The Rapid Action Battalion (RAB) is an elite unit in Bangladesh’s security forces that has been implicated in a number of human rights violations. Human Rights Watch sent a letter to the government of Bangladesh calling for an independent body to investigate the Rapid Action Battalion for the “abduction and apparent contract killing of seven people ... in Narayangunj district in central Bangladesh” on May 2, 2014.³² The AL government reportedly has used accusations of terrorist activity, seen by many as unfounded, to mobilize the RAB against elements within the opposition Jamaat-e-Islami Party.³³ Reportedly, 29 Bangladeshis were killed in fighting with the RAB in 2014. The RAB claims that 17 people had been killed during fighting between its forces and criminals in 2014.³⁴ Amnesty International found that of 20 disappearance cases it investigated since 2012, several pointed to police or RAB involvement.³⁵

Rohingya³⁶

The persecution of the Muslim minority Rohingya by the majority Buddhist community in neighboring Burma over many years has forced thousands of Rohingya to flee across the border to Bangladesh. An estimated 200,000 to 230,000 Rohingya now live in Bangladesh, leading to bilateral tensions between Burma and Bangladesh. Bangladesh has pressed Burma to recognize Rohingya as Burmese citizens, which Burma has not done. Burma views the Muslim Rohingya as

(...continued)

Minorities Targeted,” *New Age*, March 6, 2015.

²⁷ “Attack on Buddhist Temples in Chittagong—No Cause for Alarm,” Ministry of External Affairs, Colombo, Sri Lanka, September 5, 2012.

²⁸ “International Religious Freedom Report for 2012,” *Bureau of Democracy, Human Rights and Labor*, U.S. Department of State, 2012.

²⁹ “Child Sexual Abuse, Exploitation and Trafficking in Bangladesh,” UNICEF, <http://www.unicef.org/bangladesh>.

³⁰ “Bloody Trail of Religious Extremism,” *Dhaka Tribune*, April 17, 2015.

³¹ Alyssa Ayres, Council on Foreign Relations, Testimony Before the House Foreign Affairs Committee, Subcommittee on Asia and the Pacific, “Political Polarization and Religious Extremism in Bangladesh,” April 30, 2015.

³² “Widen Inquiry into Rapid Action Battalion,” *Human Rights Watch*, May 14, 2014.

³³ “Stability at the Cost of Democracy,” *Roll Call*, October 2, 2014.

³⁴ “Bangladesh Rights Body Says 130 Killed in 509 Incidents of Political Violence,” *BBC News*, October 2, 2014.

³⁵ “Disappearances Rise in Bangladesh,” *Indo-Asian News Service*, September 3, 2014.

³⁶ See CRS Insight IN10283, Crisis in the Bay of Bengal and the Andaman Sea: Plight of the Rohingyas and Bangladeshis, by (name redacted) and (name redacted).

illegal immigrants from Bangladesh.³⁷ Tensions have remained high between Rohingya and Buddhist communities in Burma's Arakan (Rakhine) State since inter-communal violence in 2012 killed an estimated 200 people and displaced 140,000 others. Human Rights Watch has criticized the Government of Bangladesh for forcing some Rohingya back to Burma and for restricting international aid organizations seeking to provide assistance to Rohingya in Bangladesh.³⁸

Bangladesh takes the position that it does not have the resources to care for the Rohingya. Bangladesh lodged a protest with Burma over what it characterized as an unprovoked attack on its border guards on May 30, 2014.³⁹ U.S. Ambassador to the United Nations Samantha Power has called on Burma to intervene and quell the violence between Buddhists and Rohingya Muslims in Burma.⁴⁰ Some have criticized the Obama Administration for not doing enough to help the Rohingya as the United States pursues newly opened relations with Burma.⁴¹

In 2015, the plight of the Rohingya and some Bangladeshis entered a new phase, with many going to sea in hope of escaping persecution and or finding a better life by leaving both Burma and Bangladesh. Many reportedly have been forced to board migrant boats. It is estimated that 25,000 Southeast Asian migrants took to the sea in the first three months of 2015.⁴²

Labor Issues/Factory Safety⁴³

Other key concerns are worker rights and worker safety. These gained acute international attention following the April 2013 Rana Plaza garment factory collapse in which over 1,000 workers were killed. Bangladesh is an important part of global supply chains in the textile industry, and successive factory disasters there have increased global and U.S. concerns about its labor rights regime. The garment industry employs approximately 4 million workers in Bangladesh of which an estimated 80% are women.⁴⁴ Inspections conducted as part of the Accord on Fire and Building Safety following the Rana Plaza factory collapse discovered safety hazards in all 1,100 garment factories it inspected. Of these, 17 were immediately closed and 100 others required immediate repairs. This safety initiative was joined by 189 multinational retailers.⁴⁵ In June 2015 Bangladesh police charged the owner of the Rana Plaza factory and 41 others with murder.⁴⁶

In June 2013, the U.S. suspended Bangladesh's designation as a beneficiary country under the Generalized System of Preferences (GSP) over concerns about workers' rights. The United States has welcomed Bangladesh's progress in improved safety inspection, passing Labor Act

³⁷ Nyein Nyein, "Govt Complains to Bangladesh over Rohingya Op-ed," *The Irrawaddy*, March 25, 2014.

³⁸ "Assist, Protect Rohingya Refugees," *Human Rights Watch*, August 22, 2012.

³⁹ "Bangladesh, Myanmar at Odds Over Deadly Border Clash," *Reuters*, June 1, 2014.

⁴⁰ "US Calls on Burma to Stop Violence on Muslims," *Voice of America*, April 17, 2014.

⁴¹ Nicholas Kristof, "Obama Success, or Global Shame?" *International New York Times*, June 2, 2014.

⁴² Euan McKirdy, "Human Rights Watch Claims Rohingya Migrants Beaten, Forced onto Boats," *CNN*, May 27, 2015.

⁴³ See also CRS Report R43085, *Bangladesh Apparel Factory Collapse: Background in Brief*, by (name redacted).

⁴⁴ Alyssa Ayres, Council on Foreign Relations, Testimony Before the House Foreign Affairs Committee, Subcommittee on Asia and the Pacific, "Political Polarization and Religious Extremism in Bangladesh," April 30, 2015.

⁴⁵ Syed Zain Al-Mahmood, "Factories Fail Safety Checks in Bangladesh," *Wall Street Journal*, October 15, 2014.

⁴⁶ "Bangladesh Murder Trial over Rana Plaza Factory Collapse," *BBC News*, June 1, 2015.

amendments, facilitating union registrations, and for its efforts to comply with international labor standards to restore its GSP benefits. That said, the United States also has called on Bangladesh to implement Labor Act amendments, go further to protect workers from unfair labor practices, hire more labor inspectors, and give workers in export processing zones the same rights as workers elsewhere.⁴⁷ The International Labor Organization has called for greater dialogue between the government, employers, and workers in Bangladesh's Ready Made Garment (RMG) sector.⁴⁸ It is reported that only 15% of funds in the Prime Minister's Relief and Welfare Fund for victims and their families of the Rana Plaza disaster were distributed two years after the disaster.⁴⁹

Economic Development and Trade

Although it remains one of the world's poorest nations, Bangladesh has experienced significant GDP growth over the past decade. Manufacturing, particularly of ready-made garments, and remittances remain key components of the Bangladesh economy. Bangladesh has become the world's second-largest producer of ready-made garments.⁵⁰ Bangladesh compares favorably to India in the areas of life expectancy and child survival, and in the proportion of girls to boys in secondary schools.⁵¹

Per capita GDP has grown due to economic expansion and slower rates of population growth. Bangladesh's GDP is generally expected to grow by about 6.3% in the period 2015/16 to 2018/19.⁵² While Bangladesh also has made progress in rice production it remains food deficient.⁵³ Despite these achievements, more will have to be done to continue to accommodate the increasing numbers of Bangladeshis entering the workforce.

There are an estimated 6 million Bangladeshis working abroad, making Bangladesh one of the world's largest sources of overseas workers.⁵⁴ Its economy is one of the world's most dependent on remittances from these overseas workers. Such remittances account for 6% of GDP and 77% of foreign exchange reserves.⁵⁵ Approximately two-thirds of Bangladesh's revenue from remittances comes from workers in the Middle East. Bangladesh-U.S. trade has been expanding in recent years.⁵⁶ The United States also is one of Bangladesh's largest sources of foreign investment. American trade and investment interests in Bangladesh include developing natural gas reserves thought to be found in the Bay of Bengal off Bangladesh's coast. The United States

⁴⁷ U.S. Department of State, Bureau of Economic and Business Ties, "US Bangladesh Trade and Investment Ties," November 23, 2014.

⁴⁸ "ILO Calls for Greater Social Dialogue in BD RMG Sector," *The Independent*, April 22, 2015.

⁴⁹ "Fund for Rana Plaza Victims," *The Daily Star*, April 22, 2015.

⁵⁰ H. Rashid, "RMG Set to March Ahead Despite Past Tragedies," *The Financial Express*, April 20, 2015.

⁵¹ Joanna Sugden, "How Poorer Bangladesh Outpaces India on Human Development Indicators," *The Wall Street Journal*, June 5, 2015.

⁵² "Bangladesh Country Report," *Economist Intelligence Unit*, April 2015.

⁵³ "Bangladesh Country Profile," USAID,

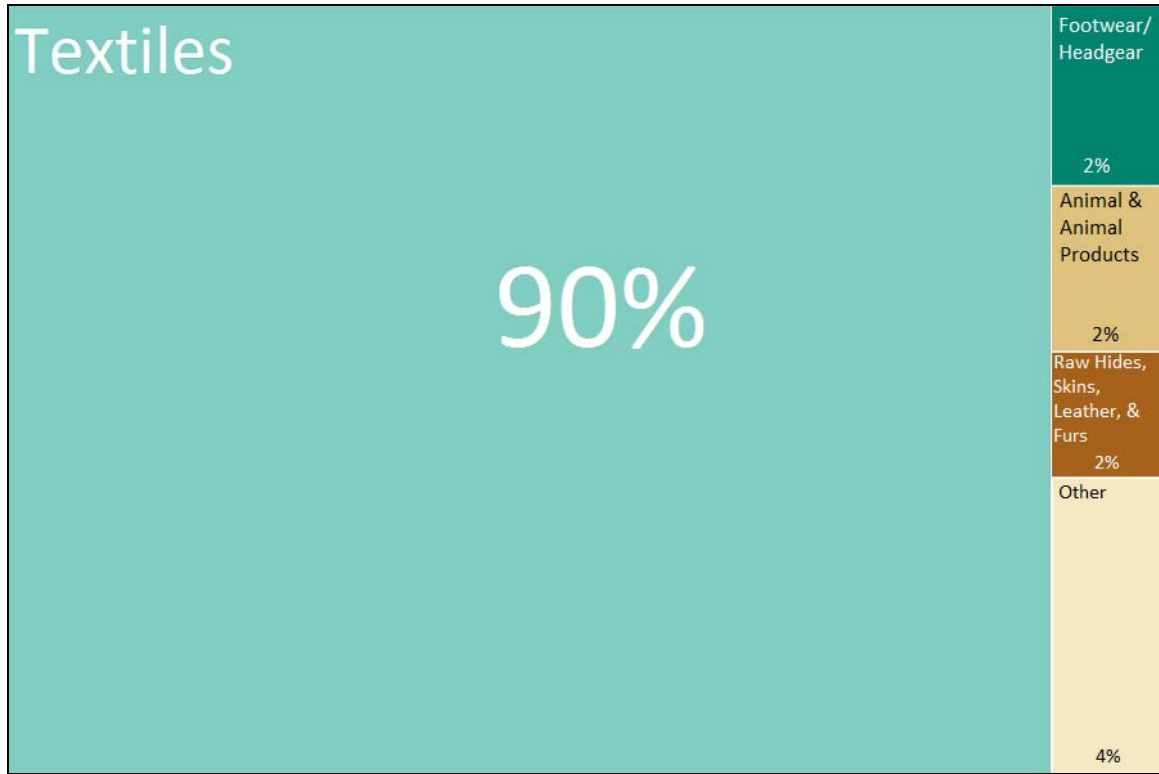
⁵⁴ "Labour Migration." International Labour Organization, 2013.

⁵⁵ K.Sohel, "Remittances Inflow to See Record High in 2015," *Dhaka Tribune*, April 20, 2015.

⁵⁶ U.S. Department of State, Bureau of Economic and Business Ties, "US Bangladesh Trade and Investment Ties," November 23, 2014.

and Bangladesh signed a Trade and Investment Cooperation Framework Agreement in (TICFA) in 2013 that established an annual forum to identify and address obstacles to bilateral trade.⁵⁷

Figure I. Bangladesh Gross Exports and Importance of Textiles 2013
Percentage of Total Exports by Sector



Source: The Atlas of Economic Complexity, http://atlas.cid.harvard.edu/explore/tree_map/export/bgd/all/show/2013/.

Notes: Data reformulated by William Mackey, CRS.

Environmental, Climate, and Food Security

Demographic pressure and environmental problems, including those linked to climate change, increasingly are problems for Bangladesh. The low-lying nation would be significantly affected by projected sea level rise. Bangladesh ranks first in the Climate Change Vulnerability Index and is anticipated by some to suffer more than any other country by 2025.⁵⁸ Rising sea levels and changing weather patterns may lead to significant additional portions of the country being extremely prone to flooding, while cyclones are expected to increase in intensity, and food production is projected to fall by a projected 8% for rice and 32% for wheat by 2050.⁵⁹ Increasing temperatures during growing seasons in key food exporting nations globally have reduced

⁵⁷ U.S. Department of State, Office of the Spokesperson, “Joint Statement of the Third U.S.-Bangladesh Partnership Dialogue,” October 29, 2014.

⁵⁸ Climate Change and Environmental Risk Atlas 2015, Maplecroft, October 29, 2014, <http://maplecroft.com>.

⁵⁹ USAID Office of Food for Peace, “Food Security Country Framework for Bangladesh FY 2015-2019,” <http://www.usaid.gov>.

potential yields and contributed to rising prices.⁶⁰ Bangladesh's urban poor are particularly sensitive to increases in basic food prices.

Bangladesh is one of the most food insecure countries in a region that is one of the world's most food insecure. The Economist Intelligence Unit ranks the Asia Pacific region as generally just above Sub-Saharan Africa on a global ranking of world regions on food security. The study points to Bangladesh, Nepal, Burma, and Cambodia as having some of the world's highest levels of food insecurity. While many nations in Asia have been experiencing improvements in food security, Bangladesh, along with Burma and Vietnam, experienced a decline in the 2014 report. The report identified deteriorating access to financing by farmers as a key factor contributing to Bangladesh's food insecurity and linked this development to "ongoing political battles" there.⁶¹ Another study found that climate change could lead to a 18.2% to 22.1% decline in cereal production in South Asia as a whole. This study found that "food grain production (in Bangladesh) often lagged behind domestic demand as it failed to cope with population growth."⁶²

Such climate- and environment-related challenges, as well as an increasing population combined with poor economic resources and limits on agriculture, could prove to be politically destabilizing in the future.⁶³ Bangladesh's lack of resources to accommodate those displaced by environmental changes, and already stressed conditions due to extreme population density, could lead to further cross-border migrations into bordering India, which could exacerbate long-standing tensions on the frontier. By some estimates rising sea levels will inundate 17% of Bangladesh's land area and displace 18 million people by 2050. It has also been projected that seas in Bangladesh could rise by as much as 13 feet by 2100, which is four times the global projected average. Others are projecting a 5-6 foot rise over the same period. Approximately one-quarter of Bangladesh is less than seven feet above sea level.⁶⁴

Regional Issues

Islamist Extremism

Bangladesh and the United States see a common interest in working to counter extremist Islamists and their ideology. The two countries signed a October 2013 Counterterrorism Cooperation Initiative.⁶⁵

The most recent U.S. State Department *Country Report on Terrorism* (for 2013) offers:

⁶⁰ Lesley Russell, "Pressure on Food Begins to Bite," *Canberra Times*, June 10, 2011.

⁶¹ The Economist Intelligence Unit, "Food Security in Focus: Asia and Pacific 2014," 2014.

⁶² Golom Rasul, "The Role of the Himalayan Mountain System in Food Security and Agricultural Sustainability in South Asia," *International Journal of Rural Management*, Sage Publications, 6 (1), 2010.

⁶³ "Bangladesh's Census: In Search of Common Denominator," *The Economist*, March 17, 2011.

⁶⁴ Gardiner Harris, "Borrowed Time on Disappearing Land: Facing Rising Seas, Bangladesh Confronts the Consequences of Climate Change," *The New York Times*, March 28, 2014.

⁶⁵ Embassy of the United States of America, Public Affairs Section, "Signing of the Bangladesh-US Counterterrorism Cooperation Initiative," press release, October 22, 2013.

The Government of Bangladesh has demonstrated political will and firm commitment to combat domestic and transnational terrorist groups, and its counterterrorism efforts made it harder for transnational terrorists to operate or establish safe havens in Bangladesh. Bangladesh and the United States signed a Counterterrorism Cooperation Initiative to enhance counterterrorism cooperation as an important element of its bilateral partnership and engagement. In 2013, U.S. assistance supported programs for Bangladeshi civilian, law enforcement, and military counterparts to build their capacity to monitor, detect, and prevent terrorism.⁶⁶

There are signs that transnational terror networks with connections in Bangladesh continue to operate. Both the Harkatul Jihad al Islami Bangladesh (HUJI-B) and the Jamaat Mujahideen Bangladesh (JMB) are thought to have ties to Al Qaeda.⁶⁷ JMB activist Rezaul Karim Reza was sentenced to ten years in prison on October 14, 2014, for his role in one of the August 2005 bombings in Bangladesh, when bombs were detonated in 63 of Bangladesh's 64 districts.⁶⁸

The Delhi-based South Asia Terrorism Portal (SATP) reports that HUJI-B is believed to have links with official elements in Pakistan. SATP reports that HUJI-B operations commander Mufti Abdul Hannan, who was arrested in 2005 on suspicion of being involved in a 2000 plot to assassinate Prime Minister Hasina, trained in Peshawar, Pakistan, before going to fight in Afghanistan. SATP also reports that Pakistani Inter-Services Intelligence (ISI) operatives are involved in training activities in HUJI-B camps in Bangladesh, and that HUJI-B has been linked to the Asif Reza Commando Force, which claimed responsibility for a 2002 attack against the American Center in Kolkata. According to one report, an arrest in that case "led to further information on the linkages between Jaish-e-Mohammad, Lashkar-e-Taiba and HUJI based in Pakistan and Bangladesh."⁶⁹

A number of recent events shed light on evolving terrorist networks. An accidental bomb explosion in the Burdwan District of West Bengal India on October 2, 2014, killed two members of JMB and wounded another. Members of JMB reportedly have infiltrated from Bangladesh into border districts in India's West Bengal state to make contact with sympathizers in several madrasas where they have allegedly been engaged in recruitment and fundraising activities.⁷⁰ Bangladesh police also arrested three suspected members of Tehrik-e-Taliban Pakistan (TTP) in January 2014.⁷¹ The militant group Ansarullah Bangla Team reportedly has threatened to kill the State Minister for Home Affairs and others.⁷² Police are looking out for those seeking to travel to Iraq and Syria to join IS. There are reports of several groups of 15 to 16 members each that have formed to join the IS.⁷³

⁶⁶ Bureau of Counterterrorism, *Country Report on Terrorism 2013*, <http://www.state.gov/j/ct/rls/crt/2013/224824.htm>. The 2014 report has yet to be released.

⁶⁷ Rahul Bhonsle, "Al Qaeda and ISIS in the Subcontinent," *Ceylon Today*, October 12, 2014.

⁶⁸ "JMB Activists Reza Gets 10 Years for '05 Bombing," *Khabar South Asia*, October 17, 2014. <http://www.security-risks.com>.

⁶⁹ "Terrorist Groups – Bangladesh," South Asia Terrorism Portal, October 12, 2014. <http://www.satp.org/satporgtp/countries/bangladesh>.

⁷⁰ S. Datta, "Larger Terror Design Behind Burdwan Blast?" *Hindustan Times*, October 14, 2014.

⁷¹ "Bangladesh Counterterrorism Efforts Earn US Appreciation," *The Bangladesh Chronicle*, April 30, 2014.

⁷² "Banned Militant Group ABT Threatens to Kill Bangladeshi Minister," *bdnews24.com*, June 3, 2015.

⁷³ "Police Looking for Youth Seeking to Join ISIL," *Prothom Alo*, May 31, 2015.

Geopolitical Context

Positioned at a geopolitically important intersection of India, China, and Southeast Asia, Bangladesh is a nation of strategic interest not only to the South Asian sub-region but increasingly to the larger geopolitical context of Asia as a whole. The creation of the independent state of Bangladesh in 1971 forever weakened Pakistan's position relative to India. This set the stage for India to play a larger role beyond South Asia. Some analysts have pointed to the region's growing importance as a result of China's "One Belt, One Road" strategy which places increased emphasis on trade linkages through the region. Some strategic analysts also have linked the Bay of Bengal sub-region with the South China Sea sub-region through the Strait of Malacca. For many this linkage stems from their proximate location on either side of the strategically important Strait of Malacca.⁷⁴

Bangladesh's foreign policy seeks to promote trade, economic development, and other diplomatic linkages. It is a member of the Organization of Islamic Cooperation (OIC) and values close ties with Muslim states while remaining a relatively moderate nation. Bangladesh also is a member of the South Asia Association for Regional Cooperation (SARC) and the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) which could potentially play a more significant role in regional affairs in the years ahead.

India

Bangladesh could become increasingly important in the evolving strategic dynamics between India and China, a role accentuated by evolving regional energy and trade routes to China and India. Prime Minister Narendra Modi's June 2015 visit to Bangladesh led to a 65-point Joint Declaration that addressed issues such as: work on an interim accord on sharing waters of the Teesta and other rivers, bilateral cooperation on energy, cross border transport connectivity, and zero tolerance for any form of terrorism or extremism.⁷⁵ The Joint Declaration "recalled with gratitude India's enormous contribution to the glorious Liberation War of Bangladesh in 1971" and expressed satisfaction over the Indian parliament's passage of an amendment to the Indian constitution to give effect to the 1974 Land Boundary Agreement and its 2011 protocol.⁷⁶ India has a long-standing concern with illegal migrants to its northeast from Bangladesh. By some estimates, there are as many as 10-20 million illegal Bangladeshi immigrants in India.⁷⁷ Others estimate the number is as high as 30 million.⁷⁸

China

Some commentators in Bangladesh favor pursuing closer ties with China to balance Bangladesh's relationship with India, while others place relatively more emphasis on pursuing such ties alongside deeper linkages with India and others. The potential for the opening of new road and

⁷⁴ David Brewster, "The Growing Strategic Importance of the Bay of Bengal," East-West Center Presentation, June 4, 2015.

⁷⁵ "PM Modi Says India-Bangladesh Journey Just Begins," *The Daily Star*, June 8, 2015.

⁷⁶ "Bangladesh—India Joint Declaration," *The Daily Star*, June 8, 2015.

⁷⁷ Anand Kumar, "Illegal Bangladeshi Migration to India: Impact on Internal Security," Institute for Defense Studies and Analysis, May 7, 2010.

⁷⁸ J. Bhattacharjee, "Resolving the Bangladesh Immigration Issue," Observer Research Foundation, May 27, 2014.

rail routes linking Bangladesh's ports to India's relatively isolated northeast has led some to talk of developing overland trade linkages to China.⁷⁹ In 2014, China announced plans to contribute \$40 billion to establish a Silk Road infrastructure fund to increase connectivity across Central and South Asia.⁸⁰ Chinese Vice Premier Liu Yandong expressed support for the Bangladesh-China-India-Myanmar economic corridor as part of the One Belt, One Road initiative during his May 2015 visit to Bangladesh.⁸¹ China has announced plans to invest nearly \$900 billion in economic corridors related the new silk roads initiatives from the newly created Asia Infrastructure Investment Bank (AIIB).⁸²

The relatively low cost of labor in Bangladesh may make it an increasingly important component of Chinese value chains as China develops its One Belt and One Road initiative. It is reported that Dhaka plans to pursue a multinational consortium to build the Sonadia port.⁸³ China has become involved in large-scale development projects in Bangladesh such as the Padma Multi-purpose Bridge, which is one of Bangladesh's largest infrastructure projects.⁸⁴ China is also one of Bangladesh's key suppliers of military equipment.⁸⁵

Bangladesh became a full member of the Conference on Interaction and Confidence Building Measures in Asia (CICA) at the May 2014 meeting in Shanghai.⁸⁶ The opening of Burma also holds the prospect of further connectivity with the members of the Association of Southeast Asian Nations (ASEAN), although turmoil in the Burmese regions that border Bangladesh are a strong barrier to progress in developing such links.

Bangladesh-U.S. Relations

The United States has long-standing supportive relations with Bangladesh and views Bangladesh as a moderate voice in the Islamic world. Bangladeshis tend to have a very positive view of the United States. According to a 2014 Pew opinion survey, 76% of Bangladeshis had a favorable view of the United States, compared to only 66% of British respondents with a similar view.⁸⁷ The United States and Bangladesh work together on a range of issues, including sustainable development, governance, trade and investment, migration, climate change, and security cooperation.⁸⁸ Washington values Bangladesh's contribution to international peacekeeping and provides economic assistance to Dhaka. The United States engages Bangladesh through an annual Partnership Dialogue, and on security matters through an annual Security Dialogue. U.S. interests in Bangladesh are rooted in its being a secular and pluralist democracy, and in its status as a

⁷⁹ "Dhaka Should Balance Ties with Delhi, Beijing," *Plus News Pakistan*, March 15, 2010.

⁸⁰ "China to Establish \$40 Billion Silk Road Infrastructure Fund," *Reuters*, November 8, 2014.

⁸¹ "China, Bangladesh Pledge to Deepen Comprehensive Cooperative Partnership," *BBC News*, May 25, 2015.

⁸² "China to Invest Nearly USD 900 Billion in Silk Road Projects," *Press Trust of India*, May 28, 2015.

⁸³ Nilanthy Samaranyake, "The Indian Ocean: A Great Power Danger Zone?" *The National Interest*, 2014, <http://nationalinterest.org>.

⁸⁴ "Rest of Asia Joining with China for Development," *Shanghai Daily*, May 27, 2014.

⁸⁵ "\$1b Defence Deal Sealed," *Daily Star*, January 16, 2013.

⁸⁶ "Bangladesh Now a Full Member of CICA," *bdnews*, May 20, 2014.

⁸⁷ "Opinion of the United States," Pew Research Center: Global Attitudes and Trends, 2014.

⁸⁸ Office of the Spokesperson, "Joint Statement of the Third U.S.-Bangladesh Partnership," U.S. Department of State, October 29, 2014.

moderate Muslim-majority nation that makes important contributions to counterterrorism, as well as to regional and global security.

In June 2015, Principal Deputy Assistant Secretary of State Richard Hoagland opined that “the political impasse and negative governance trends in Bangladesh don’t bode well for sustainable growth” in Bangladesh. He also stated that the United States was “focused on finding a long-term solution to the stalemate, a solution that works for all parties.”⁸⁹ Under Secretary of State Wendy Sherman also stated “we remain focused on a long-term solution that accommodates all parties” during the 4th Partnership Dialogue held in May 2015.⁹⁰ The Bangladesh-U.S. Partnership Dialogue seeks to improve the ties between the two nations through cooperation across areas of shared interest. The May 2015 Dialogue held in Dhaka reportedly addressed a broad spectrum of issues including “sustainable development, governance, trade, investment, security cooperation, climate change, migration, scientific and technical cooperation, regional integration, blue economy, energy cooperation, peacekeeping operation, counterterrorism, education, [and] cultural links.”⁹¹ The previous dialogue was held in Washington in October 2014.⁹²

Bangladesh and the United States see a common interest in working to counter extremist Islamists and their ideology, and in promoting shared regional and global security interests. The two countries also share a stated interest in supporting U.N. peacekeeping operations for which Dhaka, as noted above, is the largest contributor of military personnel. As part of its commitment to strengthen Bangladesh’s maritime security capabilities in the Bay of Bengal, in October 2013 the United States transferred the U.S. Coast Guard cutter *Jarvis* to Bangladesh. A second cutter, the *Rush*, was transferred in May 2015.⁹³ The U.S. Pacific Command also engages Bangladesh in Cooperation Afloat Readiness and Training exercises and U.S. Special Operations Command Pacific engages Bangladesh in counterterrorism training.⁹⁴ The third U.S.-Bangladesh Dialogue on Security Issues was held on April 22, 2015. Issues discussed included “maritime security, counterterrorism, disaster risk management, peacekeeping, law enforcement, nonproliferation, joint military exercises and exchanges and other security issues.”⁹⁵ Principal Deputy Assistant Secretary Thomas Kelly has stated “[W]e see Bangladesh as a regional model in terms of counterterror cooperation.”⁹⁶

The United States has been a foreign assistance partner of Bangladesh since 1971. Many observers believe foreign aid is greatly needed in Bangladesh, where an estimated 45 million remain in poverty. Bangladesh has an overall food deficit and it is losing approximately 1% of its arable land each year to climate change and urbanization. The United States partners with

⁸⁹ Principal Deputy Assistant Secretary of State, Bureau of South and Central Asian Affairs, Richard Hoagland, “Developments in South and Central Asia,” June 2, 2015.

⁹⁰ Remarks by Undersecretary of State for Political Affairs, Wendy Sherman, 4th Partnership Dialogue, May 1, 2015.

⁹¹ “Forth Bangladesh-US Partnership Dialogue Ends,” *Daily Observer*, May 2, 2015.

⁹² Office of the Spokesperson, “Undersecretary Wendy R. Sherman Travel to India and Bangladesh,” U.S. Department of State, April 29, 2015.

⁹³ “Coast Guard Cutter Rush Transferred to Bangladesh Navy,” *Coast Guard News*, May 7, 2015.

⁹⁴ Office of the Spokesperson, “Joint Statement of the Third U.S.-Bangladesh Partnership Dialogue,” U.S. Department of State, October 29, 2014.

⁹⁵ Office of the Spokesperson, “U.S.-Bangladesh Dialogue on Security Issues,” U.S. Department of State, April 22, 2015.

⁹⁶ “Joint Press Conference of the U.S.-Bangladesh Dialogue on Security Issues,” U.S. Department of State, April 22, 2014.

Bangladesh on three major development initiatives: Feed the Future, Global Climate Change, and the Global Health initiatives. The Feed the Future program focuses on food insecurity in Bangladesh. In addition to these three key initiatives, USAID provides assistance in a number of other areas. These include supporting democratic institutions, improving local government, fostering economic development and promoting health and education. The USAID also assists Bangladesh in preparing for natural disasters and in addressing gender-based violence, empowering women, and combating human trafficking.⁹⁷

Table I. U.S. Foreign Assistance to Bangladesh
By Account and Fiscal Year (\$s in thousands)

	FY2014 Actual	FY2015 Estimate	FY2016 Request
Development Assistance	81,578	*	92,923
Foreign Military Financing	2,500	*	2,000
Global Health Programs (USAID)	79,500	*	71,200
International Military Education and Training	996	*	1,500
International Narcotics Control and Law Enforcement	2,600	*	2,000
Nonproliferation, Antiterrorism, Demining and related Programs	3,350	*	3,260
PL 480 Title II	34,527	*	36,000
Total	205,051	*	208,883

Source: U.S. Department of State, “Bangladesh,” in *Congressional Budget Justification, Foreign Operations, Annex: Regional Perspectives, Fiscal Year 2014, 2015*, <http://www.state.gov/documents/organization/208291.pdf>.

⁹⁷ USAID, “Bangladesh Country Profile,” <http://www.usaid.gov/bangladesh>.

Figure 2. Map of Bangladesh



Source: Map Resources. Adapted by CRS.

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