

ECONOMIC DIPLOMACY OF BANGLADESH: A FOCUS ON MANPOWER EXPORT

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Abstract

Studies on economic diplomacy of Bangladesh substantiate foreign policy and external economic aspects of the country. These focus little on the nexus between economic diplomacy and manpower export of Bangladesh. What are the dilemmas in Bangladesh's major manpower export destinations? Which sectors, countries and regions could be potential for Bangladesh's manpower export? How could economic diplomacy address the dilemmas as well as the potentials? On what issues, at what levels, with what countries, by what actors and through what instruments, Bangladesh's manpower export oriented economic diplomacy should be advanced? This paper aims to address the questions. In doing so, this paper adopts a framework of economic diplomacy and applies it on a major pillar of economic diplomacy, i.e., manpower export (trade in services), in the case of Bangladesh. This paper finds that meeting gap between achievements and potentials in existing markets, constant mapping of prospective sectors and destinations, examining sources of workers recruited by, policies or structural changes taken by and demographic changes in the host economies are some of the major issues of Bangladesh's manpower export oriented economic diplomacy. Relevant actors by prioritising states at multiple-levels should exercise effective economic diplomacy to facilitate the sector.

INTRODUCTION

Economic diplomacy works at multiple levels with multifaceted economic aspects.¹ There are scholars who tend to look at economic diplomacy from the perspectives of what it entails or what it is for; what are its stages, phases or practical components; what tools it uses; what are its tensions and successful ingredients and so on. Some experts link it with trade in goods, while a few blend it with Foreign Direct Investment (FDI) and Official Development Assistance (ODA). Pertinent as these are, there may be cases where economic diplomacy is more in demand to cater to specific requirements that a country may consider to be of great economic interest. In the case of Bangladesh, e.g., manpower export appears to be one such specific area.

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¹ Peter A.G. van Bergeijk, Jan Melissen and Maaike Okano-Heijmans (eds.), *Economic Diplomacy: Economic and Political Perspectives*, Leiden: Martinus Nijhoff Publishers, 2011.

Bangladesh is an icon of top remittance receiving economies in the world. Growing remittance inflow relies on steady outflow of manpower. It thus should be the mandated responsibility of economic diplomacy of Bangladesh to secure consistent flow of its manpower export. Existing literature on economic diplomacy of Bangladesh usually include external economic aspects of the country. Manpower export oriented issues are discussed in some of the literature, though not with a particular wide-ranging focus. On what issues, at what levels, with what countries, by what actors and through what instruments, Bangladesh's manpower export oriented economic diplomacy should be advanced? Such explicit questions are yet to be studied. This paper is an attempt to address the research gap.

This paper adopts a framework of economic diplomacy given by Saeed Khatibzadeh.² The framework is consisted of five components: issues, actors, levels and instruments of economic diplomacy and countries with whom to practice economic diplomacy. As the components are qualitative and have causal relations with politico-economic institutions, the framework is adopted and applied on a major pillar of economic diplomacy, trade in services i.e. manpower export.³

This paper reveals that mapping of potential destinations and sectors, examining sources of workers recruited by, policies or structural changes taken by and demographic changes in the host economies, exploring traditional major markets further, introducing ladderisation system, focusing on time-bound special amnesty, working on the causes of ineffectiveness of the Government-to-Government (G2G) system, increasing promotional activities, addressing the woes of female migrants and restoring Bangladeshi workers' images are some of major issues of Bangladesh's manpower export oriented economic diplomacy. Dealing with the issues largely depends on how well relevant actors of Bangladesh's manpower export sector at multiple-levels can engage and deepen relations with migrants-dependent traditional and potential countries. It is thus crucial to prioritise countries while setting up of short- and long- term practical targets as well as to exercise several instruments of economic diplomacy in order to facilitate Bangladesh's overseas employment sector.

This paper is structured as follows. Section two reviews literature. Section three explains different aspects of Bangladesh's manpower export sector. Section four addresses dilemmas in Bangladesh's major manpower export

² Saeed Khatibzadeh, "Iran's Economic Diplomacy: An Assessment of Iran Economic and Trade Cooperation with Japan, China and South Korea", *V.R.F. Series No. 417*, 2006, available at <<http://www.ide.go.jp/English/Publish/Download/Vrff/pdf/417.pdf>> (accessed on 26 December 2011).

³ Mohammad Jasim Uddin, "Conceptualising Economic Diplomacy", *BISS Journal*, Vol. 36, No. 2, 2015, pp. 133-150.

destinations and tasks for economic diplomacy. Section five identifies potential destinations and sectors as well as tasks for economic diplomacy of Bangladesh. Section six applies Khatibzadeh framework of economic diplomacy in the case of Bangladesh's manpower export sector. Section seven ends the paper with concluding remarks.

LITERATURE REVIEW

There are studies on economic diplomacy of Bangladesh. Tajuddin⁴ discussed how vital economic diplomacy was immediately since Bangladesh's independence. Shafiullah⁵ generalised important aspects of Bangladesh's economic diplomacy. Hasan⁶, Haq⁷ and Singh⁸ focused on linking economic diplomacy with foreign policy of Bangladesh. Absar⁹ detailed economic diplomacy of Bangladesh in the World Trade Organization (WTO) era. Hussain¹⁰ identified nexus between economic diplomacy and Bangladesh foreign policy as well as explained how important Southeast and East Asia would be for the country's economic and trade diplomacy. Abdin¹¹ revealed that foreign policy of Bangladesh should give special emphasis on its economic diplomacy to dig up geo-strategic and geo-economic platforms in taking advantages of forthcoming multilateralism. It would help Bangladesh mobilise inward FDI, avail modern technical and technological know-how, boost trade and receive inbound ODA. Rashid¹² supported the arguments of Abdin and also argued how important economic diplomacy in the coming decades would be for Bangladesh in negotiating complicated global economic issues.

⁴ Mohammad Tajuddin, "Diplomacy of Bangladesh in the Formative Phase", *BISS Journal*, Vol. 19, No. 1, 1998, p. 68.

⁵ M Shafiullah, "Economic Diplomacy and Bangladesh Syndrome", *The Independent* (Dhaka), 27 December 2001.

⁶ A. Al Hasan, "Economic Foreign Policy (Diplomacy): Perspective Bangladesh – A New Concept", an unpublished paper from Defence Services Command and Staff College, Bangladesh, 2002.

⁷ M. S. Haq, "Economic Diplomacy and Bangladesh", *The Independent* (Dhaka), 18 June 2002.

⁸ Narendra Kr. Singh, *Bangladesh Diplomacy and Foreign Policy*, New Delhi: Anmol Publications Pvt. Ltd., 2003.

⁹ Syeda Sharmin Absar, "Economic Diplomacy for Bangladesh: A Prescription for Less Developed Countries in the World Trade Organisation Era", *Journal of South Asian Studies*, Vol. 26, No. 3, 2003, pp. 349-57.

¹⁰ Akmal Hussain, "Bangladesh's New Foreign Policy Direction in Southeast and East Asia: Perspective and Goals", *Journal of International Development and Cooperation*, Vol. 12, No. 1, 2005, pp. 1-14.

¹¹ Md. Joynal Abdin, "Economic Diplomacy", *The Daily Star* (Dhaka), 31 August 2009.

¹² Harun ur Rashid (ed.), *Bangladesh Foreign Policy Realities, Priorities and Challenges*, Dhaka: Academic Press and Publishers Library, 2009.