

From New Delhi By Ramtanu Maitra

Bangladesh sets the ball rolling

The Dhaka summit has raised fresh hopes that India, Pakistan, and Bangladesh may cooperate effectively.

The summit of heads of state of Bangladesh, India, and Pakistan, held in Dhaka, Bangladesh, on Jan. 15-16, was a personal triumph for Bangladeshi Prime Minister Sheikh Hasina Wazed. Her success in hosting the summit under trying circumstances has not only demonstrated Bangladesh's coming of age as one of the policymakers on the subcontinent, but has also put forward Sheikh Hasina Wazed as the only South Asian leader with far-sighted vision.

The summit, billed as a business summit, covered vast amounts of new ground. To begin with, India, Pakistan, and Bangladesh reaffirmed their goal to set up tariff-free trade in South Asia by the year 2001. The importance of building a modern transport network, one that could promote intra-regional trade, and link the subcontinent with the East and the West, was also a major topic of discussion.

Also, Indian Prime Minister I.K. Gujral and Pakistani Prime Minister Mian Nawaz Sharif have cleared the path for resuming bilateral talks to resolve the existing conflicts between the two nations. As a gesture, Prime Minister Gujral has offered to double the number of freight trains to Pakistan a month from 10-15 at present, to one every day. Responding to Gujral's offer, Prime Minister Nawaz Sharif said: "Mr. Gujral suggested one train a day. Why not two to three trains a day from India to Pakistan and vice versa?"

Gujral's offer and Nawaz Sharif's response encapsulates the growing demand within each country to enhance trade with its neighbor. It is evident

that while trade normalization will help to ease tensions between India and Pakistan, it is the resolution of territorial conflicts that would further long-term cooperation and real economic development on the subcontinent. In this context, views expressed by Pakistani Chief of Naval Staff Adm. Fasih Bokhari, in a recent interview with the *Defense Journal*, a strategic publication based in Islamabad, are a clear indication.

"In the long-term, I would be the first to say that Pakistan must integrate its economy with the other countries in the region. There is no reason why we should remain isolated from the economic development of this region, that includes India. I would like to see India and Iran trading across our soil; Central Asia and India trading across our soil, because that is a part of integration into the region which gives our neighbors a stake in our security," wrote Admiral Bokhari.

While Admiral Bokhari's statement indicates a growing lobby at a very high level, yearning for closer economic and social ties and the establishment of security interdependence between two neighboring countries, what is perhaps of equal importance is the emergence of Bangladesh as a key director of future developments in South Asia.

The summit was scheduled for Nov. 23, 1997, but was postponed at the request of the Pakistani Prime Minister. At the time, the governments in both New Delhi and Islamabad seemed shaky and vulnerable. Although the government of Prime Min-

ister Nawaz Sharif has become marginally more stable now, India, which will elect a new government in early March, is now run by a lame-duck government headed by Prime Minister Gujral. In addition, both the Indian and Pakistani economies are in dire straits. Besieged by domestic and economic problems, neither Gujral nor Nawaz Sharif has been keen to initiate fresh moves. It is entirely to Sheikh Hasina Wazed's credit that the summit took place. It is also important that the summit could promise fresh hopes, at a time when financial gloom and doom has spread far and wide throughout Asia.

The reason behind the Bangladesh Prime Minister's growing confidence is the economic performance of her country during the last two years. The most important ingredient of which centers around new findings of natural gas in the coastal regions of Bangladesh. In recent years, British and American companies, exploring for oil and gas, have estimated that gas reserves in Bangladesh are close to 120 trillion cubic feet, indicating a twelve-fold increase in estimated reserves over the years. Foreign investments to the tune of \$200 million have been made in the oil and gas sector in the first six months of 1997. And, the U.S. Ambassador to Bangladesh, John Holtzman, estimates that the American investment in Bangladesh could rise to \$1 billion in the next three years.

The gas findings and growing foreign direct investments have opened up doors for industrial and infrastructural development in Bangladesh. Prime Minister Hasina Wazed has made it clear that unless the other two major countries in the subcontinent participate effectively in the transnational infrastructure and energy developmental plans, the true potential of Bangladesh's development can never be fully realized.