

BANGLADESH

GENERAL INFO

Bangladesh is surrounded by India except for the portion touching Myanmar and the Bay of Bengal. It has an area of 144,555 sq. km. The population is 106.5 million, growing at 2.4% p.a.. 85% of the population is Moslem, 12% are Hindu and the rest are Christian, Buddhist, or animist. Bangla (Bengali) is the official language, and is spoken by 98% of the population. English is spoken in business circles.

Bangladesh was created from the partition of India by the British in 1947. Known as East Pakistan, in 1971 it separated to become Bangladesh.

POLITICAL AND ECONOMIC SITUATION

Bangladesh is a constitutional republic. General Ershad assumed power in 1982 and the Presidency in 1983. The return of civilian rule and elections held in 1986 confirmed him as President for the Jatiya (National) Front party. The Prime Minister is Moudud Ahmed. Bangladesh returned to civilian rule in 1986.

The per capita income is \$170 U.S., making Bangladesh one of the poorest LLDC's. The economic base is agricultural, and subject to disruptions from flooding and drought. President Eshad's economic policies have centered on the achievement of self-sufficiency in food production, privatization of the industrial sector, diversification of the economy, and a reduction of the birth rate. Modest success has been achieved despite several natural disasters. Recently President Ershad has introduced a "New Industrial Policy" to encourage labour-intensive non-traditional exports.

Foreign debt is \$8.85 billion, with debt servicing at 23%. Bangladesh's trade deficit is \$1,176 million. Bangladesh's major exports of jute, jute products, garments and frozen seafood do not cover its imports which are primarily food. Real growth is 2.5%.

FOREIGN RELATIONS

Bangladesh's relationship with India is its most important. Bangladesh has a Joint River Commission on water sharing with upstream riparian India.

Bangladesh is a member of the UN, the Commonwealth, the Organization of the Islamic Conference, the NAM and SAARC. President Ershad hosted the first meeting of SAARC in Dhaka in December of 1985. Bangladesh has maintained a high profile on North/South issues. While a member of the non-aligned movement, Bangladesh follows a moderately pro-Western policy.

Bangladesh's major trading partners are the USA and Japan.

BILATERAL RELATIONS

Canada's relations with Bangladesh are very good, largely due to our aid programme and our reputation as being a good and close friend since 1971. Bangladesh is the largest recipient of Canadian aid. Prime Minister Trudeau visited Dhaka in November 1983. The visit to Canada in June 1983 of the Bangladesh Energy Minister, Sultan Mahmood, generated interest among Canadian exporters. In February 1987, Joe Clark became the first Canadian Secretary of State for External Affairs to visit Bangladesh. President