

Analysis

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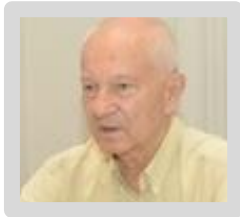
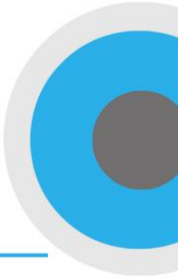
Hassina out, Yunus in

Implications of the revolution in Bangladesh

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On August 5th, widespread social protests in Dhaka escalated into powerful demonstrations against Prime Minister Sheikh Hasina, who has ruled Bangladesh for 15 years. Facing extreme pressure and fearing for her life, she fled the country for India. Under the leadership of an interim government headed by Professor Mohammad Yunus, Bangladesh is now attempting to transition from an authoritarian regime to a democracy. Free elections are scheduled for the near future, but the situation remains volatile.



Bangladesh is a nation that seldom captures international attention. News from this part of the world rarely makes global headlines, typically surfacing only in the context of political unrest or natural disasters. However, this summer, Bangladesh became a focal point of international interest due to the revolution that resulted in a regime change.

The uprising began with mass protests. Initially, the people demanded reforms to Hasina's government and fair elections. However, the demonstrations quickly spiralled out of control as Dhaka's streets were overtaken by angry crowds. Protesters advanced toward the Prime Minister's residence, prompting Sheikh Hasina to flee the country by helicopter. Under the leadership of General Waker uz-Zaman, the military facilitated the formation of a civilian interim government.

Nahid Islam, a sociology student at the University of Dhaka and a designated spokesperson, informed the media that the violence stemmed from widespread frustration over "the destruction of the country through injustice and the unprecedented theft of state resources." The students called for Dr. Muhammad Yunus, a renowned economist and Nobel Peace Prize laureate, to serve as Chief Advisor to the interim government. Dr. Yunus is well-known for pioneering microfinancing initiatives for small-scale farmers, both in Bangladesh and internationally. He released opposition leader Khaleda Zia from custody and invited young student leaders and human rights activists to join the interim administration.

Professor Yunus is now tasked with stabilizing the country and guiding it toward free elections by the end of 2024. However, the situation remains precarious. Sheikh Hasina and her son continue to encourage their party, the Awami League, to resist and compete in the upcoming elections. Thousands of people who benefited from Hasina's regime are reluctant to relinquish power. Additionally,



pro-Muslim sentiments are on the rise, while public opinion of India—perceived as a supporter of Hasina’s rule—continues to deteriorate.

East Pakistan

The partition of the Indian subcontinent in 1947 by the British, in collaboration with Indian independence leaders, was intended to resolve Hindu-Muslim tensions—tensions that had been carefully manipulated by the British Empire during colonial rule. From London’s perspective, the partition achieved its objective, however, leaving behind a deep-seated wound that would fester for decades. The resulting division created two antagonistic neighbours: Muslim-majority Pakistan and secular India. This partition sparked widespread violence, with millions of lives lost on both sides, and the tensions have only intensified over time.

Pakistan itself was a divided nation, consisting of West Pakistan, primarily inhabited by Punjabis, and East Pakistan, home to Bengalis. These two regions were separated by India, with no land connection between them. Sheikh Mujibur Rahman, a student activist in the Muslim League of East Pakistan, strongly believed that his country shared a cultural and linguistic affinity with India’s Bengali-speaking population. Unsurprisingly, his party, the Awami League, found support from the Indian government.

In 1971, following a successful military coup backed by the Indian army, East Pakistan became the independent state of Bangladesh, with Dhaka as its capital. Bangladesh's emergence, under dramatic and violent circumstances, was driven in part by the aspirations of the growing middle class in East Pakistan, which sought to escape the dominance of West Pakistan’s Islamabad-based government.



Politically, the country became divided between the Awami League and the Bangladesh National Party (BNP), the two primary political forces. However, actual power often lay with the military, many of whose members were sympathetic to political Islam, mirroring the influence of Islam in Pakistani politics.

Mujibur Rahman's ideas deeply polarized Bangladeshi society. In 1975, he was assassinated at his home along with most of his family, with the exception of his two daughters, Sheikh Hasina and Sheikh Rehana, who were abroad at the time. India's Prime Minister, Indira Gandhi, provided protection for the sisters and facilitated their return to Bangladesh in 1981. This marked the beginning of Sheikh Hasina's long political career, during which she took leadership of the Awami League.

From Military Rule to Civilian Government

From its founding in 1971, Bangladesh was largely governed by the military, whose influence extended beyond politics into key industries such as textiles—the country's most lucrative sector, accounting for 83% of its exports. The military, consisting of approximately 200,000 personnel, played a critical role not only in maintaining security but also in managing civil affairs. Its economic influence spanned real estate, hotels, banking, and even shipbuilding, making the army a dominant force in both political and economic life.

It wasn't until 1991 that the first civilian government was established, following the country's first free elections. This government was formed through an alliance between the Awami League, led by Sheikh Hasina, and the Bangladesh National Party, headed by Khaleda Zia. Khaleda Zia became the first female prime minister



of Bangladesh, serving until the next election in 1996, when the Awami League emerged victorious and Sheikh Hasina assumed the role of prime minister until 2001.

In the years that followed, the BNP and Zia governed until the December 2008 elections, after which Hasina regained power. Since January 2009, she has held the position of prime minister continuously, marking a long and influential tenure. During periods when the BNP was in power, Hasina led the opposition, and her ongoing leadership has been a defining feature of Bangladesh's political landscape.

Promising Economy

Bangladesh has long been known for its textile industry, a legacy dating back to colonial times. Even today, the country remains famous for producing beautiful, affordable, and high-quality fabrics that are admired worldwide. However, the low cost of production has historically come at the expense of severe exploitation of workers in the textile sector. Global media outlets have frequently drawn attention to the inhumane conditions in which these workers toil, portraying a reality that is said to rival the harshest aspects of the colonial era.

Before Sheikh Hasina's fall, economic indicators for Dhaka were largely positive. Since joining the South Asian Association for Regional Cooperation (SAARC) in 1985, Bangladesh had thrived within the group, which seeks to foster peace, security, and economic cooperation among South Asian countries, akin to ASEAN in Southeast Asia. The goals of SAARC include promoting free trade, equitable development, and regional prosperity.



For decades, Bangladesh and India were each other's key trading partners. Bangladesh often enjoyed a trade surplus within the SAARC region, exporting more goods than it imported. By 2022, Bangladesh ranked 54th in the world's largest exporters according to the Economic Complexity Index. However, Transparency International frequently listed the country among the most corrupt in the world, underscoring its persistent governance challenges.

Bangladesh's economic trajectory showed promise, with the Asian Development Bank (ADB) projecting GDP growth of 6.1% in 2024 and 6.5% the following year—outperforming many of its South Asian neighbors, including Pakistan, Sri Lanka, the Maldives, Bhutan, and Nepal, though still behind India's 7% forecasted growth. Inflation, however, was expected to rise to 8.4% in 2024, while GDP per capita was predicted to grow by 5.7%.

International organizations have highlighted Bangladesh's progress in reducing poverty, projecting that by 2026, the country would leave behind the United Nations' Least Developed Countries (LDC) list. Reports cited a decrease in poverty from 11% in 2010 to 5% in 2022, along with improvements in infant mortality, literacy rates, and access to electricity—key indicators of development.

During Sheikh Hasina's early years in power, Bangladesh experienced significant economic growth and poverty reduction, earning a reputation as a rising success story in South Asia. However, she struggled to address entrenched issues such as unemployment and corruption, which remained major obstacles for the nation.



Revolution and Political Upheaval

Throughout Hasina's tenure, especially during periods when the Bangladesh National Party (BNP) and its popular leader Khaleda Zia were in power, she faced numerous accusations, including criminal charges. Despite an extensive list of allegations, these did not impede her political career. Social unrest occasionally erupted, but such uprisings were brutally suppressed, resulting in numerous casualties among opposition figures.

The most recent upheaval, particularly in Dhaka, was ignited by student protests, which were soon joined by opposition groups, including the BNP, Jamaat-e-Islami, smaller political factions, and ordinary citizens. One key grievance was the policy reserving 30% of public administration jobs for veterans of Bangladesh's independence struggle. Hasina refused to revoke this policy, arguing that removing the veterans' privilege would pave the way for Islamists and opposition members to infiltrate government offices. She consistently regarded Islamist groups as her personal adversaries, linking them to Pakistan and its influence.

The protests in Dhaka were marked by significant violence, with reports estimating over 600 fatalities in the capital alone. At a critical juncture, security forces refused to further escalate the crackdown, compelling Hasina to flee the country. She quickly boarded a military aircraft and sought refuge in India, just as an angry mob began looting her residence.

In a symbolic act of rebellion, the protesters toppled the statue of Sheikh Mujibur Rahman—Hasina's father, affectionately known as "Bangabandhu" (Friend of Bengal) and the founding father of Bangladesh. Those who dismantled the statue seemed to have disregarded his historical contributions to the nation's independence, driven instead by their frustrations over the hardships endured



during Hasina's rule. Meanwhile, Hasina herself faced accusations of contribution to political murders, corruption, and other serious offenses, ironically echoing the charges once brought against those responsible for her father's assassination.

The chaos and confusion triggered by the coup, tested Bangladesh's economic and social resilience, exacerbated by the country's deep-seated religious tensions. Historically, the Hindu minority has often been targeted during political upheavals by the Muslim majority. Following Hasina's departure, a new wave of violence erupted, with radical Islamist groups attacking businesses, homes, and temples belonging to Hindus and members of the Awami League. Many Hindus fled to India, fearing for their safety.

In response, Dr. Mohammad Yunus, the interim government's chief advisor, contacted Indian Prime Minister Narendra Modi to assure him that efforts were being made to protect the Hindu population in Bangladesh.

For many years, Bangladesh's economic narrative, largely built on its textile exports, appeared optimistic, and this perception was reinforced by international agencies like the ADB and IMF. However, the political instability following Hasina's fall has led to a reassessment of the country's economic outlook as the situation begins to stabilize.

The Bhattacharya Commission, established by Professor Yunus to investigate Hasina's financial practices and governance, has already uncovered significant evidence of corruption and financial misconduct. The commission has revealed an unprecedented national debt exceeding three times the country's GDP. Sheikh Hasina's legacy, once defined by her political dominance, now faces significant scrutiny as these revelations come to light. Bhattacharya has remarked that the situation in Bangladesh is far from unique, reflecting a broader pattern seen in other countries where a departure from pluralism and democratic accountability



leads to the consolidation of power by a single faction—a trend that has characterized Bangladesh's political landscape in recent decades. Hasina had long been accused of corruption and abuse of power, allegations that now may seem increasingly validated.

International Consequences

The recent events in Bangladesh fit into the larger geopolitical context of the emerging U.S.-China rivalry in the Indo-Pacific region. Observers in Asian media have linked the turmoil in Dhaka to Washington's renewed strategic focus on ASEAN countries and the broader Indo-Pacific. Ethnic tensions within the ASEAN region are now being exploited in the ongoing U.S.-China power struggle. This dynamic is particularly evident in Myanmar, where the National Army of the Democratic Alliance of Shan Ethnicities recently captured a government military base in Lashio, near the Chinese border. The Shan ethnic group, long in pursuit of self-determination, not only challenged the Burmese military junta but also disrupted a vital Chinese trade route that runs through Lashio to Mandalay and on to Myanmar's ports, where China has been strengthening its military presence.

Bangladesh has been an important trading partner for China in recent years, with Beijing significantly increasing its influence through infrastructure investments across the region, from Sri Lanka to Myanmar and the Indochinese Peninsula. China supported Sheikh Hasina's government due to the political stability and economic growth under her leadership. In response to her ousting, China has adopted a cautious stance, expressing hope for a peaceful resolution. On August 5th, China's Global Times called for cooperation between India and China on regional matters to ensure that both nations maintain their status as global powers.



India's Reaction

The downfall of Sheikh Hasina's government presents a significant challenge for India, especially as Hasina sought refuge in the country. However, her position in India is precarious due to a bilateral extradition treaty between Bangladesh and India, which mandates the return of individuals accused of serious crimes. Hasina now faces accusations of political murders and corruption in her home country—charges that ironically mirror those once brought against her father's assassins.

For Indian Prime Minister Narendra Modi, Hasina's presence in India is a complex issue. The Indian government has long been closely allied with the Awami League, the party founded by Hasina's father, Mujibur Rahman, and led by her until recently. Relations between India and the Bangladesh National Party (BNP) have historically been strained, as the BNP's leadership has maintained emotional ties with Pakistan, conflicting with India's strategic interests.

The India-Bangladesh relationship has often been tense, particularly due to border disputes and disagreements over the management of the Ganges River. India has accused Bangladesh of harbouring terrorist groups that operate in India's northeastern states, while Bangladesh has similarly pointed to Islamist groups based in India's Assam and West Bengal regions, such as Jamaat-ul-Mujahideen Bangladesh (JMB), as threats to its national security.

Despite these tensions, the Awami League's secular ideology provided a foundation for political dialogue between the two nations, even during periods of crisis. With the Awami League no longer at the forefront of Bangladesh's politics, India must reassess the emerging power vacuum in its neighbour. The BNP, now poised to gain influence, has already begun to signal its desire for strong ties with India. On August 29th, Amir Khasru Chowdhury, a key BNP leader responsible



for foreign relations, told the Hindustan Times that Bangladesh seeks robust bilateral relations and urged Indian policymakers to reconsider their approach of favouring the Awami League over other political forces in Bangladesh.

Conclusion

Over the years, Bangladesh has developed a distinct national identity and regards itself as a democratic state, primarily because of its regular parliamentary elections and the existence of political parties. The recent upheaval in Bangladesh, while having the hallmarks of a military coup, was framed as a response to widespread social discontent and student protests. By establishing a civilian interim government, the country's leadership avoided the risk of facing international economic and political sanctions.

The appointment of 84-year-old Dr. Muhammad Yunus as interim Prime Minister signalled to the United States and the international community that Bangladesh was considering political reforms aimed at further democratization. This call for democratic reforms in Bangladesh resonated beyond its borders, as seen in Thailand, where the Supreme Court banned the Move Forward Party, fearing that it might inspire student-led demonstrations similar to those in Dhaka.

The instability in Bangladesh also has broader regional implications, particularly for India's strategic infrastructure projects. India's "Act East" policy, which seeks to enhance connectivity from its northeastern states of Assam and Meghalaya through Myanmar to the Indochinese Peninsula and to Vietnam's ports, could be threatened. The fall of Sheikh Hasina represents a significant challenge to this policy and serves as a cautionary tale for India about the volatility of the region.



For decades, Western governments have urged Asian nations, often entrenched in autocratic traditions, to embrace democratic reforms and uphold human rights, using these issues to exert influence. Bangladesh, which embarked on this path toward democratization some time ago, now has the potential to move further in this direction. However, the initial calm following the coup does not guarantee that true democratic practices will take root. The country faces a difficult road ahead in translating the momentum of change into lasting political reforms.

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