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Better connectivity can lead to greater trade expansion both in Bangladesh and India

- Dr. Atiur Rahman

The fallouts of the pandemic and Ukraine-Russia war call for deeper trade cooperation between Bangladesh and India in the context of the growing macroeconomic challenges in South Asia. Former Governor of Bangladesh Bank said this while giving a special lecture on 'Regional Connectivity for Indo-Bangladesh Trade Expansion' yesterday (15 July 2022) at Jadavpur University Campus, Kolkata. The event was jointly organized by Kolkata Society for Asian Studies and Department of International Relations, Jadavpur University. The event was chaired by Professor S. B. Chakrabarti, the president of the society. Mr. Andalib Elias, Deputy High Commissioner of Bangladesh in Kolkata graced the occasion as an honored guest.

Dr. Rahman pointed out that despite enormous potential for regional trade cooperation, South Asia remains one of the least economically integrated regions of the world mainly because of high cost of not having better connectivity. The South Asian intra-regional trade accounts for only 5 percent of the region's total trade, he said. The ratios for East Asia and Sub-Saharan Africa are 50 percent and 22 percent respectively. While bilateral trade between India and Bangladesh has been increasing commendably in the recent years reaching USD 11 billion in 2021-22, Bangladesh's export to India can grow by 300 percent if it could fetch 1 percent of India's imports. Dr. Rahman emphasized that a well-established transport network between the two countries would further bolster trade and investment with significant impact on the economic growth and social development in both the countries.

Unprecedented level of willingness to cooperate between the two countries by their political leaderships has already created a very strong ground for faster trade expansion, said Dr. Rahman. He also opined that both countries are now engaged in development of infrastructures needed for deeper trade cooperation. The recent opening of the Padma bridge has raised new hope of not only reestablishment of old rail links between the two countries but also paved the way for reducing both time and cost of transportation of goods. He, however, cautioned that multi-modal connectivity could deliver the trade benefits only if many of the on-going infrastructure projects were implemented on time defying the bureaucratic hurdles. He hoped that intensification of track-II diplomacy highlighting 'people first' strategy might help expedite the implementation of the planned connectivity related infrastructures in both the countries. Mr. Andalib echoing Dr. Rahman pointed out that both countries are engaged in positive dialogues for developing better connectivity to expand trade and investment. He also said that the Padma Bridge is a symbol of deeper mutual relationship between India and Bangladesh. Professor Chakrabarti also welcomed the track-II diplomacy in his presidential address for greater good of the citizens of both the countries.

Dr. Rahman is expected to deliver two more special lectures on the same topic during this tour in Kolkata- one at the Indian Maritime University, Kolkata Campus (on 16 July 2022) and another at Kolkata Press Club (on 17 July 2022).