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REMARKS BY
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SEMINAR ON THE U.S.-BANGLADESH RELATIONSHIP
BRAC UNIVERSITY AUDITORIUM, DHAKA
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Vice Chancellor Ainun Nishat, Professor Mamun Rashid, Mr. Mustafizur Rahman, Executive Director of the Centre for Policy Dialogue, Mr. Anisur Rahman Sinha, Chairman of Sinha Group, Faculty Members, and, most especially, The students of this wonderful university.

As I look about me, I see a great workshop, a huge, bustling workshop ... not in the sense of a seminar or talk shop, but in the literal sense ... meaning a place where work is being done ... I see the craftsmen, designers, entrepreneurs, builders of the New Bangladesh, the Middle-Income Bangladesh, the Sonar Bangla, the next Asian Tiger, the Royal Bengal Tiger. What an august gathering ... what a beautiful sight ...

I hope you can appreciate how pleased and honored I am to be here today with you ... to be here today face-to-face with the very people who are preparing now to build the Bangladesh of tomorrow. This is a most rare privilege, and I am most grateful.

Here's my plan of attack for this afternoon: First, I would like to review the diplomatic, political and economic/commercial relationship between America and Bangladesh. Then, I would like to shift focus and define my vision of Bangladesh as the next Asian Tiger.

Let me start at the beginning: Bangladesh matters deeply to America for many reasons. Bangladesh is a moderate, tolerant, secular, and democratic alternative to violent extremism in this troubled region. This matters to America. As Bangladesh strengthens its ties with its neighbors – India, Nepal, China, Myanmar – it fosters stability in this region, and this matters to America. As the largest contributor of soldiers and policemen and women to international peacekeeping operations, Bangladesh promotes global peace, and this matters to America. Bangladesh is the seventh largest nation in the world, so its ability to feed itself is essential to global food security, and this matters to America. Our trade relationship is growing as

Bangladeshi exports to America continue to expand, exceeding \$5 billion last year; meanwhile, America's exports to Bangladesh doubled last year, crossing the \$1 billion dollar and creating 9,000 – 10,000 jobs in America, and this matters to America.

I suggest that America matters to Bangladesh as well. America is Bangladesh's largest single export market, Bangladesh's largest foreign investor, Bangladesh's third largest source of remittances, and Bangladesh's second largest bilateral development partner. I will leave it to my Bangladeshi friends to explore this dimension further.

In this context, the relationship between America and Bangladesh has never been stronger nor broader, encompassing now an unprecedented scope and breadth of engagement. The past 12 months alone have witnessed amazing strides in deepening an already close and productive bilateral relationship. In May, Secretary Clinton visited Bangladesh. She came to celebrate the richness and success of America's partnership with Bangladesh. She came to institutionalize this partnership so it would endure long after her own departure from office. To this end, Secretary Clinton and Foreign Minister Dipu Moni, under the approving eye of Prime Minister Sheikh Hasina, signed an agreement to establish a Partnership Dialogue to review the relationship annually to ensure that it is advancing the best interests of both America and Bangladesh.

The first Partnership Dialogue took place September 19-20 in Washington, and it was a tremendous success. It assessed the strategic direction of our relationship and set focus areas and goals for the coming year.

Already the Partnership Dialogue is adding to our burgeoning relationship. Let me cite just a few examples:

- Last month a delegation came from America to launch an energy dialogue to explore how America can best support Bangladesh's energy challenges. This week a Bangladesh team is inspecting a retired U.S. Coast Guard Cutter that I hope will next year become the largest ship in the Bangladesh Navy.
- To help Bangladesh better prepare for cyclones, floods and tidal surges, our partnership continues to build cyclone shelters, including a string of coastal crisis management centers that are designed to survive cyclones and provide immediate damage assessment and rescue needs.

- In the coming months, USAID is ramping up staff and other resources, which are now over \$200 million a year, our largest development program in Asia, outside of Afghanistan and Pakistan. America works hand in hand with the Ministry of Agriculture to support Bangladesh's ongoing agriculture revolution. We also help Bangladesh slash maternal and child mortality rates, reduce the burden of tuberculosis and HIV/AIDS, enable Bangladeshis to have the family size they want, thus reducing the fertility rate to near replacement level, and protect the environment and mitigate the effects of climate change.
- Recognizing that Bangladeshi women are entrepreneurial pioneers, we have selected Dhaka as the site of a major conference next month of women entrepreneurs from across the region.
- The Partnership Dialogue included discussions on labor issues and the challenges these concerns pose to Bangladesh's RMG and household textile exports to America. We discussed how an International Labor Organization Better Work program in Bangladesh could enhance the Bangladesh brand, thus enabling Bangladesh to further expand its RMG exports.

I could go on for an hour detailing the constructive partnership between America and Bangladesh, but I think I have made my point: the relationship is excellent and ever growing. I'd like now to give an update of major developments in the economic/commercial relationship between America and Bangladesh.

In July, Chevron announced plans to invest \$500 million to expand gas production to help Bangladesh meet energy and power demand. Last month, Jeff Immelt, the Chairman of General Electric, the world's third largest company, visited Bangladesh to sign contracts for two power projects and explore additional opportunities. He came not to earn frequent flyer miles but because GE sees great potential for its business to grow in this emerging economy. Meanwhile, another huge American company, Conoco-Phillips, is investing in offshore exploration for natural gas. Last year, Boeing delivered two brand-new 777 aircraft to Biman Bangladesh, and it is working on the deliveries of two more ... these planes are key to Biman's plans to restore flights to the U.S. Legendary American investor Martin Trust visited Bangladesh in October to join Ananta Group and other foreign partners in launching several

factories that are producing high end sweaters and suits. These investments by a leading U.S. garment industry investor are a powerful sign of confidence in Bangladesh's future. This list of America's economic engagement with Bangladesh goes on, but I must move on, too.

I am often asked why I am so optimistic about the future of Bangladesh, why I believe that Bangladesh could be and, in my mind, should be the next Asian Tiger. If I had to answer that question with only a single word, that word would be "entrepreneurship." . I can say with some authority as I have already visited about half of the country's 64 districts, Bangladesh and its people have an entrepreneurial spirit like no other country that I know.

Bangladeshi entrepreneurship in the RMG and household textile sectors is already well known, so I need not elaborate, but I hope that you – like me – are dazzled to think that within one generation, Bangladesh has become the world's second largest exporter of RMG and household textiles, and, in my view, should become the largest exporter in both.

Bangladeshi farmers are amazing. Bangladesh is undergoing an agriculture revolution and has already become rice self-sufficient and within in a decade, in my view, could be food self-sufficient, as I mentioned earlier. In Mymensingh I saw an ocean of jackfruit, in Tangail, an ocean of pineapple, in Bogra, oceans of cauliflower, bananas, and radishes, in Dinajpur and Rajshahi, oceans of paddy, in Panchagarh, wondrous tea and a productive jute mill, in Khulna, beautiful Tiger Prawns ...

And there is more to the agricultural revolution. At the Bangladesh Agricultural Research Institute (BARI), Bangladesh scientists have used biotechnology to develop strains of eggplant and potato that are disease resistant ... and the result has been healthy plants, improved yields and reduced need to spray the plants. In Mymensingh at the Bangladesh Agricultural University's germplasm center, the second largest in the world, researchers are developing dwarf fruit tree varieties that require less space, produce harvests quickly, are shorter and therefore easier to harvest, and can be grown by those with minimal access to land. And two young Bangladeshis recently won the State Department's Global Innovation through Science and Technology (GIST) competition by presenting a new building material called Jutin (made of jute fiber and resin) that can be used to build affordable housing.

I believe that Bangladesh could become a major global player in the production of generic pharmaceuticals. I visited Incepta Pharmaceuticals and Eskayef and discovered that each is a

state of the art pharmaceutical drug production plant, as professional and more modern than any U.S. pharmaceutical plant.

Leather is yet another frontier of the Royal Bengal Tiger. Bangladesh is already starting to develop a world-class footwear industry with companies like Apex-Adelchi attracting partners from Italy and China to expand exports of leather footwear products.

Information Technology is another frontier that will help give birth to the Royal Bengal Tiger. As I meet young Bangladeshis, I am struck by how many bright young students are involved in starting information technology businesses despite constraints like limited bandwidth and no access to international payment platforms like PayPal. Bangladeshi entrepreneurs are developing innovative software applications to improve public health or increase agricultural productivity by providing better information to people. Others are developing websites and providing IT services to people in the U.S. and all over the world, including animation for Disney and MGM movie studios.

Bangladesh is already carving out an important role in the global market of small and medium freighters. In Chittagong, I visited Western Marine Shipyard, a company that has tripled in size over the past five years since it began to export ships to international markets. Also in Chittagong, I witnessed how one Bangladeshi company, Super Petrochemical, has used U.S. technology and engineering expertise to develop a state-of-the art petrochemical plant, the first of its kind in Bangladesh.

This listing of Bangladeshi energy, creativity and entrepreneurship at work is a long one, but, again, I think I have made my point about how these characteristics are already building the Middle-Income Bangladesh.

The barriers to building a Middle-Income Bangladesh are known to us all: inadequate ports, power and energy supplies, roads and railroads, corruption, insufficient rule of law, and the threat of political stability.

I wish to highlight another challenge confronting the emergence of the Royal Bengal Tiger: education and training. Last week, a high-powered business delegation came from AmCham Hong Kong to discuss prospects for Bangladesh to expand its success in the ready-made garment sector. They argued that Bangladesh was well endowed with a hard-working and capable workforce, but it faced a shortage of managers to capitalize on this workforce. We have heard the same concern raised by IT entrepreneurs who say Bangladesh has plenty of world-class

talent with cutting-edge information technology skills, but it lacks the project managers who can harness this talent and help to develop the IT industry.

My mom always said that the dark clouds of life often have silver linings. The good news for you is that there will be plenty of opportunities for the students here today from BRAC Business School. BRAC University and other business schools are playing a key role in filling the management gap.

America is also contributing to filling the gap through expanded education opportunities in the U.S. The number of Bangladeshi students studying in the U.S. increased 15% last year, and we expect this growth to continue. Last year, U.S. colleges provided more than \$10 million in scholarships and financial aid to students from Bangladesh. American Universities are also partnering with Bangladeshi institutions to improve educational opportunities for the youth of Bangladesh. (For example, BRAC School of Public Health is linked with Johns Hopkins, one of the world's premier public health institutions.)

As I look ahead, the future is bright ... opportunities in Bangladesh for educated, innovative and motivated youth like you are boundless.

I am proud that America is Bangladesh's strong partner/is your strong partner as Bangladesh emerges as the next Asian tiger.

I am proud that American investment will help the country further develop energy resources, infrastructure and industry and bring new technology that will drive innovation and entrepreneurship from agriculture to IT.

I am proud that American development assistance supports a safer, healthier, more prosperous Bangladeshi population and workforce.

I am proud that our growing partnerships in education and youth development will help build the next generation of leaders like you who will give birth to the emerging Royal Bengal Tiger and then ride that Tiger in the global marketplace as you realize the dream of a Sonar Bangla, the Golden Bangladesh.

Thank you.

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