ISSUE BRIEF

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ASSESSING BANGLADESH'S TRANSITIONAL DIPLOMACY UNDER THE YUNUS GOVERNMENT

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(Views expressed in the brief are those of the author, and do not represent those of ISSI)

Overview

Following the ouster of Sheikh Hasina as a consequence of nationwide student-led protests, Nobel Laureate Muhammad Yunus assumed control of the caretaker government. Yunus, a Bangladeshi economist and founder of Grameen Bank, took the role as Chief Advisor of the interim government on August 8, 2024, after being recommended by student protesters. In his first speech during the oath-taking ceremony at the presidential palace in Dhaka, the interim leader stated that he would protect the constitution and reunite the nation[1].

In the foreign policy arena, the acting government broadened the country's range of foreign relations by exploring engagement with new partners. Unlike the Hasina's regime, the Yunus administration explored strengthening ties, especially with Pakistan and China, among others. The country restored its diplomatic engagement with Pakistan after 15 years in August 2025, during the visit of Pakistan's Deputy Prime Minister and Foreign Minister Ishaq Dar to Dhaka[2]. The two countries are now focusing on boosting economic, cultural, and defense cooperation through several agreements and formal visits. Alongside, both nations share the aim of reviving the South Asian Association for Regional

1 "Bangladesh Nobel laureate Muhammad Yunus takes charge of caretaker govt", Dawn, August 8, 2024, https://www.dawn.com/news/1850894

2 Baqir Sajjad Syed, "Dar opens Dhaka visit with call to build on reset in ties", Dawn, August 24, 2025, https://www.dawn.com/news/1936355

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Cooperation (SAARC) for amplifying the regional integration in South Asia. The interim government is correspondingly deepening ties with China, distinguished by Chief Advisor Yunus's visit to China in March 2025. With India, contrarily, the relations are fading under Yunus' administration. This shift in Bangladesh's foreign policy approach under Muhammad Yunus confers South Asia an increasingly warming trend in its geopolitical arena.

Changing Trajectory of Bangladesh's Foreign Relations

Dimming ties with India: Before the 2024 protests, Dhaka had strong relations with Delhi under the Hasina government. This ray of deep ties built up from the 1971 war, during which India interfered in the internal affairs of Pakistan by actively provoking the fragmented groups to fight against the Pakistan army. Hasina's second rise to power in 2009 further tightened India-Bangladesh ties and presented India with a golden chance to 'isolate' Pakistan regionally. The removal of the Awami League government through public agitation in 2024 nonetheless turned the tide. The masses were already wary of India's strong support for authoritarian Hasina for over 15 years. Her asylum in India and provocative statements angered many in Bangladesh. Delhi gave a cold shoulder to repeated demands by the Yunus administration to send her back[3]. Similarly, the popular propaganda on Indian mass media against the July uprising further deteriorated bilateral ties. Diplomatic engagement remained at its lowest in months following the exchange of bitter words at the official level and repeated claims of security threats to the diplomatic staff from both sides.

The interim government, in any case, leans towards more autonomy in its political affairs, thus challenging India's prior regional sway. The fraying relations resulted in the deceleration of connectivity between the two, as marked by the halting of some notable projects like the 765 KV Katihar-Parbatipur-Barnagar transmission line project[4]. Alongside this, in April 2025, Bangladesh restricted the import of certain goods from India, including cotton yarn and rice[5]. This move was a response to India's sudden termination of the trans-shipment facility for Bangladesh's exports earlier in that month. The Delhi-Dhaka tensions are thus surging amid the changing political arena of Bangladesh.

3 Anbarasan Ethirajan, "Crisis in India-Bangladesh relations spirals amid violent protests", BBC, December 24, 2025, https://www.bbc.com/news/articles/c4gekjjqn1ro

4 Simon Mohsin, "DAMS, DUCTS AND DIPLOMATIC DILEMMAS: India's dominance and Bangladesh's decision", New Age, January 16, 2025, https://www.newagebd.net/post/opinion/255458/dams-ducts-and-diplomatic-dilemmas-indias-dominance-and-bangladeshs-decision

5 Gurvinder Singh, "How tensions with Bangladesh are roiling India's sari business", Al Jazeera, October 4, 2025, https://www.aljazeera.com/economy/2025/10/4/how-tensions-with-bangladesh-are-roiling-indias-sari-business

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Diplomatic thaw towards Pakistan: The interim government led by Chief Advisor Muhammad Yunus was welcomed by Pakistan, with Pakistan's Prime Minister Shehbaz Sharif extending heartiest wishes to Yunus[6]. Subsequent months saw joint efforts to boost trade, cultural, and diplomatic ties, while moving beyond the past grievances. The docking of first ever cargo ship from Pakistan to Bangladesh at Chittagong port in November 2025 became a major step in nurturing economic collaboration. The 182-meter-long vessel carried 370 containers while delivering supplies including onions, potatoes, dolomite, sodium carbonate, dyes, and others[7]. Besides, the two-day visit of Pakistan's DPM/FM Ishaq Dar to Dhaka in August 2025 came to be another milestone in deepening bilateral engagement. During the visit, both countries signed six different MoUs across multiple sectors. The parties also agreed to grant visa-free access to holders of diplomatic and official passports[8]. In addition, Islamabad announced the establishment of the 'Pakistan-Bangladesh Knowledge Corridor'. The corridor offers 500 scholarships to Bangladeshi students in the field of medicine, applied sciences, and social sciences for a term of five years. It also includes training of 100 Bangladeshi civil servants in Pakistan, thus promoting joint human capital development, educational, and professional ties[9].

The recent launch of the direct Dhaka-Karachi air route will notably add to the bilateral connectivity efforts. The first Dhaka-Karachi flight operation has commenced on January 29, 2026[10]. This highlights the growing cultural and People-to-people exchanges, as emphasized by interim leader Muhammad Yunus during a meeting with the Pakistani envoy. Previously, in September last year, Prime Minister Shahbaz Sharif met Professor Muhammad Yunus on the sidelines of the 80th UNGA session[11]. During the meeting, Professor Yunus praised Pakistan's efforts to deepen mutual ties and expressed a desire to further strengthen bilateral collaborations. These measures at the state level are complemented by the positive gestures from locals on both sides. Pakistani singers Talha Anjum and Asim Azhar,

6 "PM Shehbaz congratulates Bangladesh's interim leader Muhammad Yunus", The Express Tribune, August 9, 2024, https://tribune.com.pk/story/2486749/pm-shehbaz-congratulates-bangladeshs-interim-leader-muhammad-yunus

7 "The goods the ship brought from Pakistan this time", Prothomalo, December 21, 2024, https://en.prothomalo.com/business/local/488ous6tyn#:~:text=The%20sugar%20was%20brought%20by,Time%20for%20importing%20goods%20decreases

8 "Pakistan, Bangladesh ink six key MoUs as Dar becomes first Pakistani FM to visit Dhaka in 13 years", Profit by Pakistan Today, August 24, 2025, https://profit.pakistantoday.com.pk/2025/08/24/pakistan-bangladesh-ink-six-key-mous-as-dar-becomes-first-pakistani-fm-to-visit-dhaka-in-13-years/

9 Ashfaq Ahmed, "Pakistan launches knowledge corridor, signs visa-free travel with Bangladesh", Gulf News, August 24, 2025, https://gulfnews.com/world/asia/pakistan/pakistan-launches-knowledge-corridor-signs-visa-free-travel-and-six-key-agreements-with-bangladesh-1.500243530

10 "Karachi-Dhaka flights likely from January, says Pakistan's high commissioner", Dawn, December 29, 2025, https://www.dawn.com/news/1963937

11 "Pakistan PM, Bangladesh chief adviser agree to expand bilateral ties at UNGA sideline meeting", Arab News, September 25, 2024, https://www.arabnews.com/node/2572751/%7B%7B

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among other stars, were warmly welcomed by Bangladeshi fans, featuring the revival of brotherly ties on either side.

Strategic tilt towards China: The Yunus government is expanding its regional approach by turning towards new partners, including China. During his meeting with President Xi Jinping in March 2025, Professor Yunus declared China a reliable partner of Bangladesh, citing their longstanding friendly relationship. He also extended support for the 'One China Principle', and suggested deepening cooperation between the two countries under the banner of the Belt and Road Initiative (BRI)[12]. During the visit, both parties signed some important agreements, including an agreement on economic and technical cooperation, eight MoUs, and five announcements of cooperation on infrastructure, investment, and technology. Chief Advisor Yunus also requested China to lower interest rates for Chinese loans[13]. Earlier, in February 2025, a delegation of leaders from Bangladesh's leading political parties paid a 13-day visit to China[14]. In addition, the Yunus administration, in partnership with Pakistan and China, also launched a trilateral cooperation mechanism in June 2025. The trilateral forum is aimed at strengthening engagement in trade, investment, education, and cultural exchanges[15]. This multifaceted engagement of Dhaka with Beijing is thus opening new avenues of advancement for Dhaka while minimizing reliance on a fractured partnership with Delhi.

Revival of SAARC: Chief Advisor Muhammad Yunus is actively advocating for the revival of the SAARC in order to procure regional development. He has consistently emphasized the essential role of SAARC as a regional platform for overcoming common economic and connectivity challenges. At the 80th UNGA session, Bangladesh's interim leader called for the revitalization of SAARC. Again, during a meeting with Pakistan's National Assembly speaker Ayaz Sadiq and Indian Minister for External Affairs Jaishankar at the funeral of Bangladesh's former premier Khaleda Zia, Yunus emphasized the revival of SAARC[16]. SAARC's revival has thus become one of the top priorities of Dhaka, while viewing it as vital for tackling South Asian geo-political instability.

12 Zhang Yunbi, "Enduring friendship with Bangladesh hailed", China Daily, March 29, 2025, https://www.chinadaily.com.cn/a/202503/29/WS67e726fba3101d4e4dc2b8a8.html

13 "Bangladesh's Yunus Meets Xi Jinping In Beijing Amid Strained India Ties", Strat News, March 28, 2025, https://stratnewsglobal.com/neighbours/bangladesh/bangladeshs-yunus-meets-chinas-xi-in-beijing-amid-strained-india-ties/

14 Chen Qingqing & Bai Yunyi, "Bangladesh delegation to China amazed by Chinese modernization, calls for closer cooperation", Global Times, March 6, 2025, https://www.globaltimes.cn/page/202503/1329568.shtml

15 Baqir Sajjad Syed, "Pakistan, Bangladesh, China pledge deeper cooperation", Dawn, June 2025, https://www.dawn.com/news/1918545

16 Minahil Khurshid, "Bangladeshi Chief Advisor Calls for SAARC Revival After Rare India-Pakistan Interaction in Dhaka", The Diplomatic Insight, January 2, 2026, https://thediplomaticinsight.com/bd-chief-adviosr-calls-for-saarc-revival/

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Conclusion

Keeping in view all the recent measures taken under Bangladesh's interim government, it can be summed up that Dhaka's foreign policy approach has transitioned from an initial narrow horizon to a more open, pragmatic, and broader one. Yunus's orientation towards fresh bilateral and regional partnerships places Dhaka at the baseline of systematic change. This recalibration highlights Bangladesh's priorities of exploring more diplomatic options while reducing over-dependence on any single partner. This developing approach, if sustained, could enhance Dhaka's autonomy while reshaping regional alignments. The deepening ties of Bangladesh with Pakistan, China, and others are pivotal moments whose long-term implications yet require closer observation.

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