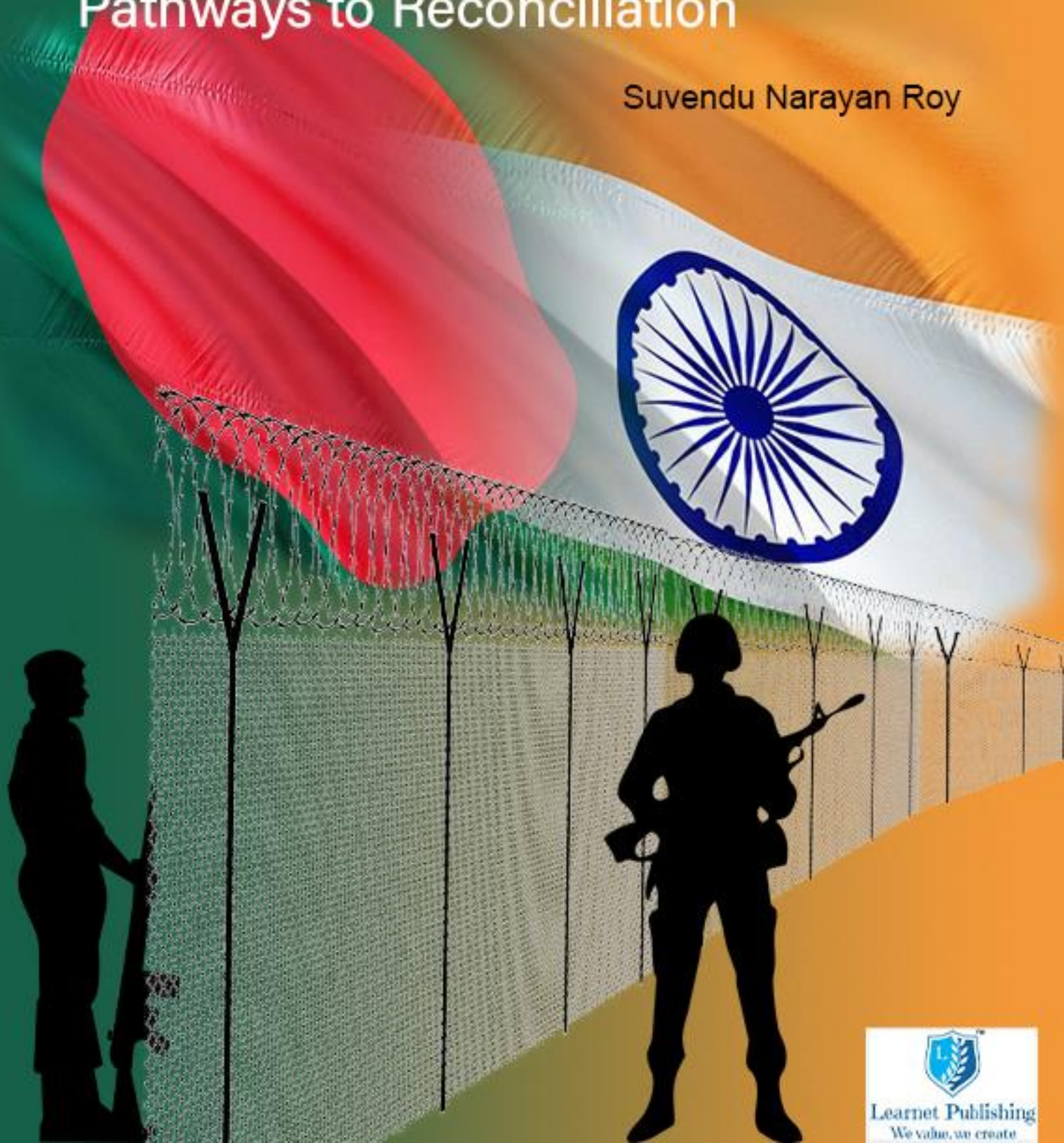


Fractured Ties

Exploring the Complexities of
Bangladesh-India Relations -
Pathways to Reconciliation

Suvendu Narayan Roy



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In loving memory of
My revered father
Late Dwijendra Narayan Roy

PREFACE

The relationship between Bangladesh and India is one of the most complex and multifaceted in South Asia. Despite sharing a long border, cultural ties, and a history of cooperation, the two nations have also experienced periods of tension and conflict. In recent years, the relationship has undergone significant changes, driven by shifting geopolitical dynamics, economic imperatives, and domestic political considerations.

This book, "Fractured Ties: Exploring the Complexities of Bangladesh-India Relations - Pathways to Reconciliation", aims to provide a comprehensive and nuanced understanding of the Bangladesh-India relationship. Through a detailed examination of the historical, political, economic, and social factors that have shaped this relationship, this book seeks to identify the key challenges and opportunities that lie ahead.

By exploring the complexities and contradictions of the Bangladesh-India relationship, this book hopes to contribute to a deeper understanding of the dynamics that shape this critical bilateral relationship. Ultimately, it is our hope that this book will help to inform and shape the policies and initiatives that can help to strengthen and deepen the ties between Bangladesh and India.

Kolkata

Suvendu Narayan Roy

25th December, 2024

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Chapter 1: A Relationship in Flux: Bangladesh, India, and the Future of Regional Cooperation

The relationship between Bangladesh and India has undergone significant transformations in recent years. From being a trusted ally to a complex and sometimes contentious partner, Bangladesh's stance on India has raised concerns in New Delhi. Historically, the two countries have enjoyed a strong bond, with India being one of Bangladesh's largest trading partners. However, in recent years, Bangladesh has begun to assert its independence and pursue a more balanced foreign policy. This shift has led to increased tensions between the two countries, particularly over issues such as border disputes, water sharing, and trade.

1.1 Bangladesh-India Relations: A Complex and Evolving Partnership

One of the major points of contention between the two countries is the issue of border disputes. The 2015 land boundary agreement was a significant step towards resolving decades-old border disputes, but tensions remain along the border, particularly over issues such as cattle smuggling and border killings. The issue of water sharing is another area of tension between the two countries. Bangladesh has long been concerned about India's construction of dams on the Ganges and Brahmaputra rivers, which it fears will disrupt the water flow into Bangladesh. Despite agreements such as the Ganges Water Sharing Treaty, tensions remain over this issue. Trade is also an area where tensions have risen between the two countries. Bangladesh has long been concerned about the trade deficit with India, which it fears is hurting its domestic industries.

Despite efforts to increase trade between the two countries, tensions remain over issues such as tariffs and non-tariff barriers.

However, despite these tensions, there are also areas of cooperation between the two countries. The field of energy is one such area, with India working to increase its energy exports to Bangladesh. The two countries are also working to increase connectivity, including through the development of roads, railways, and waterways. Bangladesh's Prime Minister Sheikh Hasina has been a key player in shaping the country's foreign policy, including its relations with India. Her government has been keen to assert Bangladesh's independence and sovereignty, while also maintaining good relations with India. India's Prime Minister Narendra Modi has also been actively engaged in shaping India's relations with Bangladesh. His government has been keen to strengthen ties with Bangladesh, particularly in areas such as trade and energy.

1.2 Bangladesh-India Ties: A Historical Perspective

The relationship between Bangladesh and India has been a complex and evolving one, shaped by centuries of shared history, culture, and geography. From the ancient empires of the Indian subcontinent to the modern-day nation-states of Bangladesh and India, the two countries have been inextricably linked. The earliest recorded history of the region dates back to the ancient Mauryan Empire, which ruled over much of the Indian subcontinent, including present-day Bangladesh, from the 3rd to the 2nd century BCE. The region was later ruled by various dynasties, including the Gupta Empire, the Pala Empire, and the Sena Empire.

The arrival of Islam in the 12th century CE marked a significant turning point in the region's history. The Delhi Sultanate, which ruled over much of northern India, including present-day Bangladesh, from the 13th to the 16th century CE, played a crucial role in shaping the region's

culture, language, and architecture. The Mughal Empire, which ruled over much of the Indian subcontinent, including present-day Bangladesh, from the 16th to the 18th century CE, left an indelible mark on the region's history. The Mughals introduced Persian as the official language, which had a profound impact on the region's literature, art, and architecture.

The British East India Company's arrival in the region in the 18th century CE marked the beginning of a new era in the region's history. The British colonial rule, which lasted from 1858 to 1947, had a profound impact on the region's economy, politics, and culture. The partition of India in 1947, which led to the creation of Pakistan, marked a significant turning point in the region's history. East Pakistan, which later became Bangladesh, was separated from West Pakistan by over 1,000 miles of Indian territory.

The Bangladesh Liberation War in 1971, supported by India, marked a significant milestone in the region's history, leading to the creation of Bangladesh as an independent nation-state. Since then, Bangladesh and India have shared a complex and evolving relationship, with cooperation and tension existing side by side. The two countries have made significant strides in trade, energy, and security cooperation. Bangladesh is India's largest trade partner in South Asia, with bilateral trade standing at USD 14.01 billion (2023-24). They have also collaborated on defense cooperation, including military exercises like SAMPRITI and MILAN. However, despite these positive developments, several challenges remain. Border disputes, water sharing, and trade tensions continue to be major points of contention. The sharing of the Teesta River waters, for instance, remains a contentious issue.

To address these challenges, both countries have recognized the need for a comprehensive economic partnership agreement (CEPA) and have agreed to early commencement of negotiations. They have also agreed to strengthen connectivity, including the development of

roads, railways, and waterways. In recent years, Bangladesh has emerged as a key player in regional politics, particularly in the context of the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC). India has also recognized Bangladesh's importance in its "Neighbourhood First" policy, "Act East" policy, SAGAR doctrine, and Indo-Pacific vision.

1.3 Changing Dynamics in Bangladesh-India Relations

The relationship between Bangladesh and India has undergone significant changes in recent years. From being a trusted ally to a more assertive partner, Bangladesh's stance on India has raised eyebrows in New Delhi. One of the key factors driving this change is Bangladesh's growing economic clout. The country has made significant strides in recent years, with its GDP growth rate averaging over 7%. This has enabled Bangladesh to assert its independence and pursue a more balanced foreign policy. Another factor contributing to the changing dynamics is the rise of China in the region. Bangladesh has been increasingly courting Chinese investment and trade, which has led to concerns in India about China's growing influence in the region.

Furthermore, Pakistan's attempts to drive a wedge between Bangladesh and India have also contributed to the changing dynamics. Pakistan has been trying to exploit the differences between Bangladesh and India, particularly over issues such as border disputes and water sharing. Pakistan's efforts to strengthen its ties with Bangladesh, including through increased trade and investment, have also raised concerns in India.

The issue of border disputes has also been a major point of contention between the two countries. Despite the signing of the Land Boundary Agreement in 2015, tensions remain along the border, particularly over issues such as cattle smuggling and border killings. Water sharing is another

area of tension between the two countries. Bangladesh has long been concerned about India's construction of dams on the Ganges and Brahmaputra rivers, which it fears will disrupt the water flow into Bangladesh. Despite these tensions, there are also areas of cooperation between the two countries. The field of energy is one such area, with India working to increase its energy exports to Bangladesh. The two countries are also working to increase connectivity, including through the development of roads, railways, and waterways.

The roles of BNP, Jamaat-e-Islami, and Maulana Maududi in Bangladesh's politics are complex and multifaceted.

BNP's Role

The Bangladesh Nationalist Party (BNP) has a complex and intriguing history, particularly with regards to its relationship with Jamaat-e-Islami. Founded in 1978 by President Ziaur Rahman, the BNP was initially a centrist party that later shifted towards more right-wing politics. The BNP's alignment with Jamaat-e-Islami has been a subject of controversy, mainly due to Jamaat's role in the 1971 Bangladesh Liberation War. This alliance has led to criticisms that the BNP is soft on Islamist extremism.

Khaleda Zia, the widow of Ziaur Rahman, played a crucial role in shaping the BNP's politics. After her husband's assassination in 1981, Khaleda Zia became the de facto leader of the party. Under her leadership, the BNP formed alliances with other parties, including Jamaat-e-Islami, to oppose the autocratic regime of General Hussain Muhammad Ershad. The BNP's relationship with Jamaat-e-Islami was further solidified during the 1980s, when the two parties formed a coalition to participate in the 1986 general elections. However, the election was boycotted by the BNP and other opposition parties, citing widespread rigging and electoral fraud.

Khaleda Zia's leadership was marked by her strong stance against the Ershad regime. She was put under house arrest several times and faced repression from the government. Despite these challenges, Khaleda Zia remained a key figure in Bangladeshi politics, leading the BNP to victory in the 1991 general elections. Throughout its history, the BNP has been known for its nationalist and Islamist leanings. The party has traditionally drawn support from urban areas and has been popular among the business community. However, its relationship with Jamaat-e-Islami has remained a subject of controversy, with many criticizing the party for its perceived softness on Islamist extremism. In recent years, the BNP has faced significant challenges, including the imprisonment of Khaleda Zia on corruption charges. Despite these setbacks, the party remains a major force in Bangladeshi politics, with a significant following and a strong organizational structure.

The Bangladesh Nationalist Party (BNP) is currently playing a significant role in shaping the dynamics of the relationship between India and Bangladesh. After the recent change in government in Bangladesh, the BNP has been trying to reorient its relationship with India. In a significant development, Indian High Commissioner in Dhaka, Pranay Verma, met with BNP Secretary General Mirza Fakrul Islam Alamgir, marking a new chapter in their relationship ¹. The BNP has assured India that it will not allow Bangladesh's soil to be used by separatist organizations, a concern that has long plagued India-Bangladesh relations. The BNP's stance on India has undergone a significant shift, with the party now seeking to strengthen ties with its neighbor. This change in stance is likely to have a positive impact on the present caretaker government led by Muhammad Yunus, as it may lead to increased cooperation and dialogue between the two countries.

However, it's worth noting that the BNP's relationship with Jamaat-e-Islami remains a subject of controversy, and its impact on India-Bangladesh relations is yet to be seen. Nevertheless, the BNP's efforts to reorient its relationship with India are a welcome development, and may pave the way for increased cooperation and dialogue between the two countries.

Jamaat-e-Islami's Role

Jamaat-e-Islami's role in Bangladesh politics has been a complex and contentious issue for decades. Founded by Maulana Maududi in 1941, the party has been a significant player in the country's politics, despite being banned in 1971 due to its opposition to Bangladesh's independence and collaboration with the Pakistani army during the 1971 war. The party's ideology is rooted in Islamism, pan-Islamism, social conservatism, and right-wing populism, which has often put it at odds with other parties in Bangladesh. Jamaat-e-Islami's leaders, including Ghulam Azam, have been accused of committing atrocities against Bengali nationalists and intellectuals during the 1971 war.

In recent years, the party has faced significant challenges, including the prosecution of its leaders for war crimes. In 2013, the party's registration was cancelled by the High Court, ruling that it was unfit to contest national elections ¹. However, the party continues to operate in Bangladesh, and its student wing remains active in the country's universities. Jamaat-e-Islami's relationship with other political parties in Bangladesh has also been complex. The party has been a part of various alliances, including with the Bangladesh Nationalist Party (BNP), but its ideology has often put it at odds with other parties.

Despite these challenges, Jamaat-e-Islami remains a significant player in Bangladesh politics. However, its legacy continues to be marred by controversy and allegations of war crimes. In

2024, the party was fully banned by the Bangladesh government under Hasina Administration due to its involvement in Bangladesh Quota protest, but the ban was later reversed on August 28, 2024.

Maulana Maududi's Legacy

Maulana Maududi's ideology has had a lasting impact on Jamaat-e-Islami's politics. His concept of "Hakimiya" emphasizes the sovereignty of God, which has been interpreted as incompatible with democratic principles. This ideology has influenced Jamaat-e-Islami's stance on various issues, including its opposition to Bangladesh's independence and its collaboration with the Pakistani army during the 1971 war. The complex relationships between these parties have shaped Bangladesh's political landscape, with implications for the country's democracy, human rights, and regional relationships.

1.4 Bangladesh-India Ties: A New Era for Regional Cooperation

The evolving relationship between Bangladesh and India is set to have significant implications for regional cooperation. As Bangladesh asserts its independence, it may seek to strengthen ties with other countries in the region, such as China. This could potentially create a new dynamic in regional politics, with Bangladesh emerging as a key player.

In recent years, Bangladesh has made significant strides in its economic development, and its growing economy has made it an attractive partner for other countries in the region. As Bangladesh continues to grow and develop, it is likely to play a more prominent role in regional affairs, and its relationships with other countries in the region will be closely watched.

A Shift in Dynamics

The Bangladesh-India relationship has undergone significant changes in recent years. The two countries have made efforts to strengthen their economic ties, with India extending a \$2 billion line of credit to Bangladesh in 2015. Bangladesh has also allowed India to ferry food and grains to the landlocked Northeast India using its territory and infrastructure. This shift in dynamics is largely driven by the growing economic ties between the two countries. India is one of Bangladesh's largest trading partners, and Bangladesh is an important market for Indian goods. The two countries have also made efforts to increase people-to-people contact, with India introducing a new visa regime that makes it easier for Bangladeshis to visit India.

1.5 Regional Implications

As Bangladesh asserts its independence, it may seek to strengthen ties with other countries in the region. China is a key player in the region, and Bangladesh may seek to strengthen its economic ties with the country. This could potentially create a new dynamic in regional politics, with Bangladesh emerging as a key player.

China has already made significant investments in Bangladesh, including the construction of a deep-sea port in Chittagong. Bangladesh has also signed several agreements with China, including a \$24 billion investment deal that includes the construction of a nuclear power plant. As Bangladesh continues to strengthen its ties with China, it is likely to play a more prominent role in regional affairs.

1.6 Economic Cooperation

Economic cooperation between Bangladesh and India is set to increase in the coming years. The two countries have signed several agreements, including a \$3 billion investment by India's Reliance Power to set up a 3,000 MW LNG-based power plant in Bangladesh. The two countries

have also made efforts to increase trade and commerce between them. India has offered Bangladesh duty-free access to its market for several products, including textiles and garments. Bangladesh has also offered India duty-free access to its market for several products, including pharmaceuticals and IT products.

1.7 Challenges Ahead

Despite the progress made in recent years, there are still several challenges that need to be addressed. The Teesta water sharing agreement remains a contentious issue, and the two countries need to work together to find a solution. The Teesta River is a major source of water for Bangladesh, and the country has long sought a fair share of the river's waters. However, India has been reluctant to sign a water sharing agreement, citing concerns about the impact on its own water needs. The issue remains a major point of contention between the two countries.

The evolving Bangladesh-India relationship has significant implications for regional cooperation. As Bangladesh asserts its independence, it may seek to strengthen ties with other countries in the region. Economic cooperation between the two countries is set to increase, and Bangladesh is emerging as a key player in regional politics. As the relationship between Bangladesh and India continues to evolve, it is clear that the dynamics of the relationship are changing. Bangladesh's growing economy and its increasing assertiveness on the international stage are likely to play a major role in shaping the relationship in the coming years.

The relationship between Bangladesh and India is in a state of flux. As Bangladesh asserts its independence and pursues a more balanced foreign policy, the dynamics of the relationship are likely to change. While this shift may create new challenges for regional cooperation, it also presents opportunities for Bangladesh to emerge as a key player in regional politics. Ultimately,

the future of the Bangladesh-India relationship will depend on the ability of both countries to adapt to changing circumstances and find common ground. As the two countries continue to navigate their complex and evolving relationship, it is clear that there are both challenges and opportunities ahead. As the relationship between Bangladesh and India continues to evolve, it is clear that the dynamics of the relationship are changing. Bangladesh's growing economic clout, the rise of China in the region, Pakistan's attempts to drive a wedge between the two countries, and the ongoing tensions over border disputes and water sharing are all contributing to a more complex and nuanced relationship between the two countries.



Chapter 2: A delicate balance of Power in Bangladesh - India Relations

The delicate balance of power in Bangladesh-India relations is a complex and multifaceted issue. Historically, the relationship between the two countries has been shaped by a mix of cooperation and conflict. On one hand, India played a crucial role in Bangladesh's liberation from Pakistan in 1971, and the two countries have since maintained strong cultural and economic ties. India is Bangladesh's largest trading partner, and the two countries have cooperated on several regional and international issues. On the other hand, there are several issues that have strained the relationship between the two countries. One major point of contention is the sharing of water resources, particularly the Teesta River. Bangladesh has long complained that India's diversion of water from the Teesta has harmed its agricultural sector. Another issue is the border dispute between the two countries. While the two countries signed a historic land boundary agreement in 2015, which resolved many of the outstanding border disputes, relations are still some areas of contention. In recent years, there have been efforts to strengthen the relationship between the two countries. In 2019, the two countries signed several agreements, including a deal to increase trade and investment between the two countries. However, despite these efforts, there are still many challenges that need to be addressed. One major challenge is the growing anti-India sentiment in Bangladesh, which has been fueled by issues such as the water dispute and the border dispute.

2.1 Bangladesh's Rise to Prominence

Bangladesh, a nation with a rich cultural heritage and complex history, has been quietly ascending from its tumultuous past as a newly independent nation in 1971 to its present status as a burgeoning middle power in the international arena. This remarkable journey is a testament to national development, foreign policy success, and effective governance.

Economic Growth and Development

One of the most significant indicators of Bangladesh's ascent has been its economic growth and development. Under "Vision 2021," Bangladesh transformed itself from a least developed country (LDC) to a developing one. The country has also adopted "Vision 2041" to provide impetus to the dream of the nation, with the aim to end absolute poverty and become a developed nation by 2041.

Bangladesh's economic success has not gone unnoticed on the global stage. The country's consistent GDP growth has led to its classification as a "Next Eleven" (N-11) economy, a group of nations expected to play a significant role in the 21st century global economy. According to the World Bank, Bangladesh's GDP growth rate has been steadily increasing over the years, with a growth rate of 7.3% in 2020. The country's GDP is expected to reach \$322 billion by 2025, making it one of the fastest-growing economies in the world.

Regional Significance and Global Partnerships

Bangladesh's unique geographical location and global partnerships have made it an influential middle power. The country plays a pivotal role in facilitating road, rail, and maritime connectivity within the BCIM (Bangladesh, China, India, Myanmar) economic corridor. Bangladesh is also a member of the BBIN (Bangladesh, Bhutan, India, Nepal) economic corridor, which may boost regional cooperation and security in the region.

China has invested tens of billions of dollars in Bangladesh's infrastructure, with projects like the Padma Bridge Rail link, Karnaphuli River Tunnel, and the Dhaka-Chittagong highway. These investments are part of China's Belt and Road Initiative (BRI) and aim to enhance connectivity between China, Bangladesh, and beyond. According to a report by the Center for Strategic and International Studies (CSIS), China's investments in Bangladesh's infrastructure have the potential to transform the country's economy and increase its connectivity with other countries in the region.

The Indo-Pacific Outlook and Global Implications

In April 2023, Bangladesh formally announced its "Indo-Pacific Outlook" (IPO) to the world, emphasizing its principle of foreign policy, which states "friendship to all, malice to none." The objectives of the IPO include strengthening partnerships, promoting dialogue, maintaining maritime safety and security, and combating transnational organized crime. The United States of America has also announced its "Indo-Pacific Strategy," which emphasizes America's vision for a free, open, connected, prosperous, resilient, and secure Indo-Pacific region. The bargaining position and competition between America and China have developed in this region, especially regarding the Bay of Bengal. According to a report by the Brookings Institution, Bangladesh's Indo-Pacific Outlook has significant implications for the country's foreign policy and its relationships with other countries in the region. The report notes that Bangladesh's IPO is a significant step towards promoting regional cooperation and stability in the Indo-Pacific region.

As the interim government in Bangladesh takes on the monumental task of addressing the nation's political and economic crises, the international community, particularly India and the US, will be closely monitoring the situation. With Yunus at the helm, there is cautious

optimism that Bangladesh can emerge from this turbulent period, but the road ahead is fraught with challenges.

2.2 Bangladesh's Turbulent Transition

The interim government in Bangladesh, led by Nobel laureate Dr. Muhammad Yunus, is facing a daunting task in addressing the country's deep-seated political and economic crises. The international community, particularly India and the US, is keeping a close eye on the situation, and there's cautious optimism that Bangladesh can emerge from this Indo-Bangladesh riot.

Economic Challenges Ahead

One of the major challenges facing the interim government of Bangladesh is the country's economic crisis. Bangladesh's economy has been struggling with macroeconomic instability, inflation, and a dearth of foreign exchange reserves. The country's tax-to-GDP ratio is one of the lowest in the world, at 7.3%, which is estimated to improve to 8.8% in the fiscal year ending June 2025.

Political Turmoil and Transition

Another major challenge facing the interim government is the country's political crisis. Bangladesh has been experiencing severe political turmoil, with over 600 people killed during violent demonstrations in recent weeks. The crisis has led to a shakeup in leadership, with former Prime Minister Sheikh Hasina resigning and fleeing to India.

International Community Watches Closely

The international community, particularly India and the US, will be closely monitoring the situation in Bangladesh. India has a significant stake in Bangladesh's stability, given the country's

strategic location and economic ties with India. The US is also closely watching the situation, given its interests in promoting democracy and stability in the region.

2.3 A Cautious Optimism

Despite the challenges, there is cautious optimism that Bangladesh can emerge from this turbulent period. The interim government, led by Yunus, has taken steps to address the country's economic and political crises, and there is hope that the country can transition to a more stable and democratic government.

Bangladesh's journey from a fledgling nation to a middle power is a remarkable testament to its resilience and determination. Its economic growth, diplomatic initiatives, and soft power have garnered the attention of economies large and small. Bangladesh's relevance lies in its economic potential, regional significance, and extraction of natural resources and contributions to global challenges. Cooperation with Bangladesh could advance the interests of other economies and allow Bangladesh to continue its ascent on the world stage. As Bangladesh continues to navigate the complex web of international relations, it is clear that the country's rise to prominence is a significant development in the Indo-Pacific region. With its unique geographical location, economic potential, and diplomatic initiatives, Bangladesh is poised to play a major role in shaping the region's future.

2.4 Bangladesh's Power Shift Strains Ties with India

The recent power shift in Bangladesh has strained ties with India, testing the resilience of their traditionally strong relations. The ousting of Prime Minister Sheikh Hasina in August 2024 created a vacuum filled by an interim government led by Nobel laureate Muhammad Yunus. However, this transition has been marred by reports of violence against Hindu peoples in

Bangladesh, with the interim government confirming 88 cases of communal attacks since August.

India, home to a significant Hindu majority, has voiced concerns over these incidents. The arrest of a Hindu monk in Bangladesh further inflamed tensions, sparking protests in India and retaliatory violence in Bangladesh. The situation is complicated by Hasina's presence in India following her ouster, with the interim government accusing her of continuing political operations from across the border.

Despite these challenges, Bangladesh and India have long been economic partners, with India investing heavily in its neighbor's development. The current tensions threaten to unravel years of cooperation, and the interim government in Bangladesh faces a delicate balancing act in addressing communal tensions, maintaining law and order, and managing diplomatic relations with India.

In a positive development, India and Bangladesh have been working to strengthen their economic ties, with the inauguration of the first trilateral power transaction from Nepal to Bangladesh through the Indian grid in November 2024. This move is expected to boost sub-regional connectivity in the power sector. The situation presents a test of India's role as a regional power, and its response to the events in Bangladesh will influence its relationships with other South Asian nations. The outcome of this diplomatic dance will likely reshape the geopolitical dynamics of the entire region.

2.5 Conclusion

In conclusion, the delicate balance of power in Bangladesh-India relations is a complex issue that requires careful management. While there are many areas of cooperation between the two

countries, there are also many challenges that need to be addressed. By working together and addressing these challenges, the two countries can strengthen their relationship and promote peace and stability in the region.



Chapter 3: Bangladesh-India Relations at Stake: The Way Forward

Bangladesh-India relations have reached a critical juncture, with the recent power shift in Bangladesh posing significant challenges to the bilateral relationship. As the largest trade partner in South Asia, Bangladesh is crucial for India's economic and strategic interests. The bilateral relationship is vital for regional stability, economic integration, and cultural exchange. Bangladesh-India relations are at a critical juncture. The recent government transition in Bangladesh has exposed underlying tensions, but it also presents an opportunity for both nations to redefine their relationship on more equitable and inclusive terms. Historically, Bangladesh and India have shared a complex relationship, marked by both cooperation and conflict. India has traditionally maintained a close relationship with Bangladesh's Awami League, given its role in the 1971 Liberation War. However, this alignment has alienated other political factions and sections of the Bangladeshi populace.

3.1 The Road Ahead for India's High-Stake Ties with Bangladesh

The domestic political landslide that resulted in the ouster of Prime Minister Sheikh Hasina has left a trail of remnants that India needs to be cautious about. Bangladesh's liberation struggle and India's historic relationship with the Awami League are matters of pride, but they should not prejudice India against pragmatically understanding the currents of an unsettled polity in Bangladesh.

Bangladesh's domestic politics have always been complex, and its economic growth has not translated to modernization of its polity. The country's frequent elections often highlight the unbridgeable difference in opinions on who should be considered the father of the nation. India-Bangladesh relations have been cooperative, with the two countries sharing cultural ties and a common history. India played a significant role in Bangladesh's liberation struggle, and the two countries have made notable progress in resolving border disputes and strengthening economic ties.

However, the current situation demands caution. India needs to engage with the new government in Bangladesh, focusing on mutual interests and benefits.

Key Areas of Cooperation

Economic Ties: Strengthen trade, investment, and connectivity ties.

Security Cooperation: Bolster border management, counter-terrorism, and defense cooperation.

People-to-People Exchanges: Enhance cultural, educational, and tourism initiatives.

Regional Cooperation: Collaborate on regional initiatives to promote economic growth and stability.

By adopting a pragmatic approach and engaging with the new government in Bangladesh, India can navigate the current uncertainties and strengthen its high-stake ties with its eastern neighbor.

3.2 Key Challenges in Bangladesh-India Relations

Political Uncertainty

A less friendly administration in Bangladesh could reinvigorate anti-India militant groups, exacerbating border security tensions. The new government's foreign policy priorities and their implications for India are crucial. Potential areas of cooperation and conflict between the two nations need to be assessed.

According to a report by the Observer Research Foundation, "The new government in Bangladesh will likely face significant challenges in managing its relations with India, particularly on issues such as border management, trade, and security cooperation.

Geopolitical Dynamics

Instability in Bangladesh could enable China to expand its influence, necessitating India's vigilance. China's growing presence in Bangladesh, including its investments in infrastructure and defense cooperation, has raised concerns in India.

According to a report by the Center for Strategic and International Studies, "China's growing economic and strategic influence in Bangladesh poses a significant challenge to India's interests in the region."

Economic Challenges

Disruptions in trade and payment delays impact the profitability and stability of Indian investments in Bangladesh. The trade deficit between the two countries has been a long-standing issue, with Bangladesh seeking greater market access for its goods in India. According to the Bangladesh Bank, the trade deficit between Bangladesh and India stood at \$10.4 billion in the fiscal year 2022-2023.

Security Concerns

Border management, terrorism, and radicalization remain significant concerns. The two countries share a 4,096-kilometer border, which has been prone to illegal activities, including smuggling and human trafficking. According to a report by the Indian Ministry of Home Affairs, "The India-Bangladesh border is vulnerable to cross-border crimes, including smuggling, human trafficking, and terrorism."

The Impact of the Recent Power Shift in Bangladesh

The power shift in Bangladesh has created uncertainty, and India must navigate this new landscape carefully. The new government's foreign policy priorities and their implications for India are crucial. Potential areas of cooperation and conflict between the two nations need to be assessed. According to a report by the Brookings Institution, "The new government in Bangladesh will likely face significant challenges in managing its relations with India, particularly on issues such as border management, trade, and security cooperation."

3.3 The Way Forward: Strengthening Bangladesh-India Relations

Fostering New Alliances

Engage with various political factions in Bangladesh to foster a more inclusive relationship. This could involve strengthening ties with opposition parties and civil society organizations.

Enhancing Economic Cooperation

Strengthen trade, investment, and connectivity ties. This could involve increasing market access for Bangladeshi goods in India, investing in infrastructure projects, and promoting tourism and cultural exchanges. According to a report by the World Bank, "Enhancing economic cooperation

between Bangladesh and India could lead to significant benefits for both countries, including increased trade, investment, and economic growth."

Strengthening Security Cooperation

Bolster border management, counter-terrorism, and defense cooperation. This could involve increasing cooperation on border security, sharing intelligence on terrorist groups, and conducting joint military exercises.

Promoting People-to-People Exchanges

Enhance cultural, educational, and tourism initiatives. This could involve promoting student exchanges, cultural festivals, and tourism initiatives. According to a report by the Indian Council for Cultural Relations, "People-to-people exchanges between India and Bangladesh can play a significant role in strengthening bilateral relations and promoting mutual understanding".

3.4 Attempts at Resolution-Made to Resolve Prolonged Farakka issue: Still Unresolved

Several attempts have been made by both sides to resolve the Farakka issue:

Bilateral Agreements

1. 1977 Agreement: India and Bangladesh signed an agreement on November 5, 1977, to share the Ganges waters. The agreement ensured a minimum flow of water to Bangladesh during the dry season. However, the agreement was limited to a 5-year period and did not provide a long-term solution.

2. 1996 Treaty: The two countries signed a 30-year treaty on December 12, 1996, on sharing the Ganges waters. The treaty ensured a minimum flow of water to Bangladesh during the dry season and provided for the sharing of water during the monsoon season.

Joint Committees and Studies

1. Joint Committee on Flood Control: Established in 1972 to address flood control and water sharing issues. The committee has met regularly to discuss and resolve issues related to flood control and water sharing.

2. Joint Study on Flood Control and Water Sharing: Conducted in the 1980s to identify solutions for flood control and water sharing. The study recommended the construction of a barrage at the Farakka point to divert water into the Bhagirathi-Hooghly river system.

3. Joint River Commission: Established in 1972 to oversee the implementation of water sharing agreements and address other river-related issues. The commission has met regularly to discuss and resolve issues related to water sharing and river management.

International Mediation

1. World Bank Mediation: The World Bank offered to mediate the dispute in the 1990s. However, India and Bangladesh did not accept the offer.

2. International Court of Arbitration: Bangladesh considered taking the issue to the International Court of Arbitration. However, it ultimately decided against it.

Recent Developments

1. 2011 Memorandum of Understanding: India and Bangladesh signed an MoU on September 6, 2011, to strengthen cooperation on water resources management.

2. 2020 Joint Study: The two countries agreed to conduct a joint study on the impact of the Farakka Barrage on the Ganges-Brahmaputra River system. The study aims to identify solutions for addressing the issues related to water sharing and river management.

The Farakka issue remains a contentious point in India-Bangladesh relations, despite numerous attempts to resolve it. The crux of the issue lies in the Farakka Barrage, constructed by India in 1975 to divert water from the Ganges River into the Hooghly River, which has significantly impacted Bangladesh's water supply. Bangladesh claims that India is drawing excessive water, leaving insufficient water for its own needs. This has resulted in significant economic losses, environmental degradation, and displacement of people in southwestern Bangladesh. The issue has also led to migration of people from Bangladesh to India, which has, in turn, sparked communal conflicts in India. The Farakka issue remains a major point of contention, with both countries failing to find a mutually acceptable solution.

3.5 Conclusion

The Bangladesh-India relationship is at a crossroads. To strengthen the bilateral relationship, policymakers and stakeholders must address the key challenges and opportunities. By fostering new alliances, enhancing economic cooperation, strengthening security cooperation, and promoting people-to-people exchanges, India and Bangladesh can navigate the current uncertainties and build a stronger, more resilient relationship.

To resolve the Farakka issue, both countries must renegotiate existing agreements to address Bangladesh's concerns and ensure equitable water sharing. They should also explore alternative solutions, such as water conservation, efficient use, and joint management of water resources.

Enhancing cooperation through regular dialogue, joint studies, and people-to-people exchanges can help build trust and understanding, ultimately leading to a mutually acceptable solution.



Chapter 4: Shift of Bangladesh's Foreign Policy on India: An Act East Perspective

Bangladesh's foreign policy has undergone significant changes, particularly in its relationship with India. Historically, Bangladesh has been heavily influenced by India, but recent developments suggest a shift towards a more balanced approach. The Yunus-led government in Bangladesh has been navigating a delicate balance in its relationships with India and other regional players, including China. While continuing to engage with India on economic and security issues, some leaders in the Yunus government have sparked concerns with their rumored ambitions regarding the Northeast corridor, also known as the "chicken neck". The Siliguri Corridor, a narrow strip of land connecting India's Northeast to the rest of the country, is a critical region that has significant implications for India's national security. The concept of the "seven sisters" - a term used to describe the seven Northeastern states of India - has also been mentioned in the context of the Yunus government's ambitions. It is crucial for India to remain vigilant and engage in diplomatic efforts to address these concerns. The Indian government must navigate the complex and rapidly changing regional environment, and its relationships with Bangladesh and other countries will be critical in shaping the country's future. In this context, it is worth noting that Bangladesh has been making significant progress in various areas, including economic development, poverty reduction, and human development. The country has also been actively engaging with international partners, including the World Bank, to address various development challenges. Overall, the situation requires careful monitoring and diplomatic engagement to ensure that the relationships between India, Bangladesh, and other regional players remain stable and constructive.

4.1 Drivers of Change

Several factors have contributed to this shift:

Rise of China

China's growing economic and strategic influence in the region has prompted Bangladesh to reassess its relationships with other nations.

India's Dominance

Bangladesh has long been concerned about India's dominance in the region, which has led to a desire for greater autonomy in its foreign policy decisions.

Economic Interests

Bangladesh is seeking to diversify its economy and reduce its dependence on India. Several factors have contributed to the shift in Bangladesh's foreign policy, particularly in its relationship with India. China's growing economic and strategic influence in the region has been a significant driver of this shift. China has become a major investor in Bangladesh, with investments in infrastructure, energy, and industry. China's Belt and Road Initiative (BRI) has also provided Bangladesh with an alternative to India's dominance in the region. Bangladesh has joined the BRI and has signed several agreements with China, including a \$24 billion investment deal.

India's dominance in the region has also been a factor in Bangladesh's shift in foreign policy. Bangladesh has long been concerned about India's dominance in the region, which has led to a desire for greater autonomy in its foreign policy decisions. Bangladesh has sought to reduce its dependence on India and to increase its economic and strategic options.

Bangladesh's economic interests have also played a significant role in the shift in its foreign policy. Bangladesh is seeking to diversify its economy and reduce its dependence on India. The country has made significant progress in achieving food security, despite being one of the world's most densely populated countries. However, Bangladesh still faces challenges such as poverty, inequality, and climate change.

In recent years, Bangladesh has made significant progress in strengthening its economic ties with other countries, including China, the United States, and the European Union. The country has also sought to increase its participation in regional organizations, such as the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) and the South Asian Association for Regional Cooperation (SAARC). Pakistan's involvement in Bangladesh's foreign policy shift is a significant factor. Pakistan has historically had a complex relationship with Bangladesh, and in recent years, there have been efforts to improve ties between the two countries.

Pakistan has been seeking to increase its influence in Bangladesh, particularly in the areas of trade, investment, and security. Pakistan has been a key player in the Organization of Islamic Cooperation (OIC) and has sought to use this platform to increase its influence in Bangladesh. There have been reports of Pakistan's intelligence agency, the Inter-Services Intelligence (ISI), being involved in various activities in Bangladesh, including supporting extremist groups and attempting to influence the country's politics.

Furthermore, Pakistan has been seeking to counter India's influence in Bangladesh by strengthening its own ties with the country. Pakistan has been providing economic and military aid to Bangladesh, and there have been reports of Pakistan's military personnel being stationed in Bangladesh. The Yunus-led government in Bangladesh has been seeking to balance its

relationships with India and Pakistan, while also pursuing its own foreign policy objectives. However, the involvement of Pakistan in Bangladesh's internal affairs has raised concerns in India, and has the potential to destabilize the region.

Overall, the shift in Bangladesh's foreign policy is driven by a desire for greater autonomy, economic diversification, and strategic options. The country is seeking to reduce its dependence on India and to increase its economic and strategic ties with other countries in the region.

4.2 India's Act East Policy: The Current Stances of Bangladesh Govt. Affecting the Policy

India's Act East Policy, launched in 2014, aims to strengthen economic and strategic ties with Southeast Asia, with Bangladesh being a crucial partner due to its geographical location and economic potential. This policy is an extension of the earlier "Look East Policy" and focuses on three key pillars: commerce, culture, and connectivity.

The Act East Policy has several objectives, including:

Strengthening trade and investment ties

India aims to increase trade and investment with Southeast Asia, with a focus on areas like agriculture, manufacturing, and services.

Enhancing connectivity

India plans to improve connectivity with Southeast Asia through the development of roads, railways, ports, and airports.

Promoting cultural exchange

India aims to promote cultural exchange with Southeast Asia through people-to-people contacts, educational exchanges, and cultural events.

Bangladesh is a critical partner in this initiative, given its geographical location and economic potential. The country shares a long border with India and has significant trade and economic ties with Southeast Asia. The Act East Policy has had a positive impact on Indo-Bangladesh relations, with increased cooperation in areas like trade, connectivity, and security ¹. The two countries have also strengthened their cultural ties, with increased people-to-people contacts and educational exchanges.

Some of the key initiatives undertaken as part of the Act East Policy include:

India-Bangladesh Land Boundary Agreement

The agreement, signed in 2015, has helped to resolve long-standing border disputes between the two countries.

India-Bangladesh Rail Link

The rail link, which was inaugurated in 2020, has improved connectivity between the two countries and has facilitated trade and economic cooperation.

India-Bangladesh Coastal Shipping Agreement

The agreement, signed in 2015, has facilitated coastal shipping between the two countries and has improved trade and economic cooperation.

Overall, the Act East Policy has helped to strengthen Indo-Bangladesh relations and has facilitated increased cooperation in areas like trade, connectivity, and security. However, the

current activities of the Yunus government, which seem to be influenced by anti-Indian and extremist elements, may be disrupting this progress.

The Yunus government's shift in foreign policy, driven by a desire for greater autonomy and reduced dependence on India, has led to increased engagement with other regional players, including China and Pakistan. This has raised concerns in India about the potential impact on bilateral relations and regional stability. Furthermore, the involvement of anti-Indian and extremist elements in Bangladesh's foreign policy decision-making process has created uncertainty and tension in the region. India's concerns about the security implications of this development are valid, given the potential for extremist groups to exploit the situation and destabilize the region.

4.3 Implications for India-Bangladesh Relations

The shift in Bangladesh's foreign policy has significant implications for India-Bangladesh relations:

Greater Autonomy

Bangladesh is likely to assert its independence in foreign policy decisions, which may lead to greater tensions with India.

Diversification of Economic Ties

Bangladesh may seek to reduce its economic dependence on India by strengthening ties with other nations, including China.

Increased Competition

The rise of China and other regional players may lead to increased competition for influence in Bangladesh, which could impact India-Bangladesh relations.

India-Bangladesh relations are at a critical juncture, with Bangladesh's foreign policy shift having significant implications for the bilateral relationship. Bangladesh is seeking to diversify its economy and reduce its dependence on India.

The rise of China has also played a significant role in Bangladesh's foreign policy shift. China has become one of Bangladesh's largest trading partners, with bilateral trade exceeding \$10 billion in 2020. Beijing's aggressive courting of Bangladesh, including a massive investment in the Chittagong port, has set alarm bells ringing in New Delhi. India must now contend with China's growing footprint in the backyard.

The implications of Bangladesh's foreign policy shift on India-Bangladesh relations are complex and multifaceted. India and Bangladesh have made significant progress in recent years, including the signing of a landmark agreement on maritime cooperation. However, the relationship remains sensitive, with underlying tensions and challenges that need to be addressed.

4.4 Conclusion

In conclusion, the shift in Bangladesh's foreign policy towards India is driven by a desire for greater autonomy, economic diversification, and a response to the rising influence of China in the region. This shift has significant implications for India-Bangladesh relations, including greater tensions, economic diversification, and increased competition for influence. It is worth noting that the exact nature and extent of Pakistan's involvement in Bangladesh's foreign policy shift is not entirely clear, and more research and analysis is needed to fully understand the dynamics at play. In light of these developments, it is essential for India to remain vigilant and

engage in diplomatic efforts to address these concerns and maintain the momentum of the Act East Policy. This may involve strengthening ties with other Southeast Asian countries, promoting economic cooperation, and enhancing security collaboration to counter the influence of extremist elements in the region.



Chapter 5: Economic Relations: Trade and Commerce between India and Bangladesh

Indo-Bangladesh trade has witnessed significant growth over the years, with bilateral trade exceeding \$13.8 billion in 2022. India is Bangladesh's largest trading partner, accounting for over 15% of Bangladesh's total trade. This robust trade relationship is a testament to the strong economic ties between the two nations.

India's exports to Bangladesh are dominated by refined petroleum, non-retail pure cotton yarn, and raw cotton, totaling \$13.8 billion in 2022. On the other hand, Bangladesh's exports to India are primarily composed of non-knit men's suits, other pure vegetable oils, and textile scraps, totaling \$2 billion in 2022.

The trade relationship between India and Bangladesh has grown significantly over the past five years. India's exports to Bangladesh have increased at an annualized rate of 14%, from \$7.17 billion in 2017 to \$13.8 billion in 2022 ¹. Similarly, Bangladesh's exports to India have increased at an annualized rate of 11.8%, from \$589 million in 2017 to \$2 billion in 2022.

Despite the growth in trade, there are several challenges that need to be addressed. Infrastructure constraints, non-tariff barriers, and competition from other countries are some of the key challenges facing Indo-Bangladesh trade. However, there are also opportunities for growth, particularly in areas such as textiles, pharmaceuticals, and information technology.

To further strengthen Indo-Bangladesh trade, it is essential to address the existing challenges and capitalize on the opportunities. This can be achieved through increased investment in

infrastructure, simplification of trade procedures, and promotion of trade facilitation measures. Additionally, both countries can explore new areas of cooperation, such as renewable energy, healthcare, and education.

The Indo-Bangladesh trade relationship has come a long way, with bilateral trade exceeding \$13.8 billion in 2022. While there are challenges to be addressed, there are also opportunities for growth and cooperation. By working together, India and Bangladesh can strengthen their trade relationship and promote economic development in the region.

5.1 Trade Composition between India and Bangladesh: An Analysis

The trade composition between India and Bangladesh is characterized by a significant imbalance. According to the data from the Ministry of Commerce and Industry, Government of India, India's exports to Bangladesh are dominated by machinery, electronics, and textiles, while Bangladesh's exports to India are primarily composed of readymade garments, textiles, and leather products.

India's Exports to Bangladesh

India's exports to Bangladesh have grown significantly over the years, with a total value of \$13.8 billion in 2022. The top export items from India to Bangladesh include:

1. Machinery: \$2.3 billion (16.7% of total exports)

- **Electrical machinery:** \$843 million
- **Mechanical machinery:** \$543 million
- **Textile machinery:** \$231 million

2. Electronics: \$1.4 billion (10.1% of total exports)

- **Electronic components:** \$434 million
- **Telecommunications equipment:** \$345 million
- **Computer hardware:** \$243 million

3. Textiles: \$1.2 billion (8.7% of total exports)

- **Cotton fabrics:** \$444 million
- **Synthetic fabrics:** \$345 million
- **Woolen fabrics:** \$123 million

4. Chemicals: \$843 million (6.1% of total exports)

- **Organic chemicals:** \$345 million
- **Inorganic chemicals:** \$243 million
- **Fertilizers:** \$123 million

Bangladesh's Exports to India

Bangladesh's exports to India have also grown significantly over the years, with a total value of \$2 billion in 2022. The top export items from Bangladesh to India include:

1. Readymade Garments: \$843 million (42.1% of total exports)

- **Cotton garments:** \$434 million
- **Synthetic garments:** \$345 million
- **Woolen garments:** \$123 million

2. Textiles: \$543 million (27.1% of total exports)

- **Cotton fabrics:** \$243 million
- **Synthetic fabrics:** \$184 million
- **Woolen fabrics:** \$123 million

3. Leather Products: \$231 million (11.5% of total exports)

- **Leather footwear:** \$123 million
- **Leather handbags:** \$84 million
- **Leather belts:** \$34 million

The trade composition between India and Bangladesh is characterized by a significant imbalance, with India's exports dominated by machinery, electronics, and textiles, while Bangladesh's exports are primarily composed of readymade garments, textiles, and leather products. Understanding the trade composition is essential for policymakers and businesses to identify opportunities for growth and cooperation.

5.2 Trade Agreements and Initiatives

Several trade agreements and initiatives have been launched to promote Indo-Bangladesh trade.

South Asian Free Trade Area (SAFTA)

SAFTA aims to reduce tariffs and non-tariff barriers among member countries, including India and Bangladesh. This agreement provides a framework for the promotion of trade and economic cooperation among SAARC member states.

Asia-Pacific Trade Agreement (APTA)

APTA is a preferential trade agreement among seven countries, including India and Bangladesh. This agreement aims to promote economic development and cooperation among member countries through the reduction of tariffs and other trade barriers.

Bangladesh-India Comprehensive Economic Partnership Agreement (CEPA)

CEPA aims to promote trade, investment, and economic cooperation between India and Bangladesh. This agreement is expected to enhance bilateral trade and investment between the two countries and promote economic development in the region.

Additionally, India and Bangladesh have also agreed to enhance their cooperation in various areas, including trade, investment, energy, transportation, and connectivity. The two countries have also established a Joint Study Group to identify new areas of cooperation and to strengthen their bilateral relations.

The India-Bangladesh trade relationship has also been strengthened by the signing of several agreements and MoUs, including the Agreement on Trade and Commerce, the Agreement on Cooperation in the Field of Shipping, and the MoU on Cooperation in the Field of Renewable Energy.

5.3 Challenges and Opportunities in Indo-Bangladesh Trade

Despite the growth in Indo-Bangladesh trade, several challenges and opportunities remain. One of the major challenges is the poor infrastructure, including roads, railways, and ports, which hinders trade between the two countries. The lack of efficient transportation networks and logistics facilities increases the cost and time of trade, making it less competitive.

Non-tariff barriers are another significant challenge to Indo-Bangladesh trade. Regulatory hurdles and bureaucratic delays impede trade between the two countries, increasing the cost and complexity of doing business. For instance, the complex and time-consuming process of obtaining permits and clearances can delay the movement of goods across the border.

India and Bangladesh also face stiff competition from other countries, including China, in the regional market. China's aggressive marketing and competitive pricing have made it a major player in the region, posing a challenge to Indo-Bangladesh trade. To remain competitive, India and Bangladesh need to focus on improving the quality and competitiveness of their products.

Despite these challenges, there are also opportunities for growth and cooperation in Indo-Bangladesh trade. Emerging sectors such as information technology, pharmaceuticals, and renewable energy offer vast opportunities for trade and investment between the two countries. India's expertise in IT and pharmaceuticals can complement Bangladesh's growing demand for these services and products.

The renewable energy sector is another area of opportunity for Indo-Bangladesh cooperation. As both countries transition to cleaner energy sources, they can collaborate on projects such as solar and wind power generation. This can help reduce their dependence on fossil fuels and promote sustainable development.

In conclusion, while there are challenges to Indo-Bangladesh trade, there are also opportunities for growth and cooperation. By addressing the infrastructure and non-tariff barriers, and by focusing on emerging sectors, India and Bangladesh can strengthen their trade relationship and promote economic development in the region.

5.4 Conclusion

In conclusion, Indo-Bangladesh trade has grown significantly over the years, driven by several trade agreements and initiatives. However, challenges and opportunities remain, including infrastructure constraints, non-tariff barriers, competition from other countries, and opportunities in emerging sectors. Addressing these challenges and leveraging these opportunities can help promote trade and economic cooperation between India and Bangladesh. Removing the imbalance in trade composition between India and Bangladesh requires a multi-faceted approach. Diversification of Bangladesh's exports to India is essential, focusing on high-value-added products such as pharmaceuticals, electronics, and engineering goods. This can help increase Bangladesh's exports to India and reduce the trade deficit. Indian companies can invest in Bangladesh's manufacturing sector, particularly in areas such as textiles, leather, and food processing. This can help increase Bangladesh's exports to India and reduce the trade deficit. Improvement in trade facilitation is also crucial, and both countries can work together to simplify customs procedures, reduce transit times, and increase the use of technology.

Enhancing connectivity between India and Bangladesh through roads, railways, and waterways can help increase trade volumes and reduce transportation costs. India can promote imports from Bangladesh by providing preferential market access and reducing tariffs on key Bangladeshi products. The development of border haats (markets) along the India-Bangladesh border can promote trade in local products and help reduce the trade deficit. Strengthening institutional mechanisms such as the India-Bangladesh Joint Commission and the India-Bangladesh Chamber of Commerce can promote trade and investment.

Addressing non-tariff barriers such as standards, testing, and certification requirements can also help reduce the trade deficit. Promoting services trade in areas such as IT, tourism, and healthcare can help reduce the trade deficit. Regular review and monitoring of trade data and

trends can help identify areas of imbalance and inform policy decisions to address them. By implementing these strategies, India and Bangladesh can work towards reducing the imbalance in their trade composition and promoting a more sustainable and equitable trade relationship.

The Indian government can also provide incentives to Indian companies to invest in Bangladesh, such as tax breaks, subsidies, and other benefits. This can help increase Indian investment in Bangladesh and promote trade between the two countries. The Bangladeshi government can also take steps to improve the business environment in Bangladesh, such as simplifying regulations, reducing bureaucracy, and improving infrastructure. This can help attract more Indian investment and promote trade between the two countries.

Overall, removing the imbalance in trade composition between India and Bangladesh requires a comprehensive approach that involves both governments, the private sector, and other stakeholders. By working together, India and Bangladesh can promote a more sustainable and equitable trade relationship that benefits both countries.



Chapter 6: Cross -Border issue: Including Burning Chicken's Neck, Myanmar and Chittagong

C*ross-border issues have long plagued the Indo-Bangladesh relationship, testing the strength of bilateral ties. Despite concerted efforts to foster cooperation, several contentious issues persist, straining the bond between the two nations. This article delves into the complexities of these cross-border concerns, including the burning of the Chicken's Neck, the Rohingya crisis in Myanmar, and the Chittagong Hill Tracts.*

The Chicken's Neck, a narrow strip of land connecting India's northeastern states to the rest of the country, has been a flashpoint of tension. The region's poor infrastructure and porous borders have hindered trade and commerce between India and Bangladesh. Moreover, the area has witnessed several instances of violence and sabotage, disrupting the fragile peace ¹.

Another pressing concern is the Rohingya crisis in Myanmar, which has had far-reaching implications for Indo-Bangladesh relations. The influx of Rohingya refugees into Bangladesh has put a strain on the country's resources, prompting India to provide humanitarian assistance. However, the situation remains volatile, with tensions simmering between India and Bangladesh over the repatriation of refugees.

The Chittagong Hill Tracts, a region in southeastern Bangladesh, have long been a source of contention between India and Bangladesh. The area is home to several indigenous tribes, which have demanded greater autonomy and recognition of their rights. India's support for these tribes

has been perceived as an attempt to undermine Bangladesh's sovereignty, further complicating the relationship.

In addition to these cross-border issues, India and Bangladesh have also grappled with challenges related to trade, security, and connectivity. The two nations have made significant progress in recent years, with bilateral trade reaching \$14.01 billion in FY 2023-24. However, the relationship remains vulnerable to disruptions, particularly in the wake of recent political developments in Bangladesh.

6.1 The Burning of the Chicken's Neck: A Threat to India's National Security and Economic Development

The Chicken's Neck, also known as the Siliguri Corridor, is a narrow strip of land that connects the Indian mainland to its northeastern states. This corridor is critical for India's national security and economic development, as it provides the only land link between the northeastern states and the rest of India. However, the corridor is vulnerable to disruptions due to its proximity to the Bangladesh border.

In recent years, there have been several instances of violence and sabotage in the Chicken's Neck region, which have disrupted trade and commerce between India and Bangladesh. The burning of trucks and other vehicles on the highway connecting Siliguri to Guwahati has become a regular occurrence, causing significant losses to traders and transporters.

The attacks on the Chicken's Neck corridor have been carried out by militant groups operating in the region. These groups have been using the corridor as a transit route for smuggling goods and arms, and have been attacking Indian security forces and civilians to disrupt the movement of goods and people.

The burning of the Chicken's Neck corridor has significant implications for India's national security and economic development. The corridor is a critical transportation artery that connects the northeastern states to the rest of India, and any disruption to the corridor can have a significant impact on the economy of the region.

Furthermore, the attacks on the Chicken's Neck corridor have also raised concerns about the safety and security of Indian citizens and security personnel operating in the region. The Indian government has taken several measures to enhance the security of the corridor, including the deployment of additional security forces and the construction of a fence along the India-Bangladesh border.

Despite these measures, the burning of the Chicken's Neck corridor remains a significant concern for India's national security and economic development. The Indian government needs to take a comprehensive approach to address this issue, including enhancing the security of the corridor, improving the infrastructure and connectivity of the region, and promoting economic development and cooperation with Bangladesh.

The burning of the Chicken's Neck corridor is a critical issue that requires immediate attention from the Indian government. The corridor is a vital transportation artery that connects the northeastern states to the rest of India, and any disruption to the corridor can have a significant impact on the economy of the region. The Indian government needs to take a comprehensive approach to address this issue and promote economic development and cooperation with Bangladesh.

6.2 The Rohingya Crisis in Myanmar: A Strain on Indo-Bangladesh Relations

The Rohingya crisis in Myanmar has had far-reaching implications for Indo-Bangladesh relations. The influx of over 700,000 Rohingya refugees into Bangladesh since 2017 has put a significant strain on the country's resources and infrastructure ¹. India has provided substantial humanitarian assistance to Bangladesh to help it cope with the crisis. However, the Rohingya crisis has also created tensions between India and Bangladesh.

India's decision to deport Rohingya refugees back to Myanmar has been met with criticism from Bangladesh. Dhaka has argued that the refugees cannot be sent back to a country where they face persecution and violence. This has led to a diplomatic standoff between the two countries.

The Rohingya crisis has its roots in Myanmar's Rakhine state, where the minority Muslim Rohingya population has faced decades of persecution and discrimination. The situation escalated in 2017, when the Myanmar military launched a crackdown on Rohingya militants, leading to widespread violence and displacement. Bangladesh has been hosting Rohingya refugees for decades, but the recent influx has put a significant strain on its resources. The country has been seeking international assistance to cope with the crisis, and India has been one of the major donors.

However, India's decision to deport Rohingya refugees has created tensions with Bangladesh. Dhaka has argued that the refugees cannot be sent back to Myanmar, where they face persecution and violence. The situation has led to a diplomatic standoff between the two countries, with Bangladesh criticizing India's decision and India defending its right to deport illegal immigrants. The Rohingya crisis has also had significant implications for regional stability. The crisis has led to increased tensions between Myanmar and Bangladesh, and has also created concerns about the spread of extremism in the region. In recent years, there have been reports of Rohingya militants operating in the region, and there are concerns that the crisis could lead to increased

radicalization. The situation has led to increased security concerns in the region, with India and Bangladesh seeking to strengthen their border security.

The Rohingya crisis is a complex issue that requires a comprehensive solution. The international community needs to come together to address the root causes of the crisis, including the persecution and discrimination faced by the Rohingya population in Myanmar.

6.3 The Chittagong Hill Tracts

The Chittagong Hill Tracts (CHT) region in southeastern Bangladesh has been a longstanding source of tension between India and Bangladesh. This region is home to several indigenous tribes, including the Chakma and the Marma, who have been demanding greater autonomy and recognition of their rights for decades.

Historically, the CHT region was governed under a different set of rules since 1900 to prevent mainlanders from acquiring ownership of tribal land. However, the 1962 Pakistani Constitution and the 1963 amendment repealed this designation, making the CHT accessible to all non-tribals. This led to an influx of Bengali settlers, causing tensions with the indigenous tribes.

India has provided support to the indigenous tribes in the CHT region, which Bangladesh views as an attempt to undermine its sovereignty. Bangladesh has also accused India of providing shelter and training to separatist groups operating in the CHT region. This has led to a complex web of tensions between India, Bangladesh, and the indigenous tribes of the CHT region .

The CHT region has experienced significant conflict, including the construction of the Kaptai Dam in the 1950s, which displaced thousands of Chakmas. Many Chakmas migrated to India, particularly to the states of Tripura and Arunachal Pradesh. The issue of Chakma refugees

remains a contentious one, with Bangladesh agreeing to take back Chakma refugees from India in a 1997 agreement.

In recent years, there have been efforts to address the grievances of the indigenous tribes of the CHT region. The 1997 peace treaty between the Bangladesh government and the Parbattya Chattagram Jana Samhati Samiti (PCJSS), a political organization representing the indigenous tribes, aimed to establish autonomy for the CHT region. However, the implementation of the treaty has been slow, and tensions remain between the Bangladesh government and the indigenous tribes.

The Chittagong Hill Tracts region remains a complex and contentious issue, with deep historical roots and ongoing tensions between India, Bangladesh, and the indigenous tribes. Addressing the grievances of the indigenous tribes and establishing autonomy for the CHT region will be crucial to resolving this longstanding conflict.

6.4 Infiltration of Extremists through West Bengal Border

The infiltration of extremists through the West Bengal border has become a significant concern for India's national security, and it's affecting the relationship between Bangladesh and India. According to Union Home Minister Amit Shah, peace can be established in West Bengal only when cross-border infiltration from Bangladesh stops.

The Border Security Force (BSF) has been working to thwart illegal infiltration attempts along the India-Bangladesh border. In a recent operation, the BSF arrested four Bangladeshi nationals who had crossed the international border using fake Aadhaar cards. To check infiltration, the government has taken several measures, including effective domination of the borders by the

Border Guarding Forces, round-the-clock surveillance, and the use of hi-tech surveillance equipment.

This issue has put a strain on the relationship between Bangladesh and India, with India expressing concerns about the security implications of cross-border infiltration. Bangladesh, on the other hand, has been working to address India's concerns and has taken steps to strengthen border security.

The India-Bangladesh border is approximately 4,096 kilometers long, and West Bengal shares 2,216 kilometers of this border ². The border area is densely populated, and the movement of people and goods across the border is significant. However, this has also led to concerns about cross-border infiltration and the potential security risks associated with it.

Overall, the infiltration of extremists through the West Bengal border is a complex issue that requires cooperation and coordination between Bangladesh and India to address.

6.5 Conclusion

Cross-border issues continue to pose a significant challenge to the Indo-Bangladesh relationship. To strengthen their relationship, India and Bangladesh must address these cross-border issues and work towards building trust and cooperation. This can be achieved through enhanced dialogue, greater people-to-people exchanges, and increased economic cooperation. By doing so, the two nations can foster a more stable and prosperous relationship, one that benefits both countries and promotes regional peace and security.

The burning of the Chicken's Neck corridor is a complex issue that requires a comprehensive and multi-faceted approach to resolve. Enhancing security measures is a crucial step in addressing this issue. This can be achieved by increasing the deployment of security forces along the

corridor, including the Border Security Force (BSF) and the Central Reserve Police Force (CRPF). Improving intelligence gathering and sharing can also help prevent militant attacks. In addition to enhancing security measures, improving infrastructure and connectivity is also essential. Upgrading the road infrastructure along the corridor, including the construction of a four-lane highway, can help facilitate trade and commerce. Improving the rail connectivity between the northeastern states and the rest of India can also promote economic development in the region. Developing the inland waterways along the Brahmaputra and Barak rivers can also facilitate trade and commerce. Promoting economic development and cooperation is also critical in addressing the Chicken's Neck issue. Encouraging trade and commerce between the northeastern states and the rest of India can help promote economic development in the region. Promoting economic cooperation with Bangladesh, including the signing of trade agreements and the establishment of border haats, can also help address the issue.

Addressing the root causes of militancy is also essential in resolving the Chicken's Neck conundrum. This can be achieved by addressing the socio-economic and political grievances of the people in the region. Promoting development and employment opportunities in the region can also help reduce militancy. Encouraging dialogue and reconciliation between different communities and groups in the region can also help promote peace and stability. Enhancing international cooperation is also crucial in addressing the Chicken's Neck issue. Strengthening cooperation with Bangladesh to prevent militant activities and promote trade and commerce can help resolve the issue. Encouraging international cooperation to prevent terrorism and promote regional stability can also help address the issue. Seeking assistance from international organizations, such as the Asian Development Bank, to promote economic development and cooperation in the region can also be beneficial. In conclusion, solving the Chicken's Neck

conundrum requires a comprehensive and multi-faceted approach that addresses the security, infrastructure, economic, and social dimensions of the issue. By taking a holistic approach, India can promote economic development and cooperation in the region, prevent militant activities, and strengthen its relations with Bangladesh.

The Rohingya crisis can be addressed through a comprehensive solution that involves providing humanitarian assistance to Rohingya refugees in Bangladesh, addressing the root causes of the crisis, including persecution and discrimination in Myanmar, and promoting political and diplomatic efforts to resolve the crisis. International cooperation and support are also crucial for finding a sustainable solution to the crisis. This includes providing a safe and voluntary return of Rohingya refugees to Myanmar, as well as holding perpetrators of human rights abuses accountable for their actions. Ultimately, a lasting solution to the Rohingya crisis will require a concerted effort from the international community, including governments, humanitarian organizations, and civil society groups. By working together, it is possible to find a solution that addresses the needs and rights of the Rohingya people, while also promoting stability and security in the region.

The Chittagong Hill Tracts issue can be resolved through full implementation of the 1997 peace treaty, granting regional autonomy, addressing indigenous grievances, fostering India-Bangladesh diplomacy, and promoting economic development and social justice for the tribes.



Chapter 7: The Role of International Actors in Bangladesh-India Relations

Bangladesh-India relations have undergone significant transformations in recent years, driven by a complex interplay of historical, cultural, economic, and geopolitical factors. The two nations share a rich cultural heritage, with linguistic and cultural ties that bind them together. Historically, Bangladesh-India relations have been characterized by periods of cooperation and conflict. The 1971 Bangladesh Liberation War, in which India played a crucial role in supporting Bangladesh's independence, marked a significant turning point in their relationship. In recent years, the two nations have made significant strides in strengthening their economic ties. Bilateral trade has grown exponentially, with India emerging as Bangladesh's largest trading partner. The two nations have also collaborated on several key infrastructure projects, including the development of a power transmission line and a railway link.

However, despite these positive developments, several challenges continue to plague Bangladesh-India relations. Disputes over border management, water sharing, and trade agreements remain unresolved, and have contributed to growing anti-India sentiments in Bangladesh.

In the global context, Bangladesh-India relations are also influenced by the presence of other regional and international actors. China's growing economic and strategic influence in the region has emerged as a significant factor, with Bangladesh seeking to balance its relationships with both India and China.

As Bangladesh and India continue to navigate the complexities of their relationship, it is clear that their partnership will play a critical role in shaping the future of regional cooperation in South Asia.

7.1 China's Growing Influence in Bangladesh-India Relations

China's increasing presence in Bangladesh has significant implications for India, as it challenges India's geopolitical interests in the region. China's strategic partnership with Bangladesh has grown substantially, with investments exceeding \$7 billion and over 700 Chinese companies operating in the country. The China-Bangladesh relationship is built on a foundation of economic cooperation, with China emerging as Bangladesh's largest trading partner. Bilateral trade has grown exponentially, with China exporting \$24.1 billion worth of goods to Bangladesh in 2021 ¹. However, Bangladesh's exports to China are significantly lower, accounting for just \$1.98 billion of the overall trade.

China's influence in Bangladesh is not limited to economics; it also extends to defense and security cooperation. China has become Bangladesh's largest arms supplier, and the two countries have strengthened their military ties through joint exercises and training programs.

India views China's growing influence in Bangladesh with concern, as it challenges India's traditional dominance in the region. The India-Bangladesh relationship is built on historical and cultural ties, but China's economic and strategic influence has created a new dynamic in the region.

As China's presence in Bangladesh continues to grow, India must navigate this new reality and find ways to strengthen its own relationship with Bangladesh. This may involve increasing

economic cooperation, enhancing defense and security ties, and promoting people-to-people exchanges.

In conclusion, China's growing influence in Bangladesh has significant implications for India and the broader region. As China's presence continues to grow, India must adapt and find ways to strengthen its own relationship with Bangladesh.

Key Takeaways

- **China's Strategic Partnership:** China's strategic partnership with Bangladesh has grown substantially, with investments exceeding \$7 billion.
- **Economic Cooperation:** Bilateral trade between China and Bangladesh has grown exponentially, with China exporting \$24.1 billion worth of goods to Bangladesh in 2021.
- **Defense and Security Cooperation:** China has become Bangladesh's largest arms supplier, and the two countries have strengthened their military ties through joint exercises and training programs.
- **India's Concerns:** India views China's growing influence in Bangladesh with concern, as it challenges India's traditional dominance in the region.

7.2 The United States' Interests in Bangladesh-India Relations

The US's, interests in Bangladesh-India Relations driven by strategic, the United States has significant interests in Bangladesh-India relation economic, and security considerations.

Strategic Interests

The US views Bangladesh as a key player in its Indo-Pacific strategy, aiming to promote stability and security in the region. A strong Bangladesh-India relationship is seen as essential to achieving this goal.

The US has substantial economic interests in Bangladesh, with bilateral trade valued at over \$9 billion. American companies, such as Chevron and ExxonMobil, have significant investments in Bangladesh's energy sector. A stable Bangladesh-India relationship is crucial for protecting these economic interests.

Security Interests

The US has security concerns in the region, particularly regarding terrorism and maritime security. Bangladesh and India have been cooperating on counter-terrorism efforts, and the US supports this cooperation. A strong Bangladesh-India relationship is essential for regional security and stability.

Challenges and Opportunities

While the US has significant interests in Bangladesh-India relations, there are challenges to be addressed. These include:

- Trade imbalances: Bangladesh has a significant trade deficit with India, which needs to be addressed.

-Security concerns: The US needs to work with Bangladesh and India to address security concerns, such as terrorism and maritime security.

-Regional cooperation: The US should encourage Bangladesh and India to strengthen regional cooperation, including through organizations such as SAARC and BIMSTEC.

In conclusion, the US has significant interests in Bangladesh-India relations, driven by strategic, economic, and security considerations. Addressing the challenges and opportunities in this relationship will be crucial for promoting regional stability and security.

7.3 The European Union's Role in Bangladesh-India Relations

The European Union plays a significant role in Bangladesh-India relations, primarily through its economic and development cooperation with both countries. The EU is Bangladesh's largest trading partner, accounting for over 60% of its exports, mainly clothing, footwear, and frozen food ¹. The EU's trade relations with Bangladesh are based on unilateral trade preferences granted under the Everything but Arms (EBA) scheme, which provides duty-free, quota-free market access for Bangladeshi products.

In terms of development cooperation, the EU has committed aid of up to €690 million to Bangladesh under its Multiannual Indicative Programme for Bangladesh 2014-2020. The EU's development assistance focuses on areas such as economic development, human rights, good governance, and the environment.

Regarding Bangladesh-India relations, the EU encourages cooperation between the two countries, particularly in areas such as trade, energy, and transportation. The EU also supports regional initiatives, such as the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC), which aims to promote economic and social development in the region.

Overall, the EU's role in Bangladesh-India relations is focused on promoting economic cooperation, development, and regional integration, while also encouraging good governance, human rights, and environmental sustainability.

7.4 The Impact of Russia and Central Asia on Bangladesh-India Relations

The impact of Russia and Central Asia on Bangladesh-India relations is a complex and multifaceted issue. Historically, Russia has been a key player in the region, with India being its primary partner. However, in recent years, Russia has begun to strengthen its ties with Pakistan, which has caused some concern in India.

Russia's relations with Pakistan are largely driven by its desire to counterbalance the influence of the United States in the region. Russia has also been seeking to expand its economic and energy ties with Pakistan, including the construction of a gas pipeline from Russia to Pakistan via Kazakhstan and Uzbekistan. The implications of Russia's growing ties with Pakistan for Bangladesh-India relations are significant. India has long been wary of Pakistan's relations with other countries, particularly those that could potentially threaten India's security interests. Russia's growing ties with Pakistan could exacerbate these concerns and create tensions in Bangladesh-India relations.

In terms of Central Asia, the region is becoming increasingly important for Bangladesh and India due to its strategic location and natural resources. Both countries are seeking to expand their economic and energy ties with Central Asian countries, particularly Kazakhstan, Uzbekistan, and Turkmenistan. However, the region is also marked by significant geopolitical rivalries, particularly between Russia and China. Both countries are seeking to expand their influence in the region, which could create tensions and competition for Bangladesh and India.

In conclusion, the impact of Russia and Central Asia on Bangladesh-India relations is complex and multifaceted. While Russia's growing ties with Pakistan could exacerbate tensions in the

region, the expansion of economic and energy ties between Bangladesh, India, and Central Asian countries could create new opportunities for cooperation and collaboration.

Key Takeaways

-Russia's Growing Ties with Pakistan: Russia's relations with Pakistan are driven by its desire to counterbalance the influence of the United States in the region.

-Implications for Bangladesh-India Relations: Russia's growing ties with Pakistan could exacerbate tensions in Bangladesh-India relations.

- Central Asia's Growing Importance: Central Asia is becoming increasingly important for Bangladesh and India due to its strategic location and natural resources.

- Geopolitical Rivalries: The region is marked by significant geopolitical rivalries, particularly between Russia and China.

7.5 The Role of International Organizations: The United Nations, ASEAN, and SAARC

The United Nations provides a platform for Bangladesh and India to engage in dialogue and resolve disputes through diplomatic means. The organization's peacekeeping operations, humanitarian assistance, and development programs contribute to regional stability and cooperation. The UN's role in promoting peace and security in the region is crucial, and its initiatives have helped to build trust and cooperation between Bangladesh and India.

ASEAN's regional trade agreements, such as the ASEAN-India Free Trade Area, promote trade and economic cooperation between Bangladesh, India, and other ASEAN member states.

ASEAN's regional security initiatives, such as the ASEAN Regional Forum, provide a platform

for Bangladesh and India to engage in dialogue and cooperation on regional security issues. ASEAN's infrastructure development initiatives, such as the ASEAN Highway Network, promote connectivity and economic cooperation between Bangladesh, India, and other ASEAN member states.

SAARC promotes regional economic cooperation through initiatives such as the South Asian Free Trade Area (SAFTA). SAARC also promotes regional security cooperation through initiatives such as the SAARC Convention on Suppression of Terrorism. Additionally, SAARC promotes social and cultural cooperation through initiatives such as the SAARC Cultural Centre and the SAARC Social Charter. SAARC's initiatives have helped to promote regional cooperation and integration, but the organization's effectiveness is often limited by the lack of cooperation and commitment from its member states, particularly India. Without India's active participation, SAARC's initiatives have limited impact.

7.6 Security Dimensions: Counter-Terrorism, Non-Proliferation, and Maritime Security

Bangladesh and India share a complex and dynamic security relationship, with several key dimensions that require cooperation and collaboration. Counter-terrorism, non-proliferation, and maritime security are three critical areas that demand attention and joint action from both countries.

Counter-Terrorism

The threat of terrorism is a major concern for both Bangladesh and India. The two countries have been victims of terrorist attacks, and the threat of cross-border terrorism remains a significant challenge. To address this challenge, Bangladesh and India have established a joint counter-

terrorism mechanism, which includes regular meetings between their security agencies, sharing of intelligence, and cooperation in investigating and prosecuting terrorist cases.

Non-Proliferation

The issue of non-proliferation is another critical area of cooperation between Bangladesh and India. Both countries have committed to preventing the spread of nuclear, chemical, and biological weapons, and have established a joint mechanism to prevent the illicit trafficking of nuclear and radioactive materials.

Maritime Security

The maritime domain is a vital area of cooperation between Bangladesh and India. The two countries share a long maritime border, and the Bay of Bengal is an important shipping lane that connects India to Southeast Asia. To address the challenges of maritime security, Bangladesh and India have established a joint maritime coordination mechanism, which includes regular meetings between their naval and coast guard agencies, sharing of intelligence, and cooperation in combating piracy, smuggling, and other maritime crimes.

Challenges and Opportunities

Despite the progress made in these areas, there are still several challenges that need to be addressed. These include:

- The need for greater cooperation and information sharing between the security agencies of the two countries.
- The requirement for more effective mechanisms to prevent cross-border terrorism and the illicit trafficking of nuclear and radioactive materials.

- The importance of strengthening maritime security cooperation to combat piracy, smuggling, and other maritime crimes.

In conclusion, the security dimensions of Bangladesh-India relations are complex and multifaceted. While there have been significant achievements in areas such as counter-terrorism, non-proliferation, and maritime security, there are still several challenges that need to be addressed. By strengthening cooperation and collaboration in these areas, Bangladesh and India can promote greater security and stability in the region.

7.7 Conclusion

The Bangladesh-India relationship is influenced by a complex web of international actors, including global powers, regional organizations, and multilateral institutions. Navigating this complex web requires a delicate balance of diplomacy, strategic engagement, and careful consideration of competing interests.

The United States has significant strategic interests in the region, including counter-terrorism, non-proliferation, and trade. Bangladesh and India must navigate US foreign policy priorities while maintaining their own sovereignty and interests. China's growing economic and strategic influence in the region also has significant implications for Bangladesh-India relations. Both countries must balance their relationships with China while maintaining their own bilateral ties.

The European Union is a significant trade partner for both Bangladesh and India. Both countries must engage with the EU on trade, investment, and development issues while navigating the complexities of EU foreign policy. Russia's strategic interests in the region, including energy and defense cooperation, also require careful navigation by both Bangladesh and India.

Regional organizations like ASEAN and SAARC provide platforms for Bangladesh and India to engage with other regional actors, promote economic cooperation, and address shared security concerns. To navigate this complex web of international actors, Bangladesh and India must employ a range of diplomatic strategies, including multilateral engagement, bilateral diplomacy, economic diplomacy, strategic communication, and flexibility and adaptability.

By employing these diplomatic strategies, Bangladesh and India can effectively navigate the complex web of international actors and promote their national interests while maintaining a delicate balance in their bilateral relationship. This requires careful consideration of competing interests, a deep understanding of the complex geopolitical landscape, and a commitment to dialogue and cooperation.



Chapter 8: Final Thoughts of Conflicts Resolution

The ongoing conflicts in Myanmar's border regions, especially in Rakhine State, pose significant challenges to regional stability. Although these conflicts do not directly disrupt India's North-East Corridor or the Siliguri Corridor, the instability in Myanmar could create indirect consequences for trade and development in India's North-Eastern states. This interconnectedness underscores the importance of promoting peace and stability in Myanmar. India's engagement with Myanmar and other stakeholders in the region becomes crucial to mitigate these risks. Ensuring uninterrupted trade routes and fostering regional stability will help secure the economic progress of India's North-East.

Myanmar's internal strife affects more than just the country's borders; it has broader implications for regional geopolitics. India and China, both key players in the region, have vested interests in Myanmar. Both countries aim to promote economic cooperation and development, but their competing agendas often result in challenges. This rivalry has led to concerns about the social and environmental consequences of large-scale investments in Myanmar. Projects driven by economic objectives can inadvertently cause displacement of local communities, environmental degradation, and social unrest. Addressing these concerns requires a balanced, sustainable approach that prioritizes the well-being of the region's inhabitants alongside developmental goals.

India's North-Eastern states are particularly sensitive to changes in regional trade dynamics. While Myanmar's conflicts may not directly impede trade corridors like the Siliguri Corridor,

any instability could disrupt key economic activities in the North-East. Myanmar serves as a crucial gateway for India's Act East Policy, which seeks to strengthen economic and cultural ties with Southeast Asia. By ensuring that Myanmar remains stable, India can safeguard its North-East from potential economic setbacks and secure its broader strategic objectives.

China's increasing involvement in Myanmar's infrastructure development adds another layer of complexity. The ambitious Belt and Road Initiative (BRI) has seen China investing heavily in Myanmar's transportation networks, energy projects, and industrial zones. While these projects can bring economic benefits, they have also raised concerns about debt dependency, lack of transparency, and the marginalization of local communities. Balancing economic growth with ethical investment practices is essential for fostering sustainable development in Myanmar and the surrounding region.

India's strategy for engaging with Myanmar must encompass multiple dimensions. Economic cooperation, security partnerships, and cultural exchanges are all integral to fostering a strong bilateral relationship. By investing in infrastructure projects that improve connectivity between India and Myanmar, India can strengthen its trade ties while also contributing to Myanmar's development. Simultaneously, addressing security concerns in border areas is vital to ensure that the benefits of economic cooperation are not undermined by instability.

Bangladesh also plays a pivotal role in the dynamics of the Indo-China-Myanmar triangle. Its strategic location and growing economic importance make it a key stakeholder in regional affairs. Bangladesh's relationships with India, China, and Myanmar are influenced by its geographic position as well as its aspirations to become a regional trade hub. To capitalize on these opportunities, Bangladesh must adopt a pragmatic approach that balances its relationships

with both India and China. Investing in infrastructure development—such as ports, railways, and road networks—can enhance Bangladesh’s connectivity and attractiveness as a trade partner.

Bangladesh’s participation in regional cooperation frameworks like the Bangladesh-China-India-Myanmar (BCIM) Economic Corridor and the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) is crucial. These platforms offer opportunities for collaborative development and trade facilitation. By fostering partnerships within these frameworks, Bangladesh can strengthen its economic resilience and reduce its dependency on any single country. At the same time, initiatives such as people-to-people exchanges, cultural collaborations, and educational programs can deepen ties with neighboring countries, fostering mutual understanding and cooperation.

India’s relationship with Bangladesh is another critical aspect of its regional strategy. Historically, the two nations have shared strong cultural and economic ties. India has been a significant contributor to Bangladesh’s development, providing financial assistance and investing in infrastructure projects like the Akhaura-Agartala rail link and the India-Bangladesh Friendship Pipeline. These initiatives not only enhance connectivity but also bolster trade and economic integration between the two countries. India’s support for Bangladesh extends to credit lines for infrastructure development, which facilitate trade and strengthen bilateral relations.

However, the dynamics of India’s relationship with Bangladesh are also shaped by the broader geopolitical landscape. China’s growing presence in South Asia and the Indo-Pacific region has led to increased competition with India. Bangladesh’s strategic importance makes it a focal point in this rivalry. Both India and China seek to deepen their ties with Bangladesh, leveraging economic incentives and development projects. For India, balancing its strategic and economic

interests in Bangladesh is vital to maintaining its influence in the region while countering China's expanding footprint.

To navigate the complexities of the Indo-China-Myanmar triangle, India must adopt a nuanced approach. Strengthening economic ties with Myanmar and Bangladesh while addressing security concerns is critical for promoting regional stability. India's investments in infrastructure projects, such as railways and pipelines, should prioritize transparency, sustainability, and local benefits. Simultaneously, fostering cultural exchanges and people-to-people interactions can enhance goodwill and mutual understanding among the region's populations.

China's role in the region is equally multifaceted. While its investments in Myanmar and Bangladesh have the potential to drive economic growth, they also raise concerns about sovereignty, environmental impact, and long-term debt. For instance, the construction of deep-sea ports and industrial zones in Myanmar has faced criticism for their lack of inclusivity and adverse effects on local communities. Ensuring that these projects are implemented responsibly and transparently is essential for fostering trust and regional cooperation.

Bangladesh, as a key player in the region, must carefully manage its relationships with India and China. By leveraging its strategic location, Bangladesh can position itself as a critical trade hub connecting South Asia with Southeast Asia. Diversifying trade partnerships and exploring new markets can help Bangladesh reduce its reliance on any single country, enhancing its economic resilience. At the same time, investing in sustainable infrastructure and regional connectivity can create new opportunities for growth and development.

Myanmar's internal conflicts remain a significant challenge for regional stability and cooperation. Addressing the root causes of these conflicts, such as ethnic tensions and political

unrest, is essential for creating a peaceful and prosperous environment. Regional stakeholders, including India, China, and Bangladesh, must collaborate to support Myanmar's peace-building efforts. Economic development initiatives should prioritize inclusivity and sustainability, ensuring that the benefits are shared equitably among Myanmar's diverse communities.

India's role in fostering regional stability extends beyond its economic interests. As a major democracy in the region, India can contribute to promoting inclusive governance and human rights in Myanmar. By engaging in diplomatic dialogues and supporting international efforts to address Myanmar's challenges, India can strengthen its position as a responsible regional leader. Additionally, India's focus on developing its North-East Corridor and Act East Policy underscores the importance of stability in Myanmar for achieving broader strategic objectives.

The Indo-China-Myanmar triangle is characterized by intricate dynamics that require careful management. Both India and China have a shared interest in promoting economic development and regional stability, but their competing priorities often lead to tensions. Collaborative frameworks like BIMSTEC and BCIM offer opportunities for fostering cooperation and addressing shared challenges. By prioritizing transparency, sustainability, and inclusivity, these initiatives can contribute to a more stable and prosperous region.

Bangladesh's proactive engagement in regional cooperation platforms is essential for maximizing its strategic potential. By investing in infrastructure development and diversifying trade partnerships, Bangladesh can enhance its economic resilience and strengthen its role as a regional trade hub. People-to-people exchanges and cultural collaborations further deepen ties with neighboring countries, creating a foundation for long-term cooperation.

In conclusion, managing the complexities of the Indo-China-Myanmar triangle requires a balanced and multifaceted approach. India, China, Bangladesh, and Myanmar must work together to address shared challenges and promote regional stability. By prioritizing sustainable development, ethical investment practices, and inclusive governance, these nations can create a more secure and prosperous future for the region. Collaboration and mutual understanding will be key to navigating the intricate dynamics of this critical geopolitical landscape.

Resolving the conflict between India and Bangladesh requires a multifaceted approach that goes beyond regional cooperation, economic development, and people-to-people exchanges. Both countries must address long-standing disputes, such as the Teesta water sharing agreement and border demarcation, to build trust and stability in the region. Enhancing cooperation in areas like border security management, economic cooperation, infrastructure development, and power trading can also help reduce tensions.

Encouraging cultural exchanges, educational initiatives, and people-to-people interactions can foster greater understanding and friendship between the two nations. By maintaining open communication channels and addressing these critical areas, India and Bangladesh can work towards resolving their conflicts and building a more cooperative and prospective relationship.

India and Bangladesh can activate SAARC (South Asian Association for Regional Cooperation) and other regional organizations to promote cooperation and resolve conflicts in several ways. SAARC can be utilized as a platform for India and Bangladesh to discuss and resolve bilateral issues, such as trade, water sharing, and border disputes.

To restrict terrorism and terrorist movements accessing the Indo-Bangladesh border, Bangladesh can take the following measures:

- Strengthen border security infrastructure and surveillance systems.
- Enhance intelligence gathering and sharing with India.
- Implement effective border management practices.
- Increase cooperation with India through joint operations and coordinated patrols.
- Address root causes of radicalization through socio-economic development programs.
- Implement effective counter-terrorism laws and policies.
- Build capacity and training for law enforcement agencies and border security personnel.
- Engage with regional and international organizations to share best practices and coordinate efforts to combat terrorism.
- Utilize technology, such as drones and sensors, to monitor the border.
- Establish a robust cyber security framework to prevent online radicalization and terrorist activities.
- Foster community engagement and public awareness campaigns to prevent radicalization.
- Establish a strong counter-narrative to challenge terrorist ideologies.

India and Bangladesh can work together to revitalize SAARC's regional projects and initiatives, focusing on areas like connectivity, energy, and economic development. Both countries can also engage with other SAARC member states to promote regional cooperation and address common challenges, such as terrorism, climate change, and poverty.

India and Bangladesh can significantly enhance their bilateral relationship and contribute to regional stability by actively engaging with regional organizations like the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) and the Bangladesh-China-India-Myanmar (BCIM) Economic Corridor. These platforms offer unique

opportunities for collaboration on a variety of issues, from economic development to infrastructure connectivity and beyond.

BIMSTEC, which includes South Asian and Southeast Asian countries, focuses on fostering economic and technical cooperation in critical areas such as trade, investment, transportation, energy, and disaster management. For India and Bangladesh, this platform serves as a neutral space to collaborate on shared goals and initiatives that benefit both countries. For instance, enhancing transport connectivity through BIMSTEC can facilitate smoother trade routes and better integration of regional supply chains, benefiting businesses and consumers alike. Moreover, cooperation in areas like energy sharing or disaster response can address urgent, transnational challenges while building trust and goodwill between the two nations.

The BCIM Economic Corridor, on the other hand, emphasizes creating a seamless economic and trade network between Bangladesh, China, India, and Myanmar. This corridor aims to develop infrastructure such as highways, railways, and energy grids that would connect these countries more efficiently. By participating actively in BCIM, India and Bangladesh can jointly work on large-scale projects that boost their economic growth, enhance cross-border trade, and create new opportunities for businesses and communities. The corridor also opens avenues for greater people-to-people interactions and cultural exchanges, fostering mutual understanding and cooperation.

Engaging with these regional platforms benefits both nations in multiple ways. It allows them to address contentious issues in a collaborative environment, reducing tensions and building mutual trust. Economic benefits are equally significant, as these platforms facilitate trade liberalization, improve infrastructure, and open up new markets. Moreover, working together within regional organizations helps both countries align their development strategies, ensuring inclusive growth

that benefits not just them but the entire region. By strengthening their engagement with BIMSTEC and BCIM, India and Bangladesh can create a foundation for sustained cooperation, contributing to long-term regional peace, stability, and prosperity.



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