

Towards a Durable Political Understanding: Fifty Years of Indo-Bangladesh Relations

Sreeradha Datta*

Presently, India and Bangladesh are enjoying an unprecedented multi-sectoral and multi-layered partnership. As Bangladesh becomes fifty, the five decades of the bilateral relationship have touched heights that reflect the golden hues of the milestone. Arguably, the friendship between *Bangabandhu* Sheikh Mujibur Rahman, Bangladesh's first Prime Minister, and the Indian Prime Minister, Indira Gandhi, echoed a unique bond created by common ethos, values, quest for autonomy, and assertion in a global system that was not particularly kind to the less developed nations. The bilateral ties between the two growing Asian economies were premised on a cooperative framework enabling a regional platform, which provided opportunities for other neighbours to join the process too. Evidently, the relationship - which has faced many highs and lows through the past decades - is now enjoying a phase of peace and friendship reminiscent of the immediate years post the Liberation War. However, despite the apparent bonhomie, a few core questions remain. Is this bilateral engagement sustainable and irreversible? Does it ensure that the two countries will remain immune to the political vagaries of the region in the days ahead?

Arguably, from any historian's point of view, fifty years provides limited scope to understand state behaviour; but from the perspective of international studies, the five decades are representative of the various contours of the relationship, and can offer glimpses into some future trends. Similarly, the present juncture offers a window to the future of the Indo-Bangladeshi bilateral journey.

The present bilateral partnership has covered vast grounds, highlighting the changing times at every stage. From the political to the social, to the economic, to the developmental, and from defence to the strategic, the scope

***The Author**, Dr. Sreeradha Datta, is Centre Head, Neighbourhood Studies and Senior Fellow, Vivekananda International Foundation, New Delhi and Non-Resident Senior Fellow, ISAS-NUS, Singapore.

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is widening to areas hitherto unexplored. India and Bangladesh have both grown remarkably in the past five decades and, prior to the COVID-19 pandemic, were the two fastest growing Asian economies. Significantly, Bangladesh's achievement in sustaining a high growth trajectory is a story of remarkable economic development despite periodic political instability, stark climate changes, and natural disasters.

Fifty Years of Bangladesh's Journey

Undoubtedly, the past 50 years is a story of a remarkable journey for Bangladesh. Bangladesh has overcome its humble beginnings and a very difficult political journey, to stand poised at a point which is coveted not only by its neighbours but also by others. Bangladesh started with less than 1 percent GDP growth and achieved 6 percent plus growth along with a remarkable performance in various developmental indicators, including those relating to the Millennium Development Goals. In 2015, it also achieved dual graduation - from a Low-Income Country to Lower Middle Income Country according to the World Bank criteria. In 2018, it became eligible to graduate from Least Developed Country status to Developing Country status, according to the United Nations criteria.

Indeed, the accomplishments of Bangladesh are significant and substantial, and it has given it confidence to undertake policies that could not be even contemplated in the past.

Break from the Past

Much of the success was possible because of the leadership of Prime Minister Sheikh Hasina, leader of Awami League led government that came to power through the delayed 9th Jatiya Sangsad election of December 2008. India and Bangladesh began to work in earnest to address each other's outstanding issues under the able leadership of Prime Minister Hasina. Her political will to address India's security concerns was evident from the outset. Once Dhaka conveyed its intention to ensure that no anti-India activities were going to be carried out from Bangladeshi soil, New Delhi found ways and means to address some of Bangladesh's long-standing demands. Delhi agreed to dilute trade barriers, resolving boundary demarcation, and acceding to Bangladesh's demand for transit to Nepal and Bhutan - and all of these reflected an attitudinal shift on both sides. The Land Boundary Agreement signed by India and Bangladesh, in June 2015 helped take forward the bilateral ties to hitherto unexplored areas of common interest.

The historic ties that had evolved between Indira Gandhi and Sheikh Mujibur Rahman during the years preceding Bangladesh's War of Liberation later resulted in the Indo-Bangladesh Treaty of Friendship, Peace and Cooperation. But the assassination of Sheikh Mujib changed drastically not only the domestic situation in Bangladesh but also the bilateral ties with India. The political proximity that had existed between the two states henceforth ceased to exist. Successive military leaders in Bangladesh (1975-1990) deliberately undermined ties with India. With the return of parliamentary democracy in 1991, there was an attempt to restore normalcy in the relationship.

However, the real transformation in the bilateral equation began with Sheikh Hasina, daughter of Sheikh Mujib, who assumed office in 1996. The signing of the Ganges Water Treaty in 1996 and the Chakma Agreement in 1997 removed the two main irritants that had plagued Indo-Bangladeshi relations for years. Although during this period the two neighbours had several unresolved issues between them, they were set firmly on a friendly track. Unfortunately, this momentum was lost after the next elected government of the BNP alliance which took over in 2001. Without much exaggeration, bilateral ties reached their lowest point between 2001 and 2006. However, with a technocrat Caretaker Government in Bangladesh, bilateral relations improved once again during 2007-08. The breakthrough occurred with Delhi granting Bangladesh tariff free access to its export of eight million ready-made garment pieces to India. A thaw was also visible in the Bangladeshi Caretaker Government's recognition of Indian security concerns which led to the handover of some Indian insurgents operating from Bangladesh.

The real turnaround happened with the signing of an Indo-Bangladeshi Joint Communiqué in 2010. This opened up the vistas of bilateral cooperation, leading to regional collaboration in many areas. India and Bangladesh decided to open up borders for the facilitation of bilateral trade, investment, and energy cooperation. It began with Bangladesh opening up its land and water borders to enable India easier access to its northeast; on the other hand, India agreed to Bangladesh's long-standing demand of transit to Nepal and Bhutan.

A significant portion of the first billion-dollar line of credit offered by India in 2010 was towards building transport connectivity and infrastructure development, such as laying railway infrastructure; supply of locomotives and passenger coaches; rehabilitation of the Saidpur railway workshop; procurement of buses; and dredging projects. The agreement also included the purchase of double-decker buses from India, the setting up of a power

grid between India and Bangladesh, and the establishment of state-run standards and testing institute facilities in Bangladesh by India. This subsequently grew to almost US\$ 8 billion (US\$ 1 billion in 2010; US\$ 2 billion in 2016; and US\$ 4.5 billion in 2017), and was the largest credit loan that India has offered to any state in the neighbourhood or beyond. This helped transform the cooperation landscape.

Indeed, many of the border developmental projects that Bangladesh undertook were also supported by India. Many of these projects are in various states of implementations. Moreover, the first land and air transshipment between the two countries took place towards the end of 2018. The first bonded container of 4.41 tonnes cargo from Bangladesh moved through the Benapole land border into India through the Petrapole border, to head towards Kolkata airport for air freight to Europe. This was the first instance of GPS enabled trucks moving across the border using the GPS tracking device, allowing officials from both India and Bangladesh to monitor their progress in real time. No doubt this measure will certainly change the contours of bilateral and regional trade also.

Interestingly, the first tangible takeaway of the 2010 agreement was the beginning of the energy trade, which was a priority for the Sheikh Hasina government, given its domestic shortfall. Drawing from a basket of types of trade in energy, the bilateral cooperation between the two countries has covered a large ground from the first trade in 2013 through the Palatana project in Tripura. The two energy companies - the Bangladesh Power Development Board (BPDB) and the Power Grid Corporation of India Ltd (PGCI) - signed a 35-year agreement to establish energy trade through regional transmission systems. Further, the Indian Oil Corporation Limited and the Bangladesh Petroleum Corporation agreed to set up a LPG terminal in Chittagong (in 2016). This would make it possible for not only Bangladesh to receive gas but it would facilitate supply of liquefied petroleum gas (LPG) to the north-eastern Indian states, including Tripura, thereby benefiting both the countries. The Bangladesh Power Development Board (BPDB) and the Indian State-run National Thermal Power Corporation (NTPC) signed a Memorandum of Understanding (MoU) for improving and developing Bangladesh's power sector.

The idea of developing an energy grid has now got greater traction, and is under discussion at both the bilateral and regional levels. India is in the process of preparing a draft agreement for regional energy trade. Apparently, a more tangible initiative of energy trade seems to be in the offing from India,

Nepal, and Bangladesh. Bangladesh has also shown interest in signing a mutual Power Trade Agreement with Nepal, and has proposed to invest US\$ 1 billion in Nepal's hydropower sector. During the Bangladeshi Prime Minister's visit to India in 2019, New Delhi had expressed its willingness to facilitate this cross-border energy trade between Bangladesh and Nepal. An Indian company has already signed an agreement with the Nepal government to build the 900-MW Upper Karnali project in western Nepal, and is in the final stages of acquiring permission for constructing the 600-MW Upper Marsyangdi-II project in central Nepal. Bangladesh will import 200 MW from the Upper Marsyangdi-II project, and the remaining 300 MW will be imported from Upper Karnali. Bangladesh has been making several proposals with Nepal for the purchase of electricity, and India will provide the transmission lines needed to cross over to Bangladesh through India.

Cooperation during the Covid-19 Pandemic

The positive synergy in the relationship between India and Bangladesh was evident during the pandemic phase too. While trade and commerce were deeply affected, India continued to work on developing connectivity projects even during the pandemic. While land border trade between India and Bangladesh was halted due to the fear of the spread of the virus, the coastal shipping arrangements continued to work effectively. The first trial container ship from Kolkata to Agartala through the Chattogram Port of Bangladesh was flagged off during this period. The new route will reduce time as well as logistics cost for cargo movement, and connect North-East India to Bangladeshi ports. Earlier, in June 2015, India and Bangladesh signed the Coastal Agreement, which allows goods to move by sea from Kolkata in West Bengal to the Chittagong Port in Bangladesh. India and Bangladesh had reached an understanding on Standard Operating Procedures for the use of the Chattogram and Mongla ports for the movement of goods to and from India earlier in 2019. The Indo-Bangladesh Coastal Shipment Agreement, signed in 2018, led to the cargo movement on the first trial container ship, which started from Kolkata on 16 July 2020 and reached Chittagong Port (Bangladesh) before travelling via road on Bangladeshi trucks to Agartala.

Earlier, Bangladesh had agreed to the proposal of India using its waterways to the Ashuganj river port for carrying food grains from Kolkata to Tripura. Many Indian vehicles, including trucks and buses, are transported through the Mongla port into Bangladesh. The Indian company, Ashok Leyland, one of the main suppliers, opened a truck assembly plant in Dhamrai, Savar, in 2017.

This apart, the increased and extensive cooperation in the health sector has become a priority in the wake of the Corona virus pandemic. Bangladesh and India are perfectly placed to develop new areas of cooperation for research and development in this sector. The Corona vaccination drive in Bangladesh was possible due to India sending 2 million free doses that would support Bangladesh fight this pandemic resolutely.

Defence Cooperation

The 122-member contingent from the Bangladesh Armed Forces at the Indian Republic Day Parade in Delhi (2020) was another high point of the military cooperation that is growing between the neighbours. Indeed, cooperation in the defence sector has been a new element in the bilateral relationship.

The bilateral defence cooperation has strengthened over time with India extending a US\$ 500 million Defence Line of Credit to Bangladesh in 2019. The two neighbours continue with the joint training programmes and joint military exercises, apart from humanitarian assistance and disaster relief. Begun in 2010, the ninth edition of '*Sampriti*', the joint counter terrorism exercise between the two armies was held in February 2020. The two navies have also held two exercise in the Bay of Bengal - '*Ex CORPAT*' in October 2020 and '*Bongosagor*' in Oct 2019.

Bangladesh and China

While the relations between India and Bangladesh hold much promise, in the wake of Sino-Indian hostility, China's growing outreach to Bangladesh is not without implications for India's political, strategic and, more importantly, economic interests. New Delhi's anxiety over China's apparent lack of respect and accommodation for India's traditional role in the region is not unfounded. China's economic diplomacy is well stamped in Bangladesh and, while Dhaka has not fallen into a debt trap, China's intrusive projects in this country are manipulative.

Bangladeshi Apprehensions

While much has been accomplished over the years, some Bangladeshis still have reservations about unfolding relationship with India. Although India has been issuing the highest number of visas to Bangladeshis, questions are raised by detractors about Indian intentions. Is this disquiet in Bangladesh a reflection of domestic factors? Or is it because of the apparent Indian indifference over

some Bangladesh's core concerns? It could be a mix of both.

The issues of water sharing, border demarcation, and the continuing trade surplus in favour of India despite its unilateral trade concessions by India continue to fester apprehension in Bangladesh about Indian intentions. Water is one of the most emotive issues for Bangladesh. Although both sides have agreed to prepare the draft framework of Interim Water Sharing Agreements for the six rivers - Manu, Muhuri, Khowai, Gumti, Dharla, and Dudhkumar - and to firm up the draft framework of interim sharing agreement of Feni River, none of these has been signed so far. The lack of any agreement over water sharing of the Teesta has been disappointing for Bangladeshis. With West Bengal citing its own water requirements, the lack of data about the present Teesta water flows, and an obvious political disconnect between New Delhi and Kolkata have thwarted any resolution of the issue. Both India and Bangladesh being heavily agrarian economies, there is deep concern about the flow of cross-border rivers, especially during the lean season. India being the upper riparian state, fears of India controlling the flow, especially during deficit times, looms large.

This apart, Dhaka has fears over India's implementation of the National Registration of Citizens in Assam and its ramifications for Bangladesh. Although there have been attempts by the Indian leadership at allaying these fears, the common people do not appear to be convinced. The mixed signals that come out from India over this issue tend to affect the trust in Indian assurances to Bangladesh. Similarly, India's inability to fully endorse the Bangladeshi position on the humanitarian Rohingya crisis, though India has urged early repatriation of the refugees, has also been received with dismay. The reported border killings, regardless of the fact that international border practices are in place, create negative reverberations within the Bangladeshi population. Although the opposition remains scattered, a significant portion of the population remain dissatisfied with the present government. They view India's close linkages with the Awami League government through a critical lens and tend to transfer their dissatisfaction with their government on to India.

From Bilateral to Regional

The key to sustaining the Indo-Bangladeshi bilateral ties will remain hinged on the ability of the two neighbours to move forward quickly into the regional framework. India's neighbours, including Bangladesh, have often expressed greater comfort working through regional fora. Whether it is common water cooperation and river basin management, or cross-border connectivity leading

to regional trade and commerce, or building a regional energy grid - there is much to canvas for regional collaborative initiatives.

Significantly, this region has the largest working-age population, and a growing industry sector. With cross-border transport connectivity being put in place and, more importantly, with the right combination of resources to boost agriculture, industry, and investment, the possibility of developing regional value chains seem imperative. The thrust on developing efficient cross border multimodal transportation, as supported by multilateral institutions and development banks, has led to building of highway networks, cross country rail connectivity, and cheap coastal shipping arrangements, enabling a cobweb of transport networks in the sub-region of South Asia.

Bangladesh has a fast-growing domestic economy and the country shares borders with India's less developed regions. It also enjoys the benefits of labour cost arbitrage, and if it could increase its logistical efficiency, it can play a critical role in creating regional value chains. Further, the launching of the seamless cross border movement, envisaged through the Motor Vehicle Agreement signed by Nepal, India, and Bangladesh, will enable the various aspects of the regional cooperative framework to be fully effective.

Conclusion

India and Bangladesh have more in common than any two other countries in the Indian Sub-continent; yet the shared borders and cultural-linguistic affinities have not proved compelling enough for them to establish a durable political understanding. The two countries have overcome the chequered past in the last decades through many bilateral mechanisms, and are poised to partner in a larger regional cooperative framework. Through sustaining high-level political contacts, deepening engagement at various levels, strengthening the institutional framework for future engagements, and continual dialogue to work towards mutual good, the two countries can further strengthen the relationship. People on both sides of the border need to be invested in this idea of a common good to which each can contribute by transcending narrow domestic interests. This can ensure stable and cooperative ties, irrespective of who is in power in Delhi or Dhaka.

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