

# ISAS Brief

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## **Hasina's Visit to India and Emerging Indo-Bangla Relations: Implications for the Region**

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### **Abstract**

The visit of Prime Minister Sheikh Hasina of Bangladesh to India (10-13 January 2010) was extremely significant in the regional context. It brought the two vibrant democracies in South Asia – Bangladesh and India – close together and opened the way for their collaboration with Nepal and Bhutan. Throughout the visit India displayed an awareness of its disproportionately greater responsibility as the regional pre-eminent power, according to 'sovereign equality' to a less powerful neighbour, creating a new paradigm for intra-state relations in South Asia. Can this model be attractive enough for Pakistan to be drawn into a relationship of 'trilateralism' including itself, Bangladesh and India?

### **Introduction**

The visit is over. The red-carpet in New Delhi has been rolled back; and the Bangladeshi Prime Minister, Sheikh Hasina, has returned home to Dhaka. By all counts the most recent bilateral interactions between these two large South Asian democracies that occurred in the course of that event have opened up a new chapter in Bangladesh-India relations. Indeed its positive impact should be felt wider, beyond the borders of the two protagonists, India and Bangladesh. Nepal and Bhutan should also benefit from the result, gaining access to two Bangladeshi ports, and from better facilitation of intramural sub-regional trade among India, Bangladesh, Nepal and Bhutan. There is a caveat though. There must be as much zeal in implementing the outcomes as there was in crafting them.

Sheikh Hasina deserves credit for timing this trip well. It was not too early in her tenure of office, which is a year old, so as not to demonstrate an excessive tilt towards India in order to calm criticisms of overly friendly disposition towards that powerful neighbour, nor too late to assuage any Indian sentiments that Bangladesh had 'better' friends in the region or beyond, say, for instance, in Beijing or in Islamabad. Dr Manmohan Singh also deserves praise for remaining focused on broad strategic concerns rather than on narrow tactical and immediate interests. The challenge to diplomacy here was to create a matrix for discussions where two

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obvious 'unequals' could not only deal but would also be seen to be dealing with each other as 'equals'. Mark Singh's banquet remarks that: "*We meet today as two vibrant and equal democracies that share common values and common goals.*" He was responding most tactfully to the great store India's neighbours in South Asia place on their 'sovereignty' and 'equality' in their dealings with it and with one another.

Between the two, the political risks for Hasina were greater. Opinions on Delhi-Dhaka relations are far more varied, divisive and strident in Bangladesh than is the case in India. Already the General Secretary of the opposition Bangladesh Nationalist Party (BNP) which does not look upon India kindly, has, albeit rather sweepingly, described the visit as "100 per cent failure" (in terms of gains for Bangladesh). Granted this is an extreme position, but there will be others who will be needed to be persuaded that Bangladesh 'gained' more than it 'lost'. Sadly there is a tendency there to see relations with India as a 'zero-sum' game in which if one side gains the other side loses. The idea that there could be a 'win-win' situation for both is yet to take firm root. To demonstrate the possibility of such an outcome would at worst be a Sisyphean, or at best, an uphill task.

### **The Backdrop**

India is most certainly seen today as being a country on the 'rise'. This is true politically, economically, and strategically. Few pre-eminent powers are hero to their neighbours, and this was no different in the case of India, particularly given the troubled political history of the subcontinent. Likewise bilateral relations between Bangladesh and India had been fraught with complexities. The initial euphoria that marked them in the aftermath of the Bangladesh War of Liberation, which both sides fought as allies dissipated soon, foundering on the rock of mutual suspicions. Unlike the fish that tacks close to the shark to avoid being eaten, Bangladesh sought security by distancing itself from the larger entity. It also sought to bridge the power-gap by building a web of linkages with extra-regional powers. This irked India, and often small but smouldering bilateral issues remained unaddressed, developing into larger conflagrations.

A plethora of such problems abounded. Issues agitating the Bangladeshi mind comprised upstream diversion of river flows, demarcation of land and maritime boundaries, the burgeoning trade imbalance, shootings by border guards, and the persistent matter of enclaves. On the Indian side, subjects of interest and concern were enhanced connectivity, transit facilities linking the rest of that country to its northeastern states, non-provision of safe havens to insurgents, and greater cooperation in different international fora. Between the Awami League and the BNP, the Indian predilections are generally seen to prefer the former, so now was the time to see if mindsets of the past could be changed. But this would have to be done with utmost circumspection, keeping pace with the mood of the general public in Bangladesh, including its very vibrant civil society and media.

Indeed a beginning in a positive direction was already in the offing, based on the surprisingly good functional cooperation that existed between Dhaka and Delhi during the period of the Caretaker Government in Bangladesh, between 2007 and 2009 (India had offered support and succour following the disastrous 'Cyclone Sidr' that hit Bangladesh in 2007 and also offered 500 tons of rice to shore up Bangladesh's buffer stock in 2008; Bangladesh had also supported Indian candidacy for the Secretary-General of the Commonwealth in 2008. The Dhaka-Kolkata rail link was established amidst much fanfare, and as an attempt to reduce the existing trade imbalance in India's favour, India agreed to buy eight million pieces of ready-

made garments annually. Indeed both the Indian Foreign Minister Pranab Mukherjee, and the author who was then his Bangladeshi counterpart, described the bilateral relations as having reached a “trajectory” from which there should be no slippage downwards.

The arrest by Bangladesh of some top leaders of the United Liberation Front of Assam (ULFA), and the rendition to India of several of them provided a backdrop to the visit. The date of Hasina’s arrival in Delhi for the four-day visit on 10 January 2010, coincided, more by accident than by design, with that of her father, Bangabandhu Sheikh Mujibur Rahman’s arrival to that city to a grand welcome, thirty-eight years ago on his way back to Dhaka from London upon his release from Pakistani prison immediately after the independence of Bangladesh. This fact invested Hasina’s visit with positive emotional content. Also, per chance she, “a valued friend and close neighbour” in Dr Singh’s words, became the first State Visitor for the new decade in New Delhi, a point that was not ignored in Indian pronouncements. The Indian leadership had been signalling for some time that they would avoid inflicting on their distinguished visitor any kind of “embarrassment”. Indian bureaucrats are normally viewed as having “crusted views” not amenable to changes readily, but in this case some significant retired diplomats had penned very warm curtain-raisers (see Krishnan Srinivasan’s ‘Sheikh Hasina Comes Visiting: Great Expectations’, *The Telegraph*, Kolkata, 5 January 2010). Upon arrival, the visitor became the recipient of the Indira Gandhi Peace Prize, widely seen as a prestigious award. The ceremonial content of the protocol was impeccable. But as *The New York Times* in its issue of 12 January 2010 aptly pointed out, “[the visit] has an importance far beyond the ceremonial”.

### **The Visit**

Three major initiatives were undertaken by India. First, there was the US\$ 1 billion credit line to Bangladesh for infrastructure development, the largest single financial aid package to any recipient from India. Indeed it was double the anticipated US\$ 500 million anticipated earlier. The terms were exceedingly ‘soft’, and it is believed that 35 to 40 percent would eventually be transformed into ‘grant’, which means for that amount, no repayment would be necessary. Second, amidst the raft of five agreements signed, one on cooperation in the power sector was also included. According to it, India was committed to providing 250 MW of power to Bangladesh every day, substantially more than the 100 MW promised last September. And third was to reduce the ‘negative list’ of items imported from Bangladesh, and accord it ‘zero tariff’ treatment. Instead of the paltry US\$ 50 million or so India could have made in the form of duties and tariffs, India clearly, and perhaps, wisely opted for much larger, though more intangible, political returns.

There were substantial paybacks for India as well. India will be able to obtain access to two Bangladeshi ports, Chittagong and Mangla. This would open up the landlocked Indian northeastern states to the Bay of Bengal. Small steps were taken to facilitate transit of goods to Bangladesh from Nepal and Bhutan through India, and between India’s north-east to the rest of its territories through Bangladesh. Nepal and Bhutan are also clear beneficiaries as a longstanding aspiration had found fruition. A project to link the Indian state of Tripura to Bangladesh was agreed upon. The upshot of the visit was the 50-paragraph Joint Communiqué, one of the longest ever issued in recent times. Some of its contents were purely ‘aspirational’, some could even say a triumph of hope over experience, but even a statement of shared cherished goals between these two, or for that matter *any* two South Asian nations, in the general context of regional politics, is no mean achievement.

## **Future Steps**

Two things will now need to be done. Since directions from the highest levels have been obtained, the first task should be to ensure that each set of bilateral issues be boxed into separate compartments with a mechanism set up to address each. Second, a pecking order of priorities should be agreed to and reversed, tackling the ‘low hanging fruits’, the simpler issues first and then graduating to the more complex ones, so that success in easier negotiations would have a positive influence on the more difficult ones. Building bilateral relations is like constructing a Gothic Cathedral; it is never quite finished but already begins to serve the purpose it was intended for.

## **Impact on the Sub-region: Nepal and Bhutan**

The proof of any pudding lies in its eating, and the litmus test of the success of this visit, as with any other of such nature will surely lie in how the consensus commitments are implemented. But in this case there will be a yet deeper, and in some ways a more significant, scrutiny. Can India carry along its neighbours as it climbs higher in the scale of global leadership? What transpired in course of the interactions between these two large South Asian protagonists will have a paradigmatic effect on other such bilateral relations in the sub-region, particularly between India, Bangladesh, Nepal and Bhutan. If Bangladesh is able to develop an acceptable *modus vivendi* with Myanmar, and Indian support in this venture could be useful, then it can truly become a bridge between South and Southeast Asia. Already Bangladesh outshines her neighbours, including many Indian states, in having better social indices. Its macro-economic management has been edifying despite its many and varied contents, and as Dr Atiur Rahman, the Governor of its Central Bank pointed out in an upbeat assessment at a recent seminar at the Institute of South Asian Studies in Singapore, good relations with India would help unleash energies for the desired great leap forward in its economic growth and progress.

## **Implications for ‘Trilateralism’**

As for Sheikh Hasina herself, in a telephone conversation with the author, she expressed ‘profound satisfaction’ over the outcome of the visit. If genuine benefits are to accrue to the two peoples, then all concerned, and not just the two leaders, must contribute by conforming to, not just the letter, but more importantly the spirit of the joint communiqué and the agreements. Above all, India must be able to show that it is not only just the largest country in the region, but also the country with the largest heart. If the Bangladesh-India relationship truly takes off, then it would also attract the attention of Pakistan. Relations with Bangladesh can in many ways be a dry-run for India’s relations with Pakistan, despite the many differences that would mark the two sets of bilateral relationships. The aim could be to ultimately draw Pakistan into a framework of *trilateralism*, beginning with a Summit level meeting of the three concerned counties in the ‘core’ of South Asia.

Then to no capital in South Asia would Delhi be ‘hanooz dur ast’ – still very far!

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