



The bilateral transformation

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The bilateral transformation-India and Bangladesh must seize the opportunity to further enhance connectivity and trade ties

- The spectacular victory of the Grand Alliance led by the Awami League (AL), headed by incumbent Prime Minister Sheikh Hasina, in Bangladesh's 11th general election, has delighted her supporters.
- This election is also a milestone for the coming of age of a new generation which is avowedly aspirational and is tired of the old political discourse that had deeply divided politics in Bangladesh.
- They have voted for economic progress and a secular polity.
- The Election Commission, while taking note of some electoral malpractices and promising investigation, has declared the results valid and rejected the demand for new elections.
- The margin of victory has lent some traction to persistent allegations of electoral malpractices, hounding of the Opposition, large-scale arrests of Opposition workers and intimidation of voters.
- Though dogged by two consecutive controversial elections and increasing perceptions of authoritarian behaviour, Ms. Hasina is set for another five-year term in office.
- Ms. Hasina has an enviable record of delivering record economic growth.
- Bangladesh's GDP grew at a rate of 7.6% in the last quarter, making it one of the fastest growing economies in the world.

A bipartisan consensus

- During the last decade of Ms. Hasina's tenure as Prime Minister, high-level Bangladesh-India engagement has intensified.
- There is an irrevocable and irreversible bipartisan political consensus in India for upgrading relations across a comprehensive interface of ties.
- India's 'neighbourhood policy' has focussed on Bangladesh, which has emerged as a key interlocutor in India's 'Act East Policy' and sub-regional groupings like BIMSTEC (Bay of Bengal Initiative for Multi-

Sectoral Technical and Economic Cooperation) and the BBIN (Bangladesh, Bhutan, India, Nepal) Initiative.

- Cooperation in connectivity, energy, security and intelligence matters has intensified.
- The Padma multipurpose bridge and the Akhaura-Agartala rail link will dramatically change connectivity within Bangladesh and with India.
- Waterways are also being revived to reduce the cost of trade.
- Improvement in bilateral ties has led to newer areas of cooperation such as cyberspace.
- Bangladesh has provided cyber connectivity between the international gateway at Cox's Bazar to Agartala for faster Internet connectivity in India's northeastern States.
- India has also become a partner in Bangladesh's nuclear power programme, with the beginning of construction at the Rooppur nuclear power plant.
- India is poised to export around 1100 MW of power to meet the energy deficit in Bangladesh.
- Power projects totalling more than 3600 MW are under implementation by Indian companies.
- The adverse balance of trade has been a bilateral issue. The asymmetry in the economies of India and Bangladesh is the major factor.
- To offset the economic asymmetry, India has granted Bangladesh generous lines of credit (LOCs) and grants, with commitments reaching \$8 billion.
- While LOCs mainly cover infrastructure and connectivity projects, grants flow into social sector development. Capacity building under the Indian Technical and Economic Cooperation programme is an important strand in bilateral ties and people-to-people interaction.
- Bangladeshis are among the largest groups of tourists into India. The visa regime has been liberalised and over a million visas are issued to Bangladeshi citizens annually.

Challenges ahead

- Sharing of river waters will remain a challenge, but not an insurmountable one.
- China's security and economic footprint has grown in South Asia and managing this will remain a challenge for both countries.
- India has welcomed the election results and Prime Minister Narendra Modi was the first leader to telephone and congratulate Ms. Hasina. Bangladesh-India relations have reached a stage of maturity and with

further upgrading and integration of infrastructure, bilateral ties can be expected to grow stronger in the future.

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