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TODAY'S IMPORTANT CURRENT AFFAIRS UPSC MAINS

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INDIA BANGLADESH RELATIONS

Source: The post is based on the article published in **"The Hindu"** on **18.05**.2025.

In News: India curbs Bangladesi exports via Land ports

Relations have recently become strained due to India's close association with former PM Sheikh Hasina, which has alienated other political actors in Bangladesh

Syllabus: <u>Mains – GS II(POLITY -INTERNATIONAL RELATIONS)</u>



Friendship, Cooperation, and Peace.

Historical Ties

The relationship began in 1971, when India played a **decisive role** in Bangladesh's independence by providing military and humanitarian support during the **Bangladesh Liberation War**.

India was the **first country to recognize Bangladesh** and helped shape its early diplomatic framework, including the 1972 Treaty of

Initial years saw close cooperation, but relations **soured after 1975** due to regime changes in Bangladesh, border disputes, and issues like water sharing and cross-border insurgency.

Political Relations

The relationship has alternated between cooperation and contention, influenced by changes in government in both countries.

- Under Former PM Sheikh Hasina's Awami League (from 2009), ties improved with cooperation on security, border management, and the 2015 Land Boundary Agreement, which resolved decades-old enclave disputes.
- Persistent challenges include allegations of Indian interference in Bangladeshi politics, unresolved water-sharing disputes (notably the Teesta river), and rising anti-India sentiment in Bangladesh due to domestic and regional issues.
- Recent leadership changes in Bangladesh have introduced new dynamics, with calls for a more balanced and sovereign approach to bilateral relations.

Economic Relations

- Economic cooperation has grown steadily, with Bangladesh becoming India's largest trading partner in South Asia.
- Bangladesh is India's largest trading partner in South Asia; bilateral trade reached around \$12.9 billion in FY 2023-24, with India exporting \$11.06 billion worth of goods to Bangladesh.
- Key areas include trade, energy, infrastructure, and connectivity; both countries have signed agreements to boost power trade, transport links, and cross-border investments.
- Despite progress, trade imbalances, logistical challenges, and periodic restrictions on Bangladeshi exports to India remain points of friction.
- India has made concessions in water-sharing and trade, but economic asymmetry and dependence on Indian markets are ongoing concerns for Bangladesh.

Cultural and Social Ties

- Both countries share strong cultural bonds, especially among Bengali-speaking populations in Bangladesh and Indian states like West Bengal and Tripura.
- Regular cultural exchanges and people-to-people contacts reinforce the relationship, though periodic tensions affect public perceptions.

Defence and Security Relations

- Defence cooperation includes regular joint military exercises (e.g., Exercise Sampriti, Exercise Bongosagar) and coordinated naval patrols.
- Border management remains a challenge, with issues like illegal migration, smuggling, and occasional border clashes between security forces.

- Counter-terrorism and intelligence sharing are ongoing, but concerns persist about insurgent groups and cross-border crime.
- ✤ After Hasina's ouster in 2024, India has had to recalibrate ties with the new interim government, leading to diplomatic uncertainty and calls for broader engagement beyond one political faction.

Recent Issues and Challenges

- Political Disconnect: India's perceived favoritism towards Hasina has led to mistrust among other Bangladeshi political groups, complicating post-Hasina engagement.
- ✤ Border and Security: Illegal migration, smuggling, and border killings remain persistent problems, straining relations and causing socio-economic tensions in India's Northeast.
- ✤ Water Sharing: Disputes over sharing the Teesta and Ganges river waters remain unresolved, fueling public resentment in Bangladesh.
- Minority Rights: Attacks on Hindu minorities in Bangladesh and India's concerns over their safety have become flashpoints.
- China's Growing Influence: Bangladesh's participation in China's Belt and Road Initiative and acceptance of Chinese investments in infrastructure pose strategic challenges for India.
- Public Sentiment: Anti-India protests and campaigns in Bangladesh reflect deep-rooted mistrust, aggravated by issues like the Citizenship Amendment Act and border incidents

India's measures

- In May 2025, India imposed major restrictions on Bangladeshi exports, affecting \$770 million worth of goods—about 42% of bilateral imports.
- Key Bangladeshi products like ready-made garments, processed foods, and plastics can now only enter India via the Kolkata and Nhava Sheva seaports; land border entry is largely banned.
- India also revoked a key transshipment facility in April 2025, which had allowed Bangladeshi goods to access international markets through Indian infrastructure.

Bangladesh's Measures

- Since late 2024, Bangladesh has imposed its own curbs, including bans on Indian yarn imports via land ports, tighter controls on rice, and new transit fees for Indian cargo.
- Bangladesh has shifted to Chinese suppliers for textile inputs, reducing India's market share in Bangladesh's garment sector.

Problems and Impact

- The new restrictions have disrupted established, cost-effective land trade routes, forcing exports through more expensive and slower seaports.
- Bangladeshi exporters, especially in garments, face higher costs and logistical delays, threatening their competitiveness in the Indian market.
- Indian exporters are also affected by Bangladesh's restrictions and new transit fees, leading to delays and increased costs.
- ✤ The tit-for-tat trade war is straining economic ties and may hurt MSMEs and border communities on both sides.
- Geopolitical Context
- These measures reflect not just trade disputes but also Bangladesh's growing alignment with China, which has invested heavily in Bangladesh's economy and infrastructure.
- The escalation threatens long-term economic cooperation and regional stability

Way Forward

- India and Bangladesh should resume high-level dialogue to rebuild trust, reopen key land ports for smooth trade, and modernize border infrastructure.
- Both sides need to negotiate balanced trade agreements, enhance joint border security, and avoid political interference.
- Strengthening cultural ties and supporting border communities will help improve relations and ensure long-term cooperation.