

# **A Critical Study of India – Bangladesh Relations: Political, Economic and Security Dimensions (1999 – 2019)**

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**Abstract:** There is a special bilateral relationship between India and Bangladesh due to the closeness of both countries, the past connections, the cultures and the economic interdependence. This relationship received a massive shift in the last twenty years with the transformation of the political leadership, the geopolitical situation in the region, and the growing economic collaboration. The current research is a critical analysis of the political, economic, and security aspect in relations between India and Bangladesh in the time frame of 1999-2019. The research was done using a qualitative and analytical research design that relied on secondary data through government reports, policy documents, bilateral agreements, scholarly publications and international databases. The discussion reveals the major trends including the adoption of the Land Boundary Agreement that happened in 2015, the growth of bilateral trade, regional connectivity, and strengthened collaboration in counter-terrorism and border control. The results show that the level of political involvement in the two countries also became much better since 2009, which contributed to the growth of diplomatic collaboration and mutual trust. Another significant development was an extension of economic relations between the two countries, as bilateral trade increased and several connections and energy projects enhanced integration in the region. Moreover, security relations between the two countries were enhanced as the countries worked together in fighting insurgency, border management, and intelligence exchange. Despite these positive developments, certain challenges such as trade imbalance, water-sharing disputes, and migration issues continue to influence bilateral relations. The research concludes that the partnership between India and Bangladesh has been enhanced by political leadership, shared economic interests, and common security issues that make the relationship of both countries an important stabilizing factor and cooperation in South Asia.

**Keywords:** India-Bangladesh Relations, Bilateral Cooperation, Political Relations, Economic Integration, Security Cooperation, South Asian Geopolitics, Border Management

## **INTRODUCTION**

India and Bangladesh enjoy one of the greatest bilateral relations in the South Asian region due to geographical enclaves, historical interconnection, cultural affiliation, and economic interdependency. Bangladesh became an independent state in 1971 after the Bangladesh Liberation War in which India was instrumental in offering diplomatic and military assistance to liberation efforts (Shringla, 2018). Since that time, the relations between the two nations have changed in the stages of collaboration, conflicts and mutual cooperation. The international boundary between India and Bangladesh is 4,096 km and thus, India and Bangladesh have one of the longest land boundaries in the world and hence, their relationship

is strategically significant to the stability of the region, economic integration and security of South Asia (Rather & Gupta, 2014).

Throughout the years between 1999 and 2019, the India-Bangladesh relationships underwent a tremendous shift because of the changing political leadership, geo-political dynamics of the region, and the growing economic cooperation between the two. There were also some diplomatic wrinkles in the late nineties and early 2000s concerning the management of borders, water sharing of transboundary rivers, illegal migration along the borders and insurgent activities in the borders (Naskar, 2023). Nonetheless, the situations progressively got better due to the continuous diplomatic interactions and collaborative efforts. The greatest turning point was made after 2009 when the then government headed by Sheikh Hasina focused more on closer collaboration with India in matters of security and economic development (Chakma, 2012).

One of the most significant events in the relations between India and Bangladesh was the adoption of the India-Bangladesh Land Boundary Agreement in 2015. This accord settled a complicated territorial conflict between 162 enclaves that are found along the border between the two nations (Baral, 2014). Before the settlement, thousands of people who were residing in these enclaves had great administrative problems, such as inability to access the rights of citizenship, health facilities, education, and governance (Kashem & Islam, 2016). The agreement was successful in resolving border disputes because it permitted the exchange of enclaves and legal citizenship to the affected inhabitants making it one of the most successful cases of peaceful border dispute resolution in the contemporary international relations. This case shows that political collaboration and political discussion helped in enhancing mutual trust between India and Bangladesh (Bhari, 2015).

There was also the development of the economic relations between the two countries that had recorded a significant growth throughout the study period. Bangladesh became one of the biggest trading partners of India in South Asia, and the bilateral trade grew gradually throughout the years (Liang & Reichert, 2006). Trade statistics provided by the World Bank and the United Nations database of trade statistics (COMTRADE) show that the total bilateral trade increased by approximately USD 1-2 billion in the early 2000s to USD 10 billion in 2019 (Kumar et al., 2024). A number of connectivity programs were significant to intensifying economic connections such as the restoration of rail connections, cross-border road transport agreements and maritime connectivity, under the Coastal Shipping Accord of 2015 (Paladin,

2020). One of the most striking examples of economic cooperation is the arrangement between India and Bangladesh as to trade in electricity whereby India commenced exporting electricity to Bangladesh over cross-border transmission lines and reached an ultimate electricity export of over 1,100 MW towards the end of the 2010s. This project not only helped to make Bangladesh secure in the energy sector but also enhanced energy integration in the region (Hurlbut & Koebrich, 2019).

Another significant aspect of India-Bangladesh relations is security cooperation. In the past, security issues along the border encompassed matters like insurgency operations, smuggling rings, human trafficking as well as illegal migration. In the early 2000s, insurgent groups that were in operation in the northeast states of India were reported to have their bases in Bangladesh (Içduygu & Toktas, 2002). The situation however improved significantly when Bangladesh took vigorous actions against these groups and strengthen the intelligence co-operation with India. The enhanced border management and militant's activities were facilitated due to coordination of the Border Security Force of India and Border Guard Bangladesh. This cooperation is a valuable case study showing how common security interests may promote strategic partnership of neighboring states (Jamwal, 2004).

The other well-known instance of regional cooperation is the BBIN (Bangladesh-Bhutan-India-Nepal) Motor Vehicles Agreement, which is to help with the ease of transport connectivity. Easterner South Asia can be transformed in terms of trade and logistics by enhancing connectivity via road, rail and inland waterways (Nepali, 2022). The development of inland water transport routes and the cross-border infrastructure corridors, are some examples of projects, which encapsulate the increased focus on the regional economic integration and collaboration (Aslam & Khan, 2022).

Although these are the positive developments, there are still challenges that influence the India-Bangladesh relations. The question of sharing river waters, especially with regard to the Teesta River, the periodical border tension, and the issue of migration are some of the delicate issues that have been discussed under the bilateral dialogue. To overcome these challenges, the two countries need to continue their diplomatic relations and collaborate with policy frameworks (Gupta, 2025).

In these regards, the current research article tries to consider the changing character of bilateral relations between the two countries over the chosen time frame. The paper dwells on three most important aspects of the relationship such as political cooperation, economic relations,

and security collaboration to recognize the key developments, opportunities, and challenges that characterize the relationship. Using real life examples and case studies, the study will attempt to give an overall picture in the manner in which India and Bangladesh have enhanced their relations as the region and geopolitical processes unfold in varied and intricate ways.

## **REVIEW OF LITERATURE**

A number of researchers have considered various aspects of foreign relations on Bangladesh especially its relations with neighboring states including India and China. The analysis of the conflict presented by Herbert (2019) on the example of Bangladesh is also very detailed, and the author emphasizes the historical and structural aspects that can predetermine the state of political stability and relations in the region. The research has highlighted that the internal political forces, governance issues and geopolitical interests of the region have serious influence on the diplomatic interactions of Bangladesh with its neighbors. In a similar fashion, Hossain (2019) has examined the dynamics of the changing nature of the Bangladesh-India relations and opined that the bilateral relation underwent a paradigm shift in the early twenty first century as a result of increasing and enhanced political cooperation and economic interaction. The study, however, also identified that although there was increased cooperation, a number of problems which included border management, water sharing issues and migration problems remained to have impacts on bilateral interactions.

In a critical review of the period 2006 to 2008 that comprised the intermediate regime, Masum and Romke (2019) have pointed out the influence of political transitions in Bangladesh on its diplomatic relations with India. Their research indicated that political instability and leadership transitions usually led to variations in bilateral cooperation and priorities of policies. Hasan (2020) also added to the topic by analyzing the relations of Bangladesh with India and China and placing a strong focus on the strategy of balancing taken by Bangladesh in its foreign policy. The paper suggested that Bangladesh has tried to keep good working relations with the two nations to enjoy the economic gains and regional connections and prevent the geopolitical conflicts. On the same note, Islam (2020) investigated the larger picture of South Asian diplomacy in terms of comparing the soft power policies and bilateral relations of Bangladesh, India and Pakistan as compared to other international players like Turkey. The results indicated the increasing role of cultural diplomacy, economic collaboration, and development relations as a means of enhancing bilateral relations.

The changing security and political discourse in South Asia has been the subject of recent studies too. Lahiry (2020) explored how security discourses in the region changed and asserted that the term security has been broadening over time to encompass human security aspects of the region like economic growth, environmental viability and social stability. This has changed the bilateral cooperation and regional relations of countries in South Asia. In a more recent study, Hossen (2023) examined the relations between Bangladesh and India between 2001 and 2006 and indicated the political and economic drivers of bilateral interaction at that stage. The research established that despite the fact that there were instances where diplomatic relations were sometimes impacted by political tensions, economic cooperation and trade between the two countries still expanded at a steady rate. As a whole, the current literature offers useful information about the political, economic, and strategic aspects of the relations between Bangladesh and India, but it still lacks extensive studies that may cover these aspects in a more detailed manner and over a longer period of time, which is the point of the current research.

## **RESEARCH METHODOLOGY**

- a) The current research used the qualitative and analytical research design to explore how bilateral relations between India and Bangladesh have developed in the period analyzed. The paper was mainly based on secondary data, since the research was based on events and policy formulations that took place in the past, and the international relations of the two countries. The information was gathered based on a broad spectrum of sources that are credible including government reports, policy documents, official statements, treaties and agreements, publications by the Ministry of External Affairs of India and the Ministry of Foreign Affairs of Bangladesh, reports of international organizations, parliamentary debates, and statistical publications. Alongside this, academic books and peer-reviewed journal articles, conferences papers, newspapers, and reputable online databases were also consulted to give detailed information on the political co-operation, economic interactions as well as issues of security between the two nations.
- b) The time frame of 1999 - 2019 was chosen intentionally due to the fact that this is a significant period in the history of the Indian-Bangladesh relations which was characterized by major diplomatic advancements, trade growth, border control efforts and regional cooperation models. The research design entailed the descriptive and analytical designs to conduct research on key political agreements, trade ties, security partnerships, and regional projects impacting bilateral relations. Diplomatic talks, border deals, economic

collaboration schemes and security set ups, among others, were carefully observed and deciphered so as to know the dynamics of the relationship that were changing.

- c) To simplify the research, the study was organized in three key dimensions which included political relations, economic cooperation and security cooperation. The politics were discussed based on the diplomatic interactions, bilateral agreements, and policy discussions. Economic relations were measured with the following indicators trade volume, investment flows, economic partnership and regional economic initiatives. Security relations were examined through examination of the problems of border control, counter terrorism collaboration, migration and strategic partnership between the two nations.
- d) Content analysis and comparative analysis were used to analyze the data collected. The policy documents, agreements, and academic literature were analyzed with the help of content analysis to determine the main themes and patterns in bilateral relations. The comparative analysis assisted in evaluating the shift of the political, economic, and security relations in the various stages during the period of study. The results were discussed against the background of geopolitical processes in the region and general South Asian strategic relations to offer an in-depth insight into the changes in the relations between India and Bangladesh.

## **RESULTS**

The study findings were structured in accordance with the three broad dimensions of India-Bangladesh relations between 1999 and 2019, that is, the political relations, the economic cooperation, and the security cooperation. The policy document and trade statistics, bilateral agreement, and scholarly sources analysis revealed that there was a dramatic change in the relations between the two countries after 2009, which was characterized by better diplomatic relations, greater interdependence of the economies of the countries and more intense cooperation in security matters.

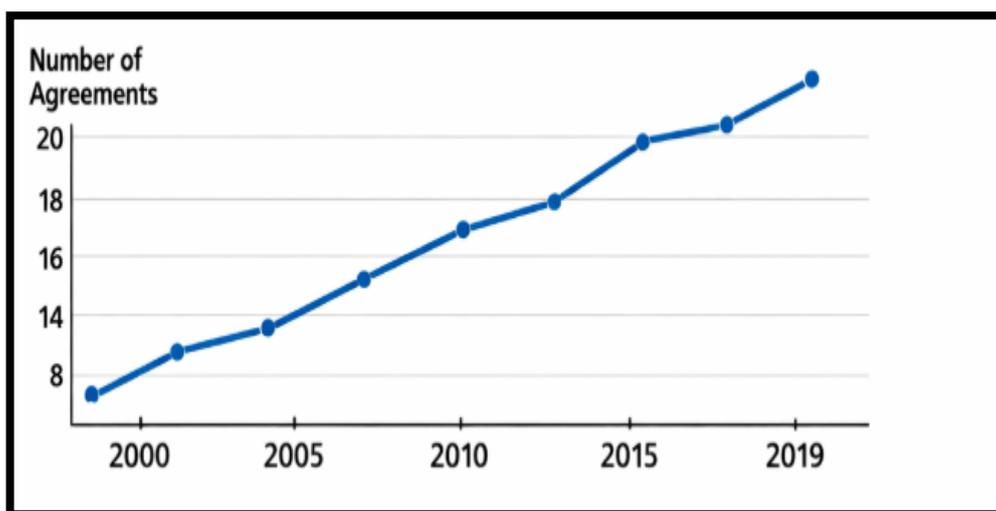
### **a) Political Relations**

The results showed that the political relations between India and Bangladesh developed through the several stages of Diplomatic tension in the beginning of the 2000s to the period of a successful strategic partnership in 2010. Improvement was largely affected by the high level diplomatic engagements, resolution of border disputes as well as institutional cooperation mechanisms.

One of the key achievements was the Land Boundary Agreement (LBA) of 2015 that finally settled an old territorial conflict between 162 enclaves along the India Bangladesh border. The consensus helped in the exchange of enclaves and enhanced control and safety along border regions.

**Table 1: Major Political Agreements between India and Bangladesh (1999–2019)**

| Year | Agreement / Initiative                             | Key Outcome  |
|------|--|--|
| 2010 | Framework Agreement on Cooperation for Development | Strengthened long-term political partnership               |
| 2011 | Protocol to the Land Boundary Agreement            | Initiated resolution of enclave and boundary issues        |
| 2015 | Land Boundary Agreement (Implementation)           | Exchange of 162 enclaves and settlement of border disputes |
| 2017 | Defence Cooperation Framework                      | Expanded defence dialogue and training cooperation         |
| 2018 | Multiple MoUs on connectivity and development      | Strengthened regional cooperation                          |



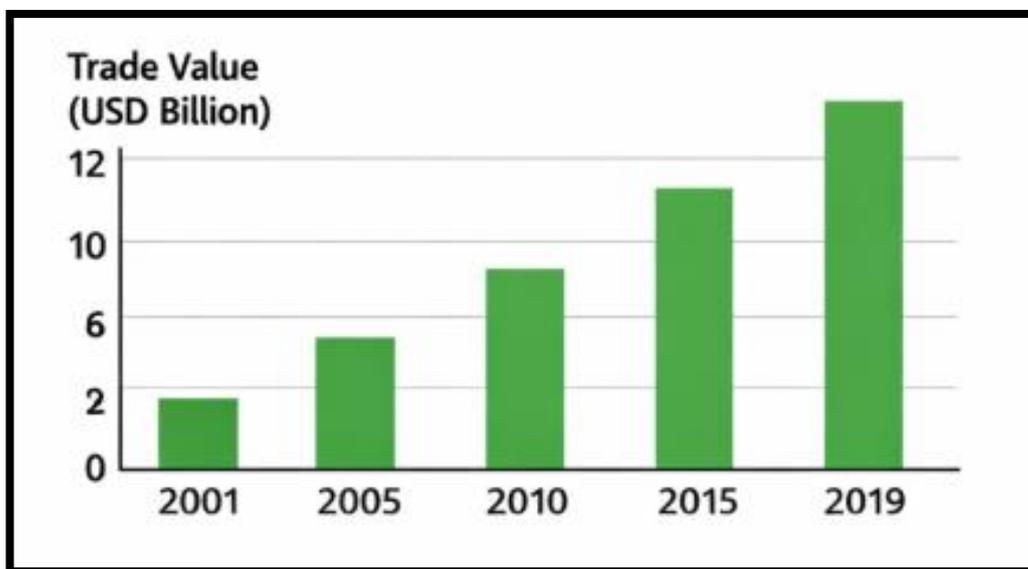
**Figure 1: Growth in Bilateral Diplomatic Engagement (2000–2019)**

## b) Economic Relations

India and Bangladesh enjoyed active economic collaboration throughout the research time, especially in the trade industry, connectivity initiative and energy collaboration.

**Table 2: India–Bangladesh Bilateral Trade (Approximate Values)**

| Year | India’s Exports to Bangladesh (USD Billion) | India’s Imports from Bangladesh (USD Billion) | Total Trade |
|------|---|---|-------------|
| 2001 | 1.3   | 0.1   | 1.4         |
| 2005 | 2.1   | 0.2   | 2.3         |
| 2010 | 3.7   | 0.4   | 4.1         |
| 2015 | 6.1   | 0.8   | 6.9         |
| 2019 | 9.2   | 1.2   | 10.4        |



**Figure 2: Bilateral Trade Growth (2001–2019)**

India was turned out as one of the biggest trading partners of Bangladesh. There was a significant growth in trade because of tariff concessions, development of infrastructure and regional connectivity programs.

**Table 3: Major Economic and Connectivity Initiatives**

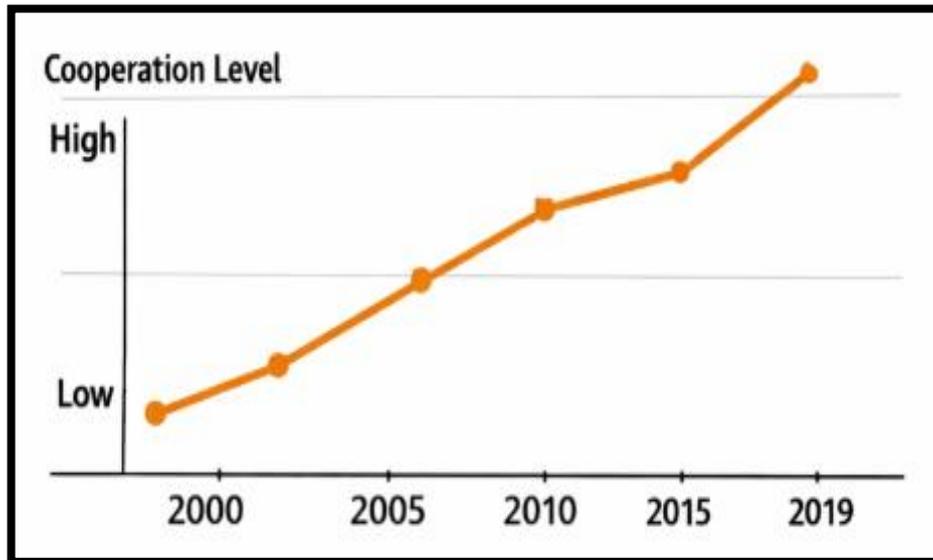
| <b>Initiative</b>                 | <b>Description</b>  |
|-----------------------------------|---|
| Lines of Credit                   | India provided over USD 8 billion in credit for infrastructure projects in Bangladesh |
| Coastal Shipping Agreement (2015) | Reduced transportation costs and improved maritime trade                              |
| BBIN Motor Vehicles Agreement     | Facilitated regional transport connectivity   |
| Power Trade                       | India supplied more than 1,100 MW of electricity to Bangladesh                        |

**c) Security Cooperation**

The result has shown that security cooperation was much enhanced after 2009 especially in counter-terrorism, border management, and intelligence sharing.

**Table 4: Key Areas of Security Cooperation**

| <b>Area</b>               | <b>Nature of Cooperation</b>                    |
|---------------------------|---|
| Counter-terrorism         | Intelligence sharing and joint security efforts |
| Border management         | Coordinated patrols and border fencing          |
| Anti-smuggling operations | Cooperation between border security forces      |
| Defence cooperation       | Training programs and military exchanges        |



**Figure 3: Trend in Security Cooperation**

Bangladesh made decisive actions against insurgent groups that operated within its borders such as those who have been engaged in insurgency activities in the north-eastern states of India. This move went a long way in enhancing confidence between the two nations.

The findings proved that the relations between India and Bangladesh developed over the years to involve a full-fledged partnership by the year 2019 rather than the restricted bilateral relations that prevailed at the beginning of the 2000s. There was increased political cooperation with diplomatic agreements and dispute resolution. The economy connections were broadened through the increased trade, connectivity programs, and energy collaboration. Security cooperation was also enhanced especially in counter-terrorism and managing the borders. The results indicate that geopolitics of the regions, leadership projects, and mutual economic interests were the key factors that influenced the course of bilateral relations throughout the study time.

## **DISCUSSION**

The findings of the research revealed that the India-Bangladesh relationship experienced a tremendous change between the year 1999 and 2019, which represented a progressive change in the relationship between the two countries, which is that of reserved diplomatic relations to one of a thorough strategic association. The discussion of the political relations proved that the years since 2009 became a new step in bilateral relations, during which the high-level visits took place rather often, the bilateral agreements were signed, and the implementation of the

Land Boundary Agreement was successful in 2015, which eliminated the long-standing territorial disputes and enhanced mutual trust between the two nations. The results showed that there was significant growth of bilateral trade in terms of value and the total trade value grew many times over the course of the study period as a result of trade liberalization policies, connectivity schemes, and infrastructure collaboration which were aided by the lines of credit of the Indian government to the Bangladesh government.

Nonetheless, the findings have also marked a continued imbalance in the trade in favor of India, indicating the existence of the policies that would encourage Bangladesh to export more, to be able to ensure the balance in the economic relations. On the security aspect, the research revealed that there were significant positive changes in counter-terrorism collaboration, border control, and intelligence exchange, especially when Bangladesh made decisive measures against insurgent groups actively working along the India-Bangladesh border, which increased the stability of the region and increased bilateral trust. Moreover, energy cooperation programs, regional connectivity plans including BBIN program and maritime transportation agreements helped to enhance further integration of the two nations. In general, the results indicated that the political leadership, similar economic interest, common security issue impacted the direction of relations between India and Bangladesh significantly resulting in the growth of cooperation and interdependence and pointing out those spheres of relations which still demand the policy development, including the balance of trade and the control of the borders.

## **CONCLUSION**

The paper has analyzed the changing dynamics of India-Bangladesh relations in the period which spans 1999-2019 and specifically focusing on political, economic aspects, and security factors. According to the findings, it is possible to note that the bilateral relationship has gone through significant developments during the last twenty years, swinging between the times of diplomatic ambiguity to a more stable and mutually beneficial alliance. The political relations also improved due to the constant diplomatic interactions, the top-tier visits, and the signing of the historic treaties, including the Land Boundary Agreement of 2015 that sorted out all the previous territorial conflicts and enhanced the mutual trust between the two nations. There was also an increased level of economic cooperation with the bilateral trade growing steadily and different infrastructure, connectivity, and energy projects facilitating economic integration in the region. Other projects like the cross border electricity trade, maritime transport agreements,

and regional connectivity systems have helped in enhancing economic relations between India and Bangladesh.

In the security cooperation field, the two nations were more cooperative in curbing transnational problems such as insurgency, terrorism, smuggling and unlawful immigration. The close collaboration between the border security forces and the intelligence helps to improve the management of the border and also helps in stability in the region. Nevertheless, some permanent issues were found in the study, such as trade imbalance, unresolved water sharing agreements like the Teesta River one, and some tensions on the border. To deal with these issues, it is necessary to use the diplomatic dialogue, balanced economic policies, and collaborative security measures. Altogether, the study concludes that India and Bangladesh have established a mutually advantageous relationship pattern grounded on common economic interests, strategic collaboration, as well as the initiative of regional connectivity. Enhancing this relationship will always be critical in enhancing peace, stability and sustainable development in South Asia.

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