

THE MAKING OF BANGLADESH-CHINA RELATIONS

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China's aid and assistance policy has been focused on developing new production centres which can contribute to its manufacturing base. Further, it has been the endeavour of China to engage the south Asian countries so that it can reach out to the Indian Ocean region as well as explore political and economic synergies with the smaller countries of South Asia. China has espoused for connecting its southern provinces with South Asian countries through initiatives such as BCIM economic corridor while at the same time developing the port and road infrastructure of the least developed nations. This would help China to promote trade and investment in the South Asian region as well as explore economies of scale through engaging the resources and labour of the low costs production centres. Under this pursuit, China has started engaging Bangladesh through political interactions, defence cooperation and engaging the country through economic and investment initiatives. For a country like Bangladesh which has been largely dependent on its select exports and remittances from its expatriate labour it needs to be seen how better relations with China would define its geo-political importance in the South Asian region. This paper explores the dynamics of the relationship and explores future potential of the relationship.

Keywords : China, South Asia, Bangladesh, Defence Cooperation, BCIM corridor, OBOR

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As the author has written on this theme in past some of the contents from those works have been repeated in this paper. Past work includes a paper submitted by the author to the Indian Council of World Affairs during his employment from October 2013 to January 31, 2017. That paper was a part of usual research activity the author was expected to engage into and has consulted open source material and has not consulted any official confidential material. Full paper was written by the author without any contribution from anyone except in-house evaluators who were senior colleagues. The author acknowledges the institute and his senior colleagues whose remarks and suggestions helped him in shaping the discussions. As per my knowledge, that paper has not been published in any form, at least by the author.

Defining Bangladesh-China relationship, prior to the Chinese President Xi Jinping's visit to Dhaka on October 14-15, 2016, the Prime Minister of Bangladesh, Sheikh Hasina Wajed, in an interview to *Xinhua* news, pointed out five principles- "peaceful co-existence, spirit of good-neighbourliness, mutual trust, confidence and non-interference into each other's internal affairs"²- which , underpins bilateral relations between the two countries. As a globally practiced norm, the foundation stone of Bangladesh-China relationship too was laid down to serve self-interests of the respective countries, but over the years, it has transformed due to changes in national interests and different expectations from the bilateral engagements. In economy driven globalized world, Bangladesh, as a Least Developed Country(LDC), is in need of Chinese investment in various sectors of its economy while China has its interests in Bangladesh for trade, commerce and strategic reasons. In this paper, on the basis of examination of symbiotic relationships between Bangladesh and China, the author argues that till now both countries have satisfactorily satisfied their respective interests out of their bilateral engagements. Excluding introduction and conclusion, this paper is divided into four parts. The first part discusses a brief history of China-Bangladesh relationship. Second part examines the reasons for the evolution of their bilateral relationships. Third part focuses on their economic engagements. Last part is on defence cooperation between the two countries.

CHINA'S OPPOSITION TO LIBERATION OF BANGLADESH

As an emerging ally of Pakistan since 1960s, China was not supportive to the causes of East Pakistan which wanted to liberate from West Pakistan's domination. Despite internal tensions in Pakistan, China continuously blamed India for those disturbances. Reacting against the Civil War in East Pakistan for liberation, the acting Foreign Minister of China, Chi Peng Fei "denounced what he called 'gross Indian interference' in Pakistan's internal affairs, but also emphasised that the difference between the states must be settled through mutual consultations and not through the use of force"³. The Chinese maintained that the liberation of East Pakistan would certainly weaken Pakistan which was not in favour of China's interests in South Asia.⁴ As a war between India and Pakistan on Bangladesh issue became certain, Fei

²China a trusted friend: PM tells Xinhua' (2016, 14 October) *The Daily Star* Retrieved from <http://www.the.dailystar.net/frontage/china-trusted-friend-1298557>. Accessed on 15 October 2016.

³ Quaderi, Fazlul Quader. *Bangladesh Genocide and World Press*, Dacca: ABCO Press, 1972, p 386-87.

⁴ Nayar, Kuldip. *Distant Neighbours: A Tale of Subcontinent*. New Delhi: Vikas Publications, 1972. p. 167.

appealed to India and Pakistan to hold consultations to reduce the tension on their borders. “He did, however, accused India of carrying out subversive activities and military threats against Pakistan. In the past, Peking accused India of being “reactionary”; now it was calling it “expansionist” also.”⁵ Later, Chou-En Lai warned: “If India should brazenly provoke a war; can it benefit from it and can the problem be solved? Once war breaks out, both sides, not just one will incur losses ... we have firmly supported Pakistan against India’s subversive and aggressive activities. India would, in the end, taste bitter fruit of its making. And from then on, there would be no tranquillity on the sub-continent.”⁶ Despite such initial political overtures, China did not interfere in the India-Pakistan war. It has been found out that in private China urged Pakistan to maintain restraints. General Yahya Khan, then military head of the state of Pakistan, was advised by the Chinese leadership to release the leader of East Pakistan, Sheikh Mujibur Rahman, and deal with him in political ways. It has also been revealed later that China wanted to keep lines of communication open with the Bengalis, and they were in touch with Awami League leader- Maulana Bhashani.⁷

After the liberation of Bangladesh, China was not willing to recognize it. China also created hurdles for Bangladesh on multilateral forums. In 1972 when Bangladesh applied for membership to the United Nation (UN), China vetoed the application because two UN resolutions regarding the repatriation of 93,000 Pakistani prisoners of war and civilians were yet to be implemented. That was the first time, since People’s Republic of China replaced Taiwan (Republic of China)⁸ in the UN Security Council (UNSC) in October 1971, China used its veto power in the UNSC. The veto was casted by Ambassador Huang Hua. It used the veto twice against Bangladesh in the UNSC. China’s stand soften after tripartite treaty of April 1974 among Bangladesh, India and Pakistan. Once relations were softened Vice Premier Deng Xiao Peng said “there have always been good relations between peoples of Bangladesh and China”.⁹ Due to change in relationship after April 1974, China refrained from using veto power in the UNSC, as a result Bangladesh become a member of the UN in September 1974. However, it recognised Bangladesh as a sovereign country only on 31 August 1975. Chinese diplomatic mission was opened in Dhaka on 23 January 1976.

⁵ Ibid.

⁶ ibid

⁷ Raghvan, Srinath . *1971: A Global History of the creation of Bangladesh* Ranikhet: Permanent Black, 2013, p.203

⁸ Republic of China (or Taiwan) was represented by a representative of Chang Kai Shek.

⁹ Khasru, B.Z. *Myths and Facts : Bangladesh Liberation War : How India, U.S, China, and the USSR shaped the outcome* New Delhi: Rupa, 2010, p.100

After recognizing Bangladesh, China assured that the new government under Khondaker Mostaq Ahmed does not remain with so-called Indian camp led by the Soviet Union¹⁰ rather its leadership tilt towards China. In a return favour to recognition by China, in 1975 Bangladesh recognized the People's Republic of China and ended its diplomatic relations with Taiwan. In the UN General Assembly, it supported the resolution number 2758 to replace Taiwan by China. Even at present Bangladesh supports its 'One China' stand. To please China, Bangladeshi leaders have even regurgitated their decisions. An example of this is: in 2004 the Taiwan government was allowed to establish the Taipei Economic and Cultural Office in Dhaka but soon after the then Bangladesh government started putting obstructions on its activities. This compelled the Taiwan government to close its office in 2009.

BEGINNING OF BANGLADESH-CHINA RELATIONSHIP

The foundation of China-Bangladesh relationship was laid down by General Ziaur Rahman who became the President of Bangladesh in April 1977. His slide towards China was more a bid to outdo Sheikh Mujib's policies instead of securing interests of Bangladesh.¹¹ General Zia visited China, as Chief Martial Law Administrator of Bangladesh in January 1977. His visit was followed by a visit of then Chinese Vice President Li Xiannian in 1978 which was the first high official visit from China to Bangladesh. Zia again visited China in 1980. His policies were also followed by H. M. Ershad led military government. During his tenure Ershad paid visit to China several times i.e. in 1982, 1985, 1987 and 1990. During all such visits Chinese leadership appreciated Bangladesh's 'One China' policy while Ershad or his predecessor Zia emphasised on getting economic assistance from China.

In 1991, after return of democracy in Bangladesh, the then Prime Minister Ms Khaleda Zia paid a visit to China where she, mainly, appreciated the support extended by China during hurricane in Bangladesh that year. In 1996 as Prime Minister Sheikh Hasina went on her first visit to China. During her visit, two countries also signed a number of agreements, including the 'Agreement on Encouraging and Protecting Investment,' the 'Agreement for the Avoidance of Double Taxation,' and the 'Agreement of the Prevention of Tax Evasion.'¹² In 2000 the two countries also celebrated twenty five

¹⁰ This was a usual remark used for India which was substantiated after the signing of India-Soviet Union friendship treaty in 1971.

¹¹ Yasmeen, I (2016) 'Bangladesh and Great Powers'. In Riaz Ali & Mohammad Sajjadur Rahman, *Routledge Handbook of Contemporary Bangladesh*. New York: Routledge, p. 389-401.

¹² Sarkar, Noor Mohammad 'Bangladesh-China Relationship at the Dawn of Twenty first Century' *Peace and Security Review* Volume 6 No. 1 2014 p 72-94.

years of their friendship. To commemorate it, a stamp was released during the visit of Hasina.¹³

In 2002, the Bangladesh Nationalist Party (BNP) led coalition government in Bangladesh adopted a 'Look East' policy to maximize economic and strategic achievements that could emerge from closer relations with East Asian countries, especially China.¹⁴ Khaleda Zia visited China in 2004. 2005 was celebrated as "Bangladesh-China Friendship Year". Then Chinese Premier Wen Jiabao made an official visit to Bangladesh in 2005. On Bangladesh's invitation China was added as an observer in the South Asian Association for Regional Cooperation (SAARC) in 2007.

In 2010 during Sheikh Hasina's trip to China, she convinced China to finance further development of the Chittagong sea port as well as rail links from Chittagong through Burma (Myanmar) to Yunnan province in China.¹⁵ Again in 2014, Hasina paid an official visit to China. The two sides re-affirmed their support to each other based on the principles of peace, stability, sovereignty, territorial integrity, mutual trust and respect, mutual interest and equitable sharing of mutual benefits. The Bangladeshi side reaffirmed its support to the 'one China' policy. The Chinese side expressed its support to the efforts of Bangladesh in upholding national and regional peace, stability and progress. The two sides viewed each other's development as opportunities to further expand and raise the closer comprehensive partnership of cooperation between the two countries to a newer height.¹⁶

ECONOMIC COOPERATION

Trade between the two countries has reached to around \$ 14.7 billion USD in 2015.¹⁷ Between 2010 and 2015, imports from China grew at about 20 per cent and export growth averaged at 40 per cent.¹⁸ Prime reason for this

¹³ *ibid*

¹⁴ *ibid*

¹⁵ Hemisevicz, Nicholas (2010, 24 March) 'Bangladesh <http://dailysignal.com/2010/03/24/bangladesh-pm%E2%80%99s-trip-to-china-india-watching-closely/> Retrieved from <http://dailysignal.com/2010/03/24/bangladesh-pm%E2%80%99s-trip-to-china-india-watching-closely/> Accessed on 12 October 2016.

¹⁶ 'Joint statement between Peoples Republic of Bangladesh and Peoples Republic of China' Ministry of Foreign Affairs, Government of Bangladesh. Retrieved from <http://www.mofa.gov.bd/media/joint-statement-between-peoples-republic-bangladesh-and-peoples-republic-china-deepening> Accessed on 12 June 2016

¹⁷ 'China-Bangladesh FOC Tuesday' (2016, 8 April) *The Financial Express*. Retrieved from <http://www.thefinancialexpress-bd.com/2016/04/08/25269/China-Bangladesh-FOC-Tuesday> on 8 April 2016.

¹⁸ M. Shahidul Islam 'Four Decades of Bangladesh-China Relations: What Next?' (2015, 2 October) *The Daily Star*. Retrieved from www.thedailystar.net/op-ed/politics/what-next-150247 on 12 April 2016.

increase in export is by 2013 labour intensive Chinese sunset industries¹⁹, especially in textile and light-engineering sector, started production units in Bangladesh which export goods to their home market in China and to other parts of the world. The relocation of these sunset industries had been welcomed by Bangladesh so that employment can be generated and trade gap between Bangladesh and China can be reduced. At present, Bangladesh's trade with China is about 26.5 percent of its total trade, which is on an upward swing. If this rate prevails, the total bilateral trade would reach \$ 18 billion USD in 2021.²⁰ Still, Bangladesh's trade gap with China increased by 9.23 per cent to \$7.43 billion USD in 2014-15 from \$6.80 billion USD in 2013-14 despite a zero tariff export facility for a number of items to the Chinese market.²¹

After their bilateral relationship began in 1975, it has graduated speedily to a higher level in subsequent decades. In 1984 Bangladesh and China gave the Most Favoured Nation status to each other.²² In 2002, Bangladesh articulated 'Look East' policy to connect with its eastern neighbours, mainly with China. Under the Bangkok agreement known as the Asia Pacific Trade Agreement, Bangladesh avails revenue duty free access to the Chinese market for a number of goods.²³ In 2010, the leaders from the two countries announced that they were committed to establishing a "Closer Comprehensive Partnership of Cooperation". China-Bangladesh trade relations drive their bilateral ties. One challenge between the two is related to an increase in exports from Bangladesh. It is being demanded that Beijing should relax market access terms, such as rules of origin for Bangladeshi products, and the latter should diversify its exports basket to access a large Chinese consumer market.²⁴ In 2005, China emerged as Bangladesh's top import source surpassing India for the first time, and it is still leading importer to Bangladesh.

While inaugurating a conference at Bangladesh Institute of Strategic Studies on the occasion of forty years of bilateral relationship between Bangladesh

¹⁹ An old and declining industry where the cost of production is higher than the value of product.

²⁰ Kabir, Mahfuz (10 October 2016) 'Expanding the Bangladesh-China trade frontier' *The Daily Star*. Retrieved from <http://www.thedailystar.net/op-ed/politics/expanding-the-bangladesh-china-trade-frontier-1296583>. Accessed on 15 October 2016.

²¹ Uddin, AKM Zamir (2015, 21 August) 'Trade Gap with China rises to \$ 7.43 b in FY 15' Retrieved from <http://newagebd.net/149704/trade-gap-with-china-rises-to-7-43b-in-fy15/> 18 October 2016

²² Yasmeen, I . 'Bangladesh and Great Powers'. In Riaz Ali & Mohammad Sajjadur Rahman *Routledge Handbook of Contemporary Bangladesh*. New York: Routledge, 2016, p. 389-401.

²³ Ibid.

²⁴ M. Shahidul Islam (2015, 2 October) "Four Decades of Bangladesh-China Relations: What Next?" *The Daily Star*. Retrieved from www.thedailystar.net/op-ed/politics/what-next-150247 on 12 April 2016.

and China in January 2016,²⁵ foreign secretary of Bangladesh Shahidul Haque said “Bangladesh’s engagement with China is deeper and Bangladesh is on board on China’s ‘One Belt, One Road’ initiative.”²⁶ Speaking at the same conference, state minister for foreign affairs of Bangladesh Shariar Alam said that the relations between Bangladesh and China are based on the principles of sovereign equality, peaceful co-existence, mutual trust and respect for each other’s sovereignty, territorial integrity and non-interference in each other’s internal affairs.²⁷ “China’s unwavering commitment to our social-economic development has time and again been substantiated by her continued efforts to assist Bangladesh in fulfilling the legitimate wishes and desires of her people,” he said.²⁸ “With China being the largest and fastest growing economy, and also being a role model for us, we would like to learn from the Chinese experience and short-circuit our growth trajectory to catapult into a higher paradigm.”²⁹

As a Least Developing Country, Bangladesh does not have enough resources to invest to develop its physical infrastructure; hence it depends on developed countries. China is one of the leading investor in this sector in Bangladesh. Since their engagements in 1975, China has provided development assistance and project loans for six ‘friendship bridges’,³⁰ and two more are in the pipeline. The first friendship bridge was opened in 1987, constructed at the cost of \$ 24 million USD out of which China provided \$ 13 million USD in the form of grants and loans.³¹ China is actively engaged in building ports, roads, bridges, power plants and other physical infrastructure in Bangladesh. In 2015 China agreed to assist Bangladesh in following projects— single line dual gauge railway track from Dohazari to Cox’s Bazar via Ramu and Ramu to Gundum near Myanmar border project, Dhaka-Chittagong railway chord line project, Padma rail link from Dhaka to Jessore project and multi-lane road tunnel under the river Karnaphuli.³² A few others are – Chinese

²⁵ ‘Bangladesh, China, India finalise BCIM papers’ (2016, 27 January) *The Independent* Retrieved from <http://www.theindependentbd.com/post/31806>. Accessed on 8 May 2017.

²⁶ Ibid

²⁷ Ministry of Foreign Affairs, Government of Bangladesh Retrieved from <http://www.mofa.gov.bd/media/draft-speech-kind-possible-use-hon%E2%80%99ble-state-minister-chief-guest-seminar-%E2%80%9Cbangladesh-china>(Accessed on

²⁸ Ibid

²⁹ Ibid

³⁰ M. Shahidul Islam (2015, 2 October) “Four Decades of Bangladesh-China Relations: What Next?” *The Daily Star*. Retrieved from www.thedailystar.net/op-ed/politics/what-next-150247 Accessed on 12 April 2016.

³¹ Ghosh, Suchitra . *China –Bangladesh-India Tangle Today: Towards a Solution?* Kolkata: Sterling Publishers Pvt. Limited, 1995 , p. 17.

economic and industrial zone in Chittagong area, digital connectivity for Digital Bangladesh, expansion and strengthening of power system network in Dhaka Power Development Cooperation area, Dhaka-Ashulia elevated expressway, Unit-2 of Eastern refinery and single point mooring project.³³ These projects will cost around \$ 8.5 billion USD. China has promised to provide the amount on a soft loan meaning 1. 5 percent interest rate per annum on a given amount. These projects are, as proposed, going to be completed by 2020.³⁴

Two economic zones in Chittagong and Dhaka respectively are going to be established exclusively for Chinese investors.³⁵ The Memorandum of Understanding (MoU) signed in June 2016 between Bangladesh Economic Zones Authority and China Harbour Engineering Company Limited was an initial step in this direction. According to it the economic zone styled Chinese Economic and Industrial Zone will be set up on a 774-acre of land in Anwara Upazila in Chittagong.³⁶ As per the MoU, the Chinese government nominated firm CHEC to develop the economic zone that is designed exclusively for Chinese investors. Under this MoU, both the parties will form Special Purpose Companies for next 50 years with scope of expansion to materialise the process on equity basis, The move for setting up an exclusive economic zone for Chinese investors was undertaken after Prime Minister Sheikh Hasina had made such a pledge during her visit to China in 2014. Once established, the zone is expected to accommodate around 400 factories that will attract around \$2 billion USD Chinese investment within three years.³⁷

Furthermore, to boost their economic relationship, during the visit of Xi Jinping in October 2016, the two countries inked a total of 40 agreements and MoUs worth more than USD\$25 billion, though the government of Bangladesh has not yet revealed the official figures.³⁸ They signed 27

³²[www.mof.gov.bd/.../Final%20Economic%20Survey%202017-2020%20English%20\(Final\)...http://newagebd.net/94791/china-agrees-to-invest-in-10-large-infrastructure-projects/](http://www.mof.gov.bd/.../Final%20Economic%20Survey%202017-2020%20English%20(Final)...http://newagebd.net/94791/china-agrees-to-invest-in-10-large-infrastructure-projects/)

³³Ibid

³⁴ibid

³⁵ M. Shahidul Islam (2015 , 2 October) , “Four Decades of Bangladesh-China Relations: What Next?” *The Daily Star*. Retrieved from www.thedailystar.net/op-ed/politics/what-next-150247 on 12 April 2016.

³⁶ Anik, Syed Samiul Basher (2016, 16 June) ‘ MoU signed for country’s first G2G economic zone’ *The Dhaka Tribune* Retrieved from <http://www.dhakatribune.com/bangladesh/2016/jun/16/mou-signed-countrys-first-g2g-economic-zone>(Accessed on

³⁷ ibid

³⁸ ‘BD, China set to sign over 25 MoUs ,deals’ (2016, 13 October) Retrieved from <http://www.thefinancialexpress-bd.com/2016/10/13/49214/BD,-China-set-to-sign-over-25-MoUs,-deals>. Accessed on 14 October 2016.

agreements and MoUs involving the two governments. Out of it, 15 are agreements and MoUs and 12 are for loan and mutual agreements.³⁹ Besides the 27, Chinese state-owned and private entities also signed 13 agreements mostly with Bangladeshi private enterprises. 13 projects over which China signed deals with 11 Bangladeshi private enterprises and two government entities mainly cover infrastructure, communication, power and energy and sports are worth USD\$13.6 billion. The tenure of the MoUs would be two years, and it would be automatically renewed for two more years unless any of the two sides writes to the other for terminating it six months prior to its expiry date. The tenure of MoU may be extended further if both countries want so.⁴⁰ These MoUs and Agreements will boost trade which will have its influence on political relationship between Bangladesh and China. At present, Bangladesh's trade with China is about 26.5 percent of its total trade, which is on an upward swing. If this rate prevails, the total bilateral trade would reach USD 18 billion in 2021.⁴¹

In his pre-visit speech, published in a Bangladeshi newspaper '*Daily Star*', Chinese President mentioned "China is now the largest trading partner of Bangladesh and Bangladesh [is] China's third largest trading partner and third-largest project contract market in South Asia. Bilateral trade soared from USD\$900 million in 2000 to US\$14.7 billion in 2015, registering an annual increase of around 20%".⁴² He also informed "China is ready to synergize its 13th Five-Year Plan with Bangladesh's Seventh Five-Year Plan with a view to leveraging our respective comparative advantages, increasing economic exchanges and trade building key projects in areas such as infrastructure, production capacity, energy, electricity, transportation, information, telecommunications and agriculture, strengthening practical cooperation under the Bangladesh China India Myanmar Economic Corridor and delivering to our people tangible benefits of our cooperation".⁴³

³⁹ 'Bangladesh, China sign 27 deals as President Xi visits Dhaka' (2016, 15 October) Retrieved from <http://bdnews24.com/bangladesh/2016/10/14/bangladesh-china-sign-27-deals-as-president-xi-visits-dhaka>(Accessed on 15/6/2017)

⁴⁰'High Hope for Chinese Investment' (2016, 14 October) Retrieved from <http://www.thedailystar.net/frontpage/high-hope-chinese-investment-1298539>. Accessed on 15 October 2016.

⁴¹ Kabir, Mahfuz (10 October 2016) 'Expanding the Bangladesh-China trade frontier' *Daily Star*. Retrieved from <http://www.thedailystar.net/op-ed/politics/expanding-the-bangladesh-china-trade-frontier-1296583>. Accessed on 15 October 2016.

⁴²'China- Bangladesh Cooperation will bear Golden Fruits' (2016, 14 October) Retrieved from <http://www.thedailystar.net/frontpage/china-bangladesh-cooperation-will-bear-golden-fruits-1298536>. Accessed on 15 October 2016.

⁴³Ibid.

DEFENCE COOPERATION

The defence relationship between Bangladesh and China began because the Soviet Union refused to supply military spare parts to Bangladesh in 1975, after it was cleared that in post-Mujib period the country leadership had started closer interactions with China. Taking advantage, China quickly filled that vacuum by exporting those spare parts and other defence equipments to Bangladesh. Between 1975 and 1978, China supplied 78 per cent of Bangladesh's arms import.⁴⁴ And since then, China has been the main supplier of defence equipment and hardware to Bangladesh. A significant development in defence relationship between China and Bangladesh took place in 1987 after the visit of Bangladeshi delegation to Beijing. Bangladesh Army started getting trained on the Chinese pattern⁴⁵ and fully equipped with Chinese arms.⁴⁶ The 33 infantry Division with its Head Quarter at Comilla is also called the Chinese division. The second Chinese trained infantry division is the 24 Division garrisoned at Chittagong. There was a training centre at Sylhet where Chinese experts provided training to Bangladeshi soldiers, especially in the use of Chinese made weapons.⁴⁷

In 2002 Bangladesh and China signed defence cooperation deal. This deal mainly focused on procurement of modern weapons by Bangladesh from China. In 2006, China supplied 65 artillery guns and 114 missiles and related systems. Most of the tanks (T-59, T-62, T-69, and T-79), a large number of armoured personnel carriers (APCs), artillery pieces and small arms and personal weapons in the Bangladesh Army are of Chinese origin. Also, it has procured 155mm PLZ-45/Type-88 (including transfer of technology) and 122mm Type-96 as well MBRLs from China.⁴⁸ The Bangladeshi Navy is largely made up of Chinese-origin platforms. These include the 053-H1 Jianghu I class frigates with 4 x HY2 missiles, Huang Feng class missile boats, Type-024 missile boats, Huchuan and P 4 class torpedo boats, Hainan class sub chasers, Shanghai class gun boats and Yuchin class

⁴⁴ Aneja, Atul (2015, 26 April) 'China, India fast-track BCIM economic corridor project' Retrieved from <http://www.thehindu.com/news/national/china-india-fasttrack-bcim-economic-corridor-project/article7355496.ece> Accessed on 15 June 2016

⁴⁵ This is a move away from pattern followed by the South Asian Army. Almost all are still trained on the line of British Army because of colonial linkages the region has with Britain.

⁴⁶ Ghosh, Suchitra *China -Bangladesh-India Tangle Today: Towards a Solution?* Kolkata: Sterling Publishers Pvt. Limited, 1995 p. 16.

⁴⁷ Ibid.

⁴⁸ Sakhuja, Vijay (2009, 23 July) 'China-Bangladesh Relations and Potential for Regional Tensions' *China Brief* Volume 9 Issue 15 Retrieved from http://www.jamestown.org/single/?tx_ttnews%5Btt_news%5D=35310&no_cache=1#.V2E4A9L5jIU on 15 June 2016.

LCUs.⁴⁹ The BNS Khalid Bin Walid has been retrofitted with HQ-7 SAM from China. In 2008, BNS Osman successfully test fired a C-802 ASM in the presence of the Chinese Defense Attaché Senior Colonel Ju Dewu. China began supplying fighter aircraft to the Bangladesh Air Force in 1977 and, over the years, has delivered F7 and Q5 fighter aircraft and PT 6 Trainers. In 2005, 16 F-7BG were ordered and the deliveries began in 2006.⁵⁰ Since 2010, Beijing has supplied Dhaka with five maritime patrol vessels, two corvettes, 44 tanks, and 16 fighter jets, as well as surface-to-air and anti-ship missiles, according to the Stockholm International Peace Research Institute.⁵¹ That's in addition to Ming-class submarines which joined the Bangladeshi fleet in November 2016.

The relationship is also beyond the hardware exchanges. The two countries also exchange defence delegates at regular intervals of time. In 2014, when a high-ranking Chinese military official visited Dhaka, the two side re-signed agreements that would see China provide training for Bangladeshi military personnel.⁵² In December 2015 General Wang Jianping, deputy chief of general staff of the Chinese People's Liberation Army (PLA), held talks with General Abu Belal Muhammad Shafiqul Huq, visiting chief of staff of the Bangladesh Army, in Beijing. The two generals expressed their willingness to cooperate further in defence and military affairs.⁵³ Later in May 2016 Chinese Defence Minister Chang Wanquan visited Bangladesh. The defence Minister met Prime Minister of Bangladesh who thanked China for supporting its economic development and national defence construction.⁵⁴

Bangladesh is one of the early supporter to China's ambitious 'Belt and Road' project.⁵⁵ "Bangladesh features in the Belt and Road both as a part of the overland component – via the Bangladesh-China-India-Myanmar

⁴⁹ *ibid*

⁵⁰ *ibid*

⁵¹ Tiezzi, Shannon (2015, 4 December) "China, Bangladesh Pledge Deeper Military Cooperation," *The Diplomat*, Retrieved from <http://thediplomat.com/2015/12/china-bangladesh-pledge-deeper-military-cooperation/> on 18 April 2016.

⁵² *Ibid*.

⁵³ See details 'China –Bangladesh Cement Bilateral Military Relations' Ministry of National Defence, The People's Republic of China Retrieved from http://eng.mod.gov.cn/DefenseNews/2015-12/03/content_4631455.htm Accessed on 22 May 2016

⁵⁴ 'China-Bangladesh Pledge to boost military exchange, deepen cooperation' Ministry of National Defence, The People's Republic of China, http://eng.mod.gov.cn/DefenseNews/2016-05/30/content_4667372.htm. Accessed on 22 May 2016.

⁵⁵ ' Full Text : Action Plan on Belt and Road Initiative' The State Council, People's Republic of China Retrieved from http://english.gov.cn/archive/publications/2015/03/30/content_281475080249035.htm Accessed on 25 May 2016.

corridor – and as a port hub for the Maritime Silk Road. The latter, in particular, has military overtones, as observers have often worried that China’s investments in maritime infrastructure are expected to bear fruit as military assets as well (the basis for the famous “string of pearls” theory).⁵⁶

In a bid to re-set their defence relationship, in October 2016, after signing of the MoUs and other Agreements, Chinese President Xi Jinping said, “We agreed to elevate China-Bangladesh ties from a comprehensive partnership of cooperation to a strategic partnership of cooperation. We have agreed to increase high-level exchanges and strategic communication so that our bilateral relation will continue to move ahead at a higher level,” he said.⁵⁷ The Chinese president also mentioned that the two countries have agreed to establish institutionalised cooperation in maritime affairs and take efforts towards having a counter-terrorism mechanism.⁵⁸

CONCLUSION

Since its beginning in 1975, China –Bangladesh relationships have matured in subsequent decades. As examined in this paper, the two countries are serving each other’s respective interests. China is significantly contributing in development of physical infrastructures in Bangladesh. Such infrastructures have contributed in an increase in economic activities in Bangladesh. China is also one of the leading investors in Bangladesh. China needs the low costs production potential of Bangladesh and also many other countries in South Asia, Southeast Asia and Africa. The One Belt One Road(OBOR) initiative enlists Chittagong port as one of the anchorage points and therefore the urgency to engage Bangladesh is more from the Chinese side. Bangladesh, on the other hand, wants to utilise the aid and assistance as well as infrastructure loans doled out by China under its Silk Road project. However, it still needs to be seen how China utilises the increased political and economic interaction with Bangladesh for its strategic advantage. Bangladesh is also one of the few countries which converges both OBOR and Maritime Silk Road Project. This vantage point of Bangladesh makes it one of the most sought after partners for China.

⁵⁶ Tiezzi, Shannon (2015, 4 December) “China, Bangladesh Pledge Deeper Military Cooperation,” *The Diplomat*, Retrieved from <http://thediplomat.com/2015/12/china-bangladesh-pledge-deeper-military-cooperation/> on 18 April 2016.

⁵⁷ ‘China, Bangladesh lift ties to Strategic Partnership of Cooperation’ (2016, 15 October) *Global Times* Retrieved from <http://www.globaltimes.cn/content/1011533.shtml> . Accessed on 16 October 2016. Also See <http://mofa.gov.bd/media/joint-statement-people%E2%80%99s-republic-china-and-people%E2%80%99s-republic-bangladesh-establishing>(Accessed on 22/6/2017)

⁵⁸Tbid.

The defence cooperation between the two countries is favouring more to China than Bangladesh. Latter does not have a recognized rival near its border and it is also not an important military competitor in the region. On contrary, China has its strategic interests in the Bay of Bengal region. This is an important Sea Lane of Communication through which sea trade takes place, and it is also a region where China wants to establish itself for one of the reasons- to compete against India in South Asia.