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# Growing Russia-Bangladesh Ties and Their Implications for South Asia

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## Growing Russia-Bangladesh Ties and Their Implications for South Asia

The Russia-Bangladesh relations have begun to flourish following Sheikh Hasina's assumption of office for the second time in 2009. The bilateral relations cover diverse areas of cooperation including, defence, energy, science and technology, trade and culture. Russia has emerged as a key development partner of Bangladesh which seeks to achieve middle-income status by 2021 and become a developed nation by 2041.

### **The Bilateral Relations: 1971-2008**

The foundation of Russia (USSR at that time)-Bangladesh relations was laid by Hasina's father Bangabhandu Sheikh Mujibur Rahman immediately after his country attained independence. Both the nations developed cordial and mutually beneficial ties in the early 1970's. The Soviet Union was one of the first few nations that recognised Bangladesh in the United Nations (UN) and established diplomatic relations with it on January 25, 1972<sup>1</sup>. The Soviet Union earlier extended full support to the Bangladeshi freedom fighters in their struggle against Pakistan. Moscow also assisted the new Bengali nation to restore and develop its war-ravaged economy.

Despite good beginning, the Soviet-Bangladesh relations suffered a major setback after the violent political changeover of August 1975. The successive military regimes of Ziaur Rahman and HM Ershad discarded socialist policies of Sheikh Mujib and drew Bangladesh closer to the United States, Pakistan, China and the Arab world—all of them either had adversarial relations with the Soviet Union or maintained distance from the red leviathan. The Russia-Bangladesh relations in the 1990's and 2000's remained low key—more or less confined to cultural exchanges and occasional development aid to Dhaka.

### **Russia-Bangladesh Relations: Post-2009**

However, after returning to power in January 2009 with a huge mandate, the Awami League (AL) government decided to resurrect Bangladesh's historic and friendly ties with Russia. In November 2010, Bangladesh Prime Minister Hasina visited St. Petersburg to attend the Tiger Summit and also held talks with Russian President Vladimir Putin. Both the leaders agreed to initiate "additional steps" to take the bilateral relations to a new level<sup>2</sup>.

Since then, the interaction between the government officials of the two nations has been increased considerably. Dipu Moni, the then Bangladesh Minister of Foreign Affairs, visited Moscow on November 23, 2012<sup>3</sup> and explored the ways for expanding the bilateral relations in such areas as defence, nuclear and conventional energy, and trade and economic cooperation.

### **Hasina's Historic Visit to Moscow**

In her bid to further strengthen the Russia-Bangladesh relations, Hasina undertook a three-day visit to Moscow from January 14 to 16, 2013. Her visit was an important milestone in the development of the bilateral ties. It was the first official visit of a Bangladesh prime minister after a gap of 40 years. During this visit, both the sides reiterated their commitment to develop

mutually beneficial and comprehensive relations on a long-term basis, diversification of bilateral trade, boosting investment and establishing joint high-tech ventures. The two countries inked ten agreements enhancing cooperation in various fields, including defence, nuclear and oil and gas exploration<sup>4</sup>.

### **Defence Partnership**

The two major outcomes of the visit were arms and nuclear deals signed between Moscow and Dhaka. In an attempt to broaden military-technical cooperation with Bangladesh, Russia granted \$1 billion loan for buying arms and defence equipments. One report suggests that both the countries signed a pact under which Dhaka would procure armoured vehicles, infantry weapons, air defence system and Mi-17 helicopters from Moscow<sup>5</sup>. It is the biggest arms deal Bangladesh has ever concluded since independence in 1971.

For the last few years, Bangladesh has been augmenting its defence capabilities, including construction of a new air base near the border with Myanmar. The government has stepped up efforts to modernise the country's armed forces with an "envision of forces goal 2030"<sup>6</sup>. Bangladesh is looking to Russia to increase its naval fleets and war planes and lessen dependence on Chinese armoury. A report says Bangladesh is set to buy 80-100 Russian-made BTR-80 amphibious armoured personnel carriers and some missile defence systems<sup>7</sup>. The defence partnership is not just limited to equipment; Russia has also assured Bangladesh to train its military personnel<sup>8</sup>.

Moreover, Bangladesh has reportedly evinced interest in the purchase of diesel-electric submarines. In April this year, Bangladesh struck a deal with Russia to purchase six Mil Mi-171 Sh combat-transport helicopters and one Mi-171E medium-lift transport aircraft. Earlier in February, Russia announced that it would supply 16 training and combat Fighter Aeroplanes Yak-130 to Bangladesh<sup>9</sup>.

Besides, there is possibility of striking a deal to buy fighter aircrafts of the latest Mig-29 SMT version<sup>10</sup>. A report claims Bangladesh has already signed a \$124 million deal with Russia for eight Mig-29 fighter jets<sup>11</sup>. As Bangladesh Air Force now operates Mig-29 fourth generation fighter jets, a contract to repair and up grade the aircrafts, which were acquired before, is likely to be inked<sup>12</sup>.

The Russia-Bangladesh military ties could not grow during Khaleda Zia's tenure (2001-06) as premier since the foreign policy priorities of the Bangladesh Nationalist Party (BNP)-Jamaat-e-Islami coalition government were different. Under Khaleda, Bangladesh was hobnobbing with China—India's strategic adversary in South Asia. So long, China has been the biggest supplier of Bangladesh's military inventory, comprising nearly two-third of the country's total arms purchase.

However, the Russian military experts maintain that even though Beijing is a strong competitor of Moscow in Bangladesh's weapons market, the former may lose its dominance in the near future given the political understanding developed between the Hasina and Putin governments in recent years<sup>13</sup>. The Russian and Bangladeshi leaders have decided to build an enduring defence partnership based on mutual trust, confidence and interest.

### **Civil Nuclear Cooperation**

Another major aspect of the thriving Russia-Bangladesh ties has been civil nuclear cooperation. Moscow sanctioned an additional \$ 500 million to assist Bangladesh in building its first 2000-MW nuclear power plant (NPP). It agreed to provide advanced technology for the NPP as well. Appreciating Russia's technical and financial support to Bangladesh in building the NPP, Hasina said it is a "shinning example of deeper Russia-Bangladesh engagement" during her Moscow visit<sup>14</sup>.

The Bangladesh Atomic Energy Commission signed a contract with Rosatom, Russia's state-owned nuclear power agency, to build two power units each with a capacity of 1000 MW at Ruppur in northwestern Pabna district. Russia also pledged to provide more loans after the completion of the first stage of construction and assured Bangladesh of supplying nuclear fuel for the entire period of its exploitation<sup>15</sup>. Furthermore, Russia intends to set up an information centre of nuclear energy in Dhaka. It may be added that some Russian universities are currently engaged in the training of Bangladeshi nuclear professionals<sup>16</sup>.

Bangladesh government reportedly sought immediate construction of the NPP because its natural gas reserves are fast depleting. The Bangladeshi energy experts are of the opinion that the country's hydro carbon reserves may come to an end in a decade or so<sup>17</sup>.

The actual construction work is scheduled to begin this year and expected to be completed by 2020<sup>18</sup>. The two sides have been engaged in hectic negotiations to select the appropriate technology to be applied in the plant and resolve some issues related to finance and real cost of the project.

To meet the country's rising demand of power, Bangladesh had been making concerted efforts to develop non-conventional source of energy for quite some time. The Khaleda government approached China in the early 2000's to build a nuclear reactor in Bangladesh. Reports indicate that Dhaka and Beijing did hold preliminary discussions but a deal could not be clinched as Khaleda's term ended in 2006<sup>19</sup>. Meanwhile, Hasina regained power in 2009 and Bangladesh eventually signed an agreement with Russia driving out China from the South Asian country much to the relief of the Indian policy makers.

### **Exploration of Natural Gas**

Russia and Bangladesh have expanded cooperation in the conventional energy sector too. President Putin said Russia is keen to help Bangladesh harnessing its oil and gas deposits. Bangladesh's state-owned PetroBangla signed a contract with Russia's Gazprom EP International for drilling ten gas wells. This joint venture is set to raise Bangladesh's gas production to 56 million cubic metres per day. Reports say Russia's petroleum giant Gazprom had already completed preparations to start drilling at two gas fields. The value of the Russia-Bangladesh gas deal is estimated to be \$ 193 million<sup>20</sup>.

Russia is seeking access to South Asia's oil and gas market and its energy deal with Bangladesh assumes significance in the context of the proposed Turkmenistan-Afghanistan-Pakistan-India (TAPI) pipeline. Observers say Russia is making efforts to get engaged in the TAPI which envisages supply of gas from Central Asia's Turkmenistan to India via Afghanistan and Pakistan.

Russia believes that its involvement in the exploration of Bangladesh's gas reserves may boost the country's bargaining power in terms of supplying much needed gas to India—the largest market in South Asia<sup>21</sup>.

### **Power Generation**

Power generation continues to be a critical area for Bangladesh and its leadership has always relied on the Russian technical expertise to meet the increasing demand of electricity. Russia has been playing a pivotal role in Bangladesh's electricity generation since its inception. The thermal power plant built with Russian financial and technical support at Ghorasal and Sddhirganj are contributing more than 20% of the country's total electricity production<sup>22</sup>.

The Ghorasal unit is the largest thermal power station in Bangladesh. The Russian technicians are presently engaged in the modernisation of this plant. A few Russian companies such as Inter Rao Ves and RusHydro have shown interest in Bangladesh's power sector<sup>23</sup>.

### **Trade and Commercial Ties**

Bangladesh is also looking for partnership with foreign nations to develop its infrastructure. According to a report, some Russian companies are interested to support Bangladesh in improving its transport infrastructure—up gradation of roads, building bridges and underground metro<sup>24</sup>.

The Russia-Bangladesh trade and economic cooperation have been growing steadily in the recent years. Putin lauded the positive trend of the economic relations. He pointed out that the bilateral trade had increased over 60% in 2011 and by further 20% in 2012. The turnover of the bilateral trade stood at \$ 700 million in early 2013. Both the nations are trying to reach the target of \$ 1 billion. The items Russia exported to Bangladesh included fertilizer, metal-roll, raw materials for textile industry, while Bangladesh supplied to Russia mainly knitwear, woven garments, jute yarn and twine, raw jute, leather goods and frozen shrimps<sup>25</sup>.

There are enormous possibilities for trade and economic cooperation between Russia and Bangladesh. The Russian companies are setting up industries on joint ventures with the Bangladeshi firms in several sectors like power, mining, agro-processing, leather, electrical and electronics, and engineering and pharmaceuticals. Hasina during her talks with Putin sought quota-free and duty-free access for Bangladeshi products to the Russian market and bigger participation of private sector in the booming bilateral relations. The Russian leaders assured Bangladesh of considering its proposals positively<sup>26</sup>.

The businessmen and manufacturers of the two countries had been participating in each other's trade fairs and exhibitions to explore the avenues of further boosting the bilateral commercial ties. In September 2012, a group of representatives from Bangladesh Knitwear Manufacturers and Exporters Association visited Moscow to attend a mega textile exhibition and signed contracts with various Russian companies to export garments worth \$ 10 million<sup>27</sup>. From a Bangladeshi perspective, such deals are hugely beneficial for the thriving garment sector which is the country's prime foreign currency earner.

### **Deepening Bilateral Ties**

Both the countries have been persistently engaged to promote cooperation in areas which are mutually beneficial. Bangladesh's State Minister for Foreign Affairs Shariar Alam during his visit to Moscow on June 23, 2015, discussed the modalities of setting up an Inter-governmental Commission on Political, Economic, Trade, and Science and Technology with his Russian counterpart Morgulov Igor Vladimirovich to give an institutional shape to the expanding bilateral relations. The two foreign ministers underscored the need of opening direct air service between Moscow and Dhaka to enhance people-to-people contacts, trade and cultural exchange<sup>28</sup>.

### **Role in South Asia**

Russia also seeks to cooperate with Bangladesh at the regional level to contain terrorism, organised crime and drug trafficking. Moreover, there has been convergence of interests between Moscow and Dhaka on numerous pressing issues facing the international community, including global security and climate change. The political understanding developed between the Russian and Bangladeshi leaders is the bedrock of the warm Moscow-Dhaka ties. Russian Deputy Foreign Minister Vladimirovich during his meeting with Alam noted that the present political relation with Bangladesh is on a "high trajectory"<sup>29</sup>.

Russia-Bangladesh relations scaled new heights after Hasina's momentous Moscow visit in 2013. The political leaders of the two nations appear committed to develop a comprehensive and lasting bilateral relations focusing on defence, nuclear and economic cooperation. Russian ambassador in Dhaka remarked on April 11, 2014 that the relations between the two nations had been experiencing a "renaissance"<sup>30</sup>.

However, questions were raised on the increasing warm relations between Russia and Bangladesh from domestic as well as international quarters. Some former Bangladeshi diplomats think that Dhaka's foreign policy orientation has become Russia-Indo-centric reminiscent of the Mujib era. This kind of observation is nothing new in Bangladesh's foreign policy discourse as the ruling AL's political rival BNP has sizeable following among the retired military personnel and government functionaries. Most of them continue to believe that Bangladesh's interests are best served by forging closer ties with China and the Western and Arab countries. Such divergent approaches to the country's external relations may persist unless the Bangladeshi ruling elites develop consensus on major foreign policy issues.

The recent arms deals between Russia and Bangladesh have drawn international media attention too. The AL government has justified the defence contracts on the grounds that the country urgently requires foreign assistance in many areas, including defence and energy, and that Dhaka had been buying Russian weapons for a long time. Moreover, Bangladesh military is continuously engaged in the UN peacekeeping operations and hence needs modern weapons<sup>31</sup>. Besides, the country wants naval fleets, vessels for coast guards, transport aircrafts and helicopters for search and rescue mission in time of natural calamities like flood and cyclone that Bangladesh confronts frequently because of its precarious geographical position and the challenges thrown by climate change.

The Russia-Bangladesh relations have deepened and broadened largely due to the AL leadership's appreciation of erstwhile Soviet Union's vital support to the Bengali nation at the

most critical hour and Moscow's familiarity with the region's sensitivities and priorities. The loans and power projects will help cementing economic and political ties between the two countries and consolidate Russia's position in South Asia.

This region figures prominently in Moscow's strategic thinking since it enjoys traditional friendly ties with New Delhi. Russia is searching for a larger engagement with the South Asian nations especially India and Bangladesh to ensure stability in the region after the completion of the international coalition forces' mission in Afghanistan. Moscow intends to enhance cooperation at the regional level to contain Islamic terrorism which is a common threat to Russia and South Asia.

### **Disclaimer:**

*Views are personal.*

### **About the author:**

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