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Bangladesh Deepens Ties with Japan: An Extension of its Balancing Act

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The visit of the Bangladesh Prime Minister Sheikh Hasina to Japan in April marked a growing assertion towards warm diplomatic relations between the two powers. It was the first visit of a Bangladeshi Prime Minister since Japan unveiled its National Security Strategy (NSS); hence it attracted increased prominence. The two sides have historically enjoyed robust economic relations, but strategic cooperation is likely to add a new dimension to their bilateral ties.

Tokyo, having identified Bangladesh as a partner in realising its goal of a “Free and Open Indo-Pacific” (FOIP), now aspires to build a ‘strategic partnership’ with Dhaka. Under Japan’s New Security Policy, Tokyo is looking to provide official security assistance (OSA) to Bangladesh. This would aid Bangladesh in achieving its aspiration to expand and modernise its army, navy, and air force under the Forces Goals 2030, which seek to “build a three-dimensional force capable of conducting multi-platform warfare.”¹ This comes at a time when Dhaka’s reliance on China to realise these objectives casts aspersions on New Delhi.

Defence as an Avenue of Cooperation

Between 2008 and 2018, Beijing provided 71.8 per cent of Bangladesh’s defence procurement, amounting to US \$1.93 billion.² This was primarily due to China’s competitive prices against their Western counterparts, complemented by Dhaka’s budgetary constraints. Major Bangladeshi defence imports include Chinese MBT-2000 tanks, three squadrons of Chengdu F-7 aircraft, and two Type-035G Ming-class submarines. However, apart from the dire need for Bangladesh to diversify its arms imports, there have also been complaints on the part of the Bangladesh Armed Forces about the quality of equipment supplied by Beijing. For example, the Navy had reportedly submitted that they were “dissatisfied with the radars provided by China Shipbuilding and Offshore International.”³

In the past, Japan had gifted more than twenty 10-meter rescue boats and four 20-meter boats with oil pollution control equipment under a Tk 212 grant agreement to Bangladesh.⁴ Japan, under its New Defense Strategy, is hoping to increase its defence exports by supplying military hardware to Bangladesh.⁵ However, it remains to be seen if the Japanese intermediate trainers like the Kawasaki T-4 or Japanese air radar systems can find their way into the Bangladeshi arsenal. This can potentially reduce Bangladesh’s dependence on Chinese arms in the future.

Economic Investments as Strategic Assets

Japan has been using its economic resources for strategic gains as well. Japan's interests are tied to the Bay of Bengal Region because 80 per cent of its energy supplies pass through it, and the location of Bangladesh makes it a gateway for connecting South Asia to Southeast Asia. Dhaka is a member of the South Asian Association for Regional Cooperation (SAARC), the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC), and the current chair of the Indian Ocean Rim Association (IORA). Having permanent assets in Bangladesh can deter Japan's main rival, China, which Tokyo asserts is "the greatest strategic challenge in ensuring the peace and security of Japan and the peace and stability of the international community."⁶

Bangladesh is estimated to be the largest recipient of Japan's Official Development Assistance (ODA) in Asia, an amount that stood at a staggering US \$2.6 billion in 2020.⁷ Japan is a lucrative destination for Bangladesh's ready-made garment exports. Currently, since Bangladesh is about to lose its least developed country status (LDC) in 2026, Dhaka is proactively working to secure an FTA with Japan.

As part of its 'Look East Policy' and 'Vision 2041,' PM Hasina's government has partnered with Tokyo on various projects to address Bangladesh's infrastructure inadequacy. Japan, through its Bay of Bengal Industrial Growth Belt (BIG-B), invested in multiple projects like Dhaka Mass Rapid Transit (MRT) Line 6, the Bangladesh Special Economic Zone in Araihasar, the Hazrat Shahjalal International Airport, and the Bangabandhu Jamuna Multipurpose Bridge. Bangladesh, famously, had even cancelled the Sonadia Deep Sea Port, which was supposed to be built by the Chinese, and partnered instead with Japan to build the Matarbari Deep Sea Port, located a little north of the former.

Indian Angle

India and Bangladesh are currently going through a '*Sonali Adhyaya*', meaning the golden chapter in their relations. Albeit the Teesta Water dispute still persists, Bangladesh has emerged as a vital partner in India's Neighbourhood First and Act East Policy. Moreover, India and Japan have started collaborating jointly on infrastructure projects like the Jamuna Railway Bridge and the Ramgarh-Baraiyarhat Highway in Bangladesh.

Japan, which is a key investor in India's northeast, is keen on linking Bangladesh to the northeastern region of India to boost its investments. Japan's current ODA projects in the northeast

amount to around ¥246 billion.⁸ The emphasis on greater regional connectivity was observed when the Japanese PM Fumio Kishida promoted the concept of the Bay of Bengal-Northeast India industrial value chain, stating that Japan “view[s] Bangladesh and other areas to the south as a single economic zone.”⁹

Engagement Not Entanglement

Looking at the growing cooperation between Japan and India, analysts might be tempted to assert that Bangladesh is prioritising India and Japan over China. However, Dhaka is shrewdly walking on a tightrope between the two camps, engaging India-Japan in many areas while also maintaining ties with the Chinese in others.

On a strategic level, although Bangladesh cancelled the Sonadia Deep Sea Port in 2019, Bangladesh had given China permission to use its Mongla and Chittagong ports. Even the possible defence cooperation with Japan should be interpreted as a balancing act by Dhaka since it's a move towards mitigating its overreliance on China.

China, which is Bangladesh's largest trade partner, exported US \$24.1 billion worth of items in 2021, compared to Dhaka's export worth US \$1.01 billion during the same period.¹⁰ Just like Japan and India, China too has shown interest in various infrastructure projects like the Dhaka-Chittagong high-speed rail, the Chattogram Cox Bazar rail link, and recently even completed construction of the Padma Multipurpose Bridge.

Dhaka, with its policy of ‘friendship to all, malice to none,’ is enjoying the ‘benefits of engagement’ with multiple players ‘without the obligations of entanglement’ with anyone. It is unlikely to abandon this approach anytime in the future.

Notes:

- ¹ Shakil Bin Mushtaq, “Bangladesh’s Ambitious Military Modernization Drive”, *The Diplomat*, January 2018, <https://thediplomat.com/2018/01/bangladeshs-ambitious-military-modernization-drive/>. Accessed on May 3, 2023.
- ² Lt Gen Prakash Katoch, “Xi Jinping’s Dhaka Design”, *Indian Defense Review*, May 2021, <http://www.indiandefencereview.com/news/xi-jinpings-dhaka-design/>. Accessed on May 3, 2023.
- ³ “Bangladesh dissatisfied with China's military supplies quality: Reports”, *ANI*, August 2022, <https://www.aninews.in/news/world/asia/bangladesh-dissatisfied-with-chinas-military-supplies-quality-reports20220813113331/>. Accessed on May 3, 2023.
- ⁴ “Rescue boats handed over to Bangladesh Coast Guard”, *Bangladesh Post*, December 2021 <https://bangladeshpost.net/posts/rescue-boats-handed-over-to-bangladesh-coast-guard-74685>. Accessed on May 3, 2023.
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- ⁶ “National Security Strategy of Japan”, December, 2022, <https://www.cas.go.jp/jp/siryou/221216anzenhoshou/nss-e.pdf>. Accessed on May 9 2023.
- ⁷ Tarina Maliat-E-Rahman, “The Big-B Initiative: Alive or Dead?” *BIPSS*, August 2022, <https://bipss.org.bd/pdf/The%20Big-B%20Initiative%20Alive%20or%20Dead.docx.pdf>. Accessed on May 3, 2023.
- ⁸ Titli Basu, “Japan in India’s Northeast: The Indo-Pacific Connect”, *IDSA*, April 2022, <https://idsa.in/idsacomments/japan-in-indias-northeast-the-indo-pacific-tbasu-190422>. Accessed on May 3, 2023.
- ⁹ “Japan will expand cooperation for Free and Open Indo-Pacific: PM Fumio Kishida”, *ANI*, March 2023, <https://www.aninews.in/news/world/asia/japan-will-expand-cooperation-for-free-and-open-indo-pacific-pm-fumio-kishida20230320161923/>. Accessed on May 3, 2023.
- ¹⁰ “The Observatory of Economic Complexity”, <https://oec.world/en/profile/bilateral-country/chn/partner/bgd#:~:text=During%20the%20last%206%20years,exported%20%241.01B%20to%20China>. Accessed on May 8, 2023.