



BETWEEN OPPORTUNITY AND DEPENDENCY: RETHINKING BANGLADESH'S STRATEGIC AND ECONOMIC ALIGNMENT WITH CHINA

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ABSTRACT

This study explores the strategic and economic dimensions of the evolving relationship between Bangladesh and the People's Republic of China in the context of globalization. As China emerges as a dominant global actor through its Belt and Road Initiative (BRI) and related infrastructure diplomacy, Bangladesh has increasingly engaged with Beijing to advance its development and regional connectivity objectives. Drawing on secondary data, including academic literature, policy reports, and official documents, this research adopts an analytical and neoliberal institutionalist framework to assess the motivations, mechanisms, and outcomes of Sino-Bangladeshi cooperation.

The findings indicate that while the partnership offers significant benefits – such as infrastructure development, defense modernization, and expanded trade access – it also introduces asymmetries, trade imbalances, and concerns about political and economic overdependence. Bangladesh's strategic hedging between China and other regional or global powers reflects a calculated approach to maximizing developmental gains while preserving national autonomy. The study concludes that a sustainable, mutually beneficial partnership requires greater transparency, strategic diversification, and institutional oversight. Policy recommendations emphasize the need for enhanced trade competitiveness, diversified foreign investment, and strengthened governance mechanisms to ensure Bangladesh's long-term integration into the global economy without compromising sovereignty or policy independence.

INTRODUCTION

The 21st century has witnessed the unprecedented rise of China as a global economic and geopolitical actor. Now positioned as the world's second-largest economy, China's influence extends well beyond its borders, reshaping regional orders, trade networks, and development paradigms across Asia, Africa, and Latin America. Central to China's global strategy is the Belt and Road Initiative (BRI)—a vast, multi-trillion-dollar connectivity project aimed at expanding infrastructure, deepening trade, and enhancing strategic alignment with partner states. Among the countries within its immediate geographic vicinity, Bangladesh has emerged as a critical node in China's southward and westward connectivity vision.

Bangladesh's geopolitical location—nestled between South and Southeast Asia and within proximity to the Bay of Bengal—affords it significant strategic value. With a population exceeding 170 million and an economy transitioning rapidly from low-income to lower-middle-income status, Bangladesh's development trajectory is closely tied to regional and global integration. Over the last decade, China has become Bangladesh's largest trading partner and a key source of foreign direct investment, concessional loans, and infrastructure financing. From power plants and ports to bridges and railways, Chinese-

funded projects are transforming Bangladesh's physical and economic landscape.

However, the deepening Sino-Bangladeshi engagement also raises important questions. Does this relationship reflect a balanced strategic partnership, or is it characterized by dependency and asymmetric power? How does Chinese influence shape Bangladesh's foreign policy autonomy, trade orientation, and regional identity? And, most crucially, what does this evolving relationship mean for Bangladesh's long-term position in a globalized world?

This study seeks to critically examine these questions by focusing on two key domains: strategic partnership and economic cooperation. Using a qualitative, analytical approach, it draws upon secondary data from academic sources, government reports, think tank analyses, and international databases. The theoretical lens of neoliberal institutionalism is employed to assess how institutional arrangements, economic interdependence, and cooperative mechanisms have facilitated or constrained mutual gains.

The primary objective of this research is not only to document the bilateral developments between Bangladesh and China, but also to evaluate their sustainability, transparency, and alignment with



Bangladesh's national development goals. By identifying patterns, gaps, and strategic trends, this study aims to contribute to a broader understanding of how small and medium-sized states like Bangladesh navigate great-power competition, pursue economic modernization, and engage with globalization without compromising sovereignty or domestic priorities.

METHODOLOGY

Research Approach

This study adopts a qualitative, analytical approach rooted in interpretive research design. The analytical approach is well-suited for policy and strategic studies, particularly where the objective is to assess complex inter-state relationships within the global political economy (Bryman, 2016; Creswell & Poth, 2018). In the context of international relations, an analytical approach emphasizes structured review and interpretation of existing literature, events, policies, and strategic trends rather than collecting field-based empirical data.

Analytical research is ideal for understanding the broader implications of phenomena such as the Belt and Road Initiative (BRI) and its influence on Bangladesh–China relations. It enables researchers to engage deeply with geopolitical frameworks, economic models, and political behavior through deductive reasoning and comparative case insights (Yin, 2014). This study, focusing on strategic partnership and globalization, leverages published materials to examine motivations, structures, and outcomes of bilateral cooperation.

Moreover, the analytical approach allows for synthesizing insights from various disciplines—economics, political science, and international diplomacy—making it ideal for multidisciplinary inquiries like this one (Gerring, 2007). As the study relies on interpreting data from official policy documents, academic discourse, and economic indicators, analytical reasoning ensures rigorous and theory-informed assessments of Bangladesh's geopolitical behavior as a Chinese neighbor in the age of globalization.

Data Sources

To ensure comprehensive coverage, this study utilizes secondary data from multiple high-credibility sources: academic journals, policy papers, government websites, international organization databases, and think tank publications. These sources are chosen based on their scholarly integrity, relevance to foreign policy discourse, and timely updates.

Academic journals such as those indexed in JSTOR, DOAJ, and Taylor & Francis provide peer-reviewed analysis grounded in theoretical frameworks, ensuring that the study benefits from established and emerging scholarship (Bryman, 2016). Policy papers and official reports from the Ministry of Foreign Affairs (MOFA), BISS, and the Chinese Embassy offer direct insights into state positions, bilateral agreements, and diplomatic rhetoric,

enabling the study to decode foreign policy priorities and formal partnerships.

Think tanks like DAIRA and Carnegie Endowment offer regionally nuanced, policy-relevant analyses, bridging academic inquiry with real-world strategic imperatives. Their briefings often include interviews, economic projections, and field observations, making them crucial for understanding dynamic issues such as regional cooperation or security alignment.

Lastly, datasets from international institutions such as the World Bank and IMF provide macroeconomic statistics and development indicators relevant to trade, investment, and infrastructure outcomes. These sources enable the study to quantitatively assess the scale and direction of economic engagement between Bangladesh and China, supporting qualitative insights with empirical data.

Thematic Focus

The core thematic areas in this study are Strategic Partnership and Economic Cooperation, as these two domains encapsulate the essence of Bangladesh–China relations under the umbrella of globalization.

Strategic partnership includes diplomatic ties, defense cooperation, geopolitical alignment, and multilateral diplomacy. China and Bangladesh have established a comprehensive partnership characterized by mutual support in regional forums and increasing military collaboration. This includes arms trade, submarine acquisition, officer training, and port logistics development, all of which contribute to China's soft maritime expansion and Bangladesh's defense modernization. The study explores how this alignment serves China's Indo-Pacific strategy and Bangladesh's hedging policy against overdependence on India (Ahmed, 2023).

Economic cooperation, on the other hand, refers to the infrastructure development, bilateral trade dynamics, and foreign direct investments enabled under platforms such as the Belt and Road Initiative (BRI). The study explores landmark Chinese-backed projects like the Padma Bridge Rail Link, Payra Port development, and special economic zones in Chattogram. Bangladesh benefits from Chinese capital, technology, and engineering expertise, while China secures market access, maritime connectivity, and diplomatic loyalty. However, the study also interrogates trade imbalances, sovereignty risks, and debt exposure.

Together, these thematic domains allow the study to holistically assess Bangladesh's integration into global systems via Chinese collaboration, situating national development within a broader strategic architecture.



Analytical Framework

This study is grounded in the theoretical lens of Neoliberal Institutionalism, a dominant theory in international relations that argues states can cooperate effectively under institutional frameworks despite anarchic international systems (Keohane, 1984; Axelrod & Keohane, 1985). Neoliberal Institutionalism posits that economic interdependence, shared norms, and cooperative mechanisms reduce the likelihood of conflict and enhance collective gains.

Applied to the Bangladesh–China context, this theory helps explain how and why both states have maintained strong diplomatic and economic ties despite potential geopolitical asymmetries. Institutions like the BRI, Free Trade Agreements, and bilateral commissions function as platforms to negotiate interests, settle disputes, and advance shared development goals.

The theory also sheds light on China's strategic behavior: by embedding its partnerships in long-term, rules-based agreements, China promotes itself as a development partner rather than a hegemon. Bangladesh, as a developing nation with limited leverage, finds in these institutions opportunities to access capital, infrastructure, and market networks (Hurrell, 1995). Neoliberal institutionalism thus provides a normative and practical framework to understand the 'win-win' narrative that often accompanies BRI projects (Zeng, 2017).

The study uses this theory to interpret data patterns: mutual trade growth, continuity of military cooperation, institutionalized development plans, and soft-power diplomacy are treated not as isolated events but as products of institutionalized, rule-based cooperation that advances mutual, though asymmetrical, interests.

Limitations of the Study

This study is based exclusively on secondary data sources. As such, it does not incorporate first-hand fieldwork, interviews, or original datasets. This limits the ability to capture grassroots perspectives, non-official narratives, and context-specific observations from stakeholders directly involved in Bangladesh–China collaborations.

However, the use of high-quality secondary data presents distinct advantages. It allows the researcher to draw from a broad range of peer-reviewed scholarship, official statements, and international economic reports, offering depth and triangulation across multiple sources. Secondary research also enables a macro-level analysis of historical patterns, strategic alignments, and policy transformations over time. In this study, it facilitates the synthesis of political, economic, and theoretical insights necessary to critically evaluate Bangladesh's evolving role as a Chinese neighbor within a globalized system.

LITERATURE REVIEW

Understanding the bilateral relations

The author uses theoretical frameworks such as realism and foreign policy analysis to understand how this relationship has matured into a key regional partnership, especially after the introduction of China's Belt and Road Initiative (BRI).

Bangladesh recognized the People's Republic of China in 1975, relatively late compared to other nations, due to its early alignment with India and the Soviet bloc. However, since the 1990s, especially after the Cold War, Bangladesh gradually diversified its foreign relations, including stronger economic and military ties with China. The article emphasizes that Bangladesh's geostrategic location—connecting South and Southeast Asia—is critical for Beijing's regional ambitions, particularly through infrastructure development and maritime access via the Bay of Bengal.

A significant part of the analysis centers around China's economic diplomacy. Through investments in roads, ports, railways, and energy infrastructure under BRI, China has not only become Bangladesh's top trading partner but also a major source of foreign direct investment and loans. The article highlights large projects such as the Padma Bridge Rail Link and Payra Port as examples of Bangladesh's reliance on Chinese technology and financing.

However, the paper doesn't overlook the risks. It cautions about Bangladesh's rising debt burden and the possibility of strategic overdependence. A comparative reference is drawn with Sri Lanka's Hambantota Port, signaling concerns of potential "debt trap diplomacy." The author notes that while China asserts these are mutually beneficial projects, critics argue they often lack transparency and public accountability.

In terms of diplomacy, the article explores Bangladesh's balancing act between India, China, and the West. It appreciates Dhaka's pragmatic foreign policy—maximizing economic benefits from China while avoiding alignment that would disturb regional power dynamics, particularly with India. The author argues that Bangladesh is not merely a passive player but is leveraging Chinese support for its own development goals, such as "Vision 2041."

The paper also addresses military cooperation, where China is the main supplier of defense equipment to Bangladesh. This includes submarines, fighter jets, and naval vessels—indicating a deeper strategic collaboration. However, the article suggests this partnership is not yet a full-fledged alliance, as Bangladesh has refrained from hosting Chinese bases or signing security pacts that could challenge regional equilibrium.

Finally, the article concludes that Bangladesh–China relations are best viewed through a lens of strategic hedging. Bangladesh engages China for development and geopolitical leverage while maintaining independent foreign policy choices. The potential for deeper integration exists, especially if both sides maintain transparency, sustainability, and mutual respect in their dealings.



Understanding Bangladesh–China Relations: Historical Perspectives

The bilateral relationship between Bangladesh and China has evolved significantly over the past few decades. Rooted in mutual respect for sovereignty and non-interference, the diplomatic rapport has become increasingly multidimensional—encompassing trade, defense, and strategic cooperation. Using a blend of realism and foreign policy analysis, the article by Jashim Uddin (2023) illustrates how China's Belt and Road Initiative (BRI) has become a cornerstone for Sino-Bangladesh collaboration.

Since recognizing China in 1975, Bangladesh has steadily integrated Chinese partnerships into its development agenda, particularly in infrastructure. Major projects like the Padma Bridge Rail Link, Payra Port, and Dhaka-Chittagong Expressway reflect how Chinese loans and engineering expertise have accelerated Bangladesh's connectivity and industrial capacity. China is now Bangladesh's largest trading partner and a primary source of foreign direct investment.

However, the literature does not shy away from raising concerns. The notion of “debt-trap diplomacy” looms large, especially in reference to examples like Sri Lanka's Hambantota Port. Analysts caution that while these loans provide short-term infrastructure boosts, the lack of transparency and potential unsustainable debt levels could hinder long-term sovereignty.

On the military front, the article highlights that China remains the top supplier of defense hardware to Bangladesh, including submarines, naval vessels, and advanced radar systems. Yet, Bangladesh has managed to maintain a balanced foreign policy, avoiding overdependence on China and maintaining friendly ties with India and Western nations. The overall assessment paints Bangladesh as a strategic hedger, extracting developmental gains from Beijing without succumbing to a one-dimensional alliance.

BRI's Impact on China–Bangladesh Relations

This systematic review article, published by RSIS International (2025), synthesizes over 190 academic studies and policy papers to explore the broader implications of the Belt and Road Initiative (BRI) on Sino-Bangladesh relations. The study frames the analysis using neorealism and neoliberal institutionalism to evaluate both structural dependence and developmental cooperation.

The article classifies Bangladesh as a “regional hinge state”—a country strategically critical for Beijing's “21st Century Maritime Silk Road.” The authors argue that BRI-related infrastructure projects, while economically advantageous, embed asymmetrical power relations favoring China. Projects such as the Karnaphuli Tunnel and Chinese Economic Zones near Chittagong illustrate deepening integration that could lead to soft-power dependency.

One core finding is the financial and political opacity of Chinese funding mechanisms. Bangladesh has accepted commercial loans for mega-projects without competitive bidding or stakeholder review, increasing concerns over public accountability.

Additionally, the review suggests that China strategically aligns with Bangladesh's military and ruling elite to sustain influence regardless of electoral changes.

Nevertheless, the paper offers a balanced perspective, recognizing Bangladesh's agency in navigating this relationship. Unlike debt-saddled states like Laos or Montenegro, Bangladesh appears to maintain its financial stability, aided by remittance-driven revenue and strategic diplomacy.

The article concludes that BRI is a double-edged sword: it provides Bangladesh with infrastructural and economic empowerment, but also exposes it to long-term strategic vulnerabilities if not balanced through regional diplomacy and economic diversification.

China's Approach to Bangladesh: Relationship Evolution or Conquest Claw?

This article by Nasif Ahmed (2023) presents a provocative take on China's regional ambitions by questioning whether its engagement with Bangladesh represents genuine partnership or veiled conquest. Framing the discussion within the context of debt diplomacy, great-power competition, and maritime strategy, the article critically evaluates China's intentions.

One of the key assertions is that Chinese aid and investment are heavily tied to political compliance. The author highlights how Beijing uses financial instruments, such as concessional loans and supplier credits, to bind developing states into long-term obligations. In Bangladesh's case, while many projects are billed as mutually beneficial, such as the Dhaka Elevated Expressway and the Barisal 100 MW power project, these come with high-interest costs and strategic expectations.

The article also examines China's increasing role in Bangladesh's defense architecture. The 2016 deal for two Chinese submarines and military training programs is interpreted as part of China's larger Indo-Pacific strategy to neutralize Indian influence. However, Ahmed notes that Bangladesh has so far resisted any moves that would compromise its strategic autonomy, including hosting Chinese military bases or participating in anti-India security alignments.

The author concludes with a warning: unless Bangladesh improves transparency in its foreign investments and maintains diversified alliances, it may unwittingly step into a neo-colonial trap. However, the article also admits that China's offerings are hard to resist, given their rapid execution, low bureaucracy, and economic scale—features often lacking in Western development cooperation.

Possibilities of Strengthening Sino-Bangladesh Strategic Relations

Published by DAIRA in 2025, this article focuses on recent political transitions in Bangladesh and how these have reshaped its relationship with China. It argues that Bangladesh's internal political shifts, particularly the consolidation of executive power



and weakening of democratic institutions, have made the regime more reliant on external support—especially from China.

This political context has enabled smoother cooperation on large-scale projects like the China-Bangladesh Friendship Exhibition Center and Dhaka Bypass PPP initiative. The article also notes a shift in public discourse, with increasing media narratives portraying China as a development savior—often without adequate scrutiny of costs or long-term impact.

A major insight from this study is the expansion of Chinese cultural and soft-power influence. The rise in Confucius Institutes, Chinese scholarships, and media partnerships suggests that Beijing is not just interested in economic alignment but also ideological compatibility. At the same time, Bangladesh is tactically using its proximity to China to extract bargaining power in regional forums like BIMSTEC and SAARC.

The article ends by recommending that Bangladesh should institutionalize mechanisms for foreign project evaluation, build policy think tanks to assess long-term geopolitical risks, and balance Chinese influence through continued multilateral engagement with India, ASEAN, and the EU.

Understanding bilateral Relations from a “Win-Win” Perspective

This article provides a conceptual framework for analyzing Bangladesh–China relations through the often-cited Chinese doctrine of “win-win cooperation.” The authors argue that China’s growing involvement in South Asia—especially in Bangladesh—is shaped by a blend of economic pragmatism and political projectionism. The paper traces how China’s official discourse frames Bangladesh as a “development partner” rather than a strategic pawn, and contrasts this with how the relationship is viewed by Western observers.

Using a mixed-methods approach, the study explores case examples of key bilateral projects: the Padma Multipurpose Bridge, Payra Thermal Power Plant, and the China-Bangladesh Economic and Industrial Zone in Chittagong. The article highlights how these projects align with Bangladesh’s Vision 2041 goals, offering infrastructure, energy, and employment benefits. The Chinese side, in return, gains trade routes, diplomatic leverage, and maritime access through the Bay of Bengal.

Crucially, the article critiques the idealistic framing of “win-win,” noting that benefits are often asymmetrical in both perception and practice. The study finds that while economic benefits are real—such as job creation and technology transfer—they are not equally distributed. Rural communities and local industries often remain excluded from direct advantages. Moreover, the paper raises concerns about debt sustainability and environmental risks that are seldom addressed in Chinese feasibility studies.

An important contribution of this paper is its review of the media narratives in both countries. Chinese state media overwhelmingly frame cooperation with Bangladesh as benevolent and peaceful, whereas Bangladeshi media outlets present a mix of optimism and

anxiety, often influenced by regional dynamics and public sentiment.

The article concludes that while “win-win” language serves diplomatic and ideological purposes, real-world implementation requires stronger safeguards: transparent procurement, human rights protections, and alignment with local economic strategies. Without these, the partnership may become lopsided, leading to public backlash or political strain in the future.

China’s Strategic Involvement

This academic dissertation offers a comprehensive case-study analysis of Bangladesh–China relations with a particular focus on the Belt and Road Initiative (BRI) and China’s growing strategic footprint in South Asia. The study combines qualitative methodology with geopolitical theory to assess China’s motives, Bangladesh’s responses, and the regional implications of deepening Sino-Bangladeshi engagement.

The researcher begins by framing the China–Bangladesh relationship within China’s larger “peripheral diplomacy” strategy, which seeks to stabilize its borders and build influence across its neighboring regions. Bangladesh’s location in the northeastern corner of the Indian Ocean makes it a pivotal player in the maritime segment of the BRI—especially the 21st Century Maritime Silk Road. China’s goal, as the author notes, is not simply connectivity but also soft encirclement of India via increased presence in Bangladesh, Sri Lanka, Nepal, and the Maldives.

The thesis discusses key sectors of Chinese engagement in Bangladesh: infrastructure (e.g., bridges, highways, tunnels), energy (thermal power plants, LNG terminals), and defense (naval vessels, submarines, training programs). One case study is the Padma Bridge Rail Link, which is partially funded and built by China Railway Group. Another is the Payra Port, for which Chinese firms have shown keen interest in development and control.

The author argues that while these projects address Bangladesh’s infrastructure gaps, they also serve China’s long-term logistical and geostrategic needs. For instance, having access to Bangladeshi ports allows China to bypass the Strait of Malacca—one of its biggest maritime vulnerabilities—thus reducing strategic risk for Chinese shipping.

However, the study also critiques the uneven power dynamic. Bangladesh’s economic and technological dependence on China creates a significant strategic asymmetry. China often operates with opaque funding mechanisms, conditional commercial loans, and aggressive contractor policies that may undermine host sovereignty. The thesis compares these developments to similar Chinese engagements in Sri Lanka (Hambantota) and Pakistan (CPEC), cautioning that Bangladesh must tread carefully to avoid strategic overreliance.

A notable section of the dissertation evaluates the military and defense cooperation between the two nations. China remains the primary supplier of Bangladesh’s military hardware, and their



cooperation has deepened over the last two decades. This includes not just purchases but also joint exercises, officer training, and military aid. The author identifies a subtle strategic aim: China seeks to counterbalance India's regional dominance by equipping countries like Bangladesh with Chinese technology, thereby embedding its influence across South Asia's military infrastructures.

Finally, the study considers public perception and political discourse within Bangladesh. While the ruling elite and military establishment are generally supportive of closer ties with China, civil society and parts of the media express skepticism. There is concern over loss of autonomy, environmental degradation, and labor exploitation in Chinese-run projects. The author emphasizes the need for Bangladesh to institutionalize safeguards, including impact assessments, civil oversight, and diversified foreign partnerships.

The study concludes that the Bangladesh–China relationship is likely to grow stronger, but its sustainability hinges on how effectively Bangladesh manages the strategic, economic, and political trade-offs involved.

Bilateral Cooperation

This early scholarly work presents a detailed analysis of Bangladesh–China relations before the formal rollout of the Belt and Road Initiative (BRI). It provides foundational context for understanding the evolution of bilateral cooperation, focusing on diplomacy, trade, military relations, and multilateral engagement.

The article traces the origin of Bangladesh–China relations to the post-independence period. Although China initially withheld recognition of Bangladesh (until 1975), relations improved significantly during the 1980s and accelerated in the 1990s with the end of the Cold War. The author emphasizes how pragmatic diplomacy, mutual respect, and shared views on non-intervention helped establish a politically stable relationship.

A major component of the paper is its analysis of economic cooperation. Even prior to BRI, China had emerged as Bangladesh's largest trading partner in terms of imports, and bilateral trade was expanding rapidly. However, the article raises early concerns about trade imbalance. While Bangladesh imported billions in machinery, electronics, and defense equipment, its exports to China—primarily jute and garments—remained low. The author advocates for greater access to Chinese markets for Bangladeshi goods, suggesting a potential Free Trade Agreement (FTA) to narrow the gap.

The article also gives significant attention to defense and military cooperation, which was already robust by the early 2000s. China supplied fighter jets, tanks, frigates, and other defense technologies to Bangladesh. Moreover, the cooperation extended to training and technical assistance. While this bolstered Bangladesh's defense capabilities, the article notes that China's dominant role in the sector made diversification important for strategic balance.

An insightful aspect of the article is its discussion on people-to-people relations and soft power diplomacy. The author documents growing academic exchanges, Chinese language programs, and cultural delegations as early tools of China's regional engagement. These initiatives laid the groundwork for what would later become formalized under Confucius Institutes and broader educational diplomacy.

In the multilateral context, the paper identifies shared positions on major international issues, such as climate change, sovereignty, and development. Both countries supported the idea of a multipolar world and emphasized South–South cooperation. Bangladesh often aligned with China in United Nations forums, especially on development and trade-related resolutions.

Significantly, the article hints at early Chinese interest in regional infrastructure initiatives such as the BCIM Corridor (Bangladesh–China–India–Myanmar), which later fed into the broader BRI framework. The author proposes that Bangladesh adopt a strategic posture to maximize benefits from such transnational corridors while safeguarding national interests.

The article concludes by offering policy recommendations for Bangladesh. These include: strengthening institutional capacity to manage large-scale foreign projects, improving trade competitiveness, and promoting cultural diplomacy. The author warns that while China is a crucial partner, overdependence could limit Bangladesh's strategic options. Therefore, it advocates a multi-vector foreign policy, balancing relations with China, India, the United States, and global institutions.

Though written before the launch of BRI, this article provides a critical foundation for understanding the motivations, risks, and opportunities embedded in the modern Bangladesh–China relationship. It also reveals that many of today's themes—trade imbalance, military reliance, strategic caution—were already emerging over a decade ago.

Literature Gap

Despite the considerable body of literature examining Bangladesh–China relations, several critical research gaps remain—particularly in the context of globalization, strategic alignment, and the evolving nature of economic dependency. Most existing studies tend to focus either on macroeconomic outcomes or on geopolitical implications of China's Belt and Road Initiative (BRI), while fewer studies critically explore the intersection of these with long-term development trajectories and national autonomy from Bangladesh's perspective. This section identifies four core areas where current research is either inadequate, outdated, or inconclusive.

1. Lack of Bangladesh-Centric Strategic Frameworks

While multiple studies—such as those from RSIS (2025), BIIS (2011), and Charles University (2021)—have evaluated China's strategic motivations behind partnering with Bangladesh, there is a lack of theoretical frameworks centered on Bangladesh's own strategic calculus. The literature heavily leans toward analyzing Bangladesh's role through China's foreign policy lens or through



India-China rivalry narratives. Very few works assess how Bangladesh is proactively navigating these regional forces to assert its own agency in shaping bilateral cooperation.

There is a pressing need to move beyond the dichotomy of "cooperation vs. dependency" and instead examine hybrid models of engagement, where Bangladesh plays the role of both a developmental beneficiary and a strategic balancer. Future research could benefit from developing context-specific models like "hedging strategy," "multi-vector diplomacy," or "middle-power pragmatism" as they apply to Dhaka's foreign policy.

2. Insufficient Longitudinal Analysis on Socio-Economic Impact

Many studies have detailed the short-term benefits of Chinese-funded infrastructure projects—improved transport, job creation, and increased foreign direct investment. However, there is limited longitudinal research examining the long-term socioeconomic consequences of BRI-related initiatives in Bangladesh. For example, few studies have critically measured the sustainability of economic zones established by China or assessed how local communities and labor sectors have integrated (or failed to integrate) with these projects.

Moreover, research has not adequately explored whether these Chinese investments are contributing to inclusive development, particularly in rural and underrepresented regions of Bangladesh. There is an overreliance on government-released macroeconomic indicators, while micro-level case studies—on displaced communities, environmental changes, or changes in labor dynamics—remain underdeveloped in academic discourse.

3. Limited Inquiry into Cultural and Soft Power Influence

Although China's soft power initiatives—like Confucius Institutes, educational exchanges, and media collaborations—are increasingly active in Bangladesh, academic analysis on the qualitative impact of these programs is minimal. While some recent articles (e.g., DAIRA, 2025) mention China's cultural footprint, there is no in-depth evaluation of how these programs are reshaping identity, language education, or public perception in Bangladesh, especially among younger populations.

In addition, there is an absence of comparative studies between Chinese and Western cultural diplomacy in Bangladesh. How does Chinese soft power differ in intent, structure, and influence from that of countries like the United States, Japan, or India? What are the implications for Bangladesh's cultural sovereignty and global positioning?

4. Underrepresentation of Domestic Political Context in Bilateral Outcomes

Existing literature has largely treated Bangladesh's political landscape as a backdrop rather than a dynamic variable in shaping foreign relations. However, the internal political economy of Bangladesh—such as electoral cycles, elite consolidation, civil-military relations, and regime survival strategies—plays a crucial

role in enabling or limiting deeper engagement with China. For instance, increased Chinese funding has often been channeled through non-transparent governance structures, bypassing local scrutiny.

There is a significant research gap in understanding how domestic political priorities influence project selection, loan negotiation, and institutional alignment with China. Similarly, the role of Bangladesh's media, think tanks, and civil society in shaping foreign policy narratives remains insufficiently explored. A politically embedded analysis would also help evaluate whether China is supporting democratic institutions or merely aligning with ruling elites to secure long-term influence.

5. Inadequate Exploration of Multilateral Positioning and Global Trade Networks

Much of the literature centers on bilateral relations without placing Bangladesh within broader multilateral and global frameworks, such as ASEAN, BIMSTEC, the WTO, or Indo-Pacific trade alliances. Bangladesh's participation in Chinese-led initiatives like the BRI is often discussed in isolation, rather than in relation to alternative or competing integration frameworks.

As Bangladesh aspires to graduate from LDC (Least Developed Country) status, its decisions in aligning with global partners will be increasingly scrutinized. How does engagement with China compare with trade and investment agreements with the European Union, the United States, or Japan? Current research provides little in terms of cost-benefit comparisons across partners in the globalization landscape.

6. Scarcity of Cross-Disciplinary Approaches

Finally, many studies remain siloed within specific disciplines—political science, international relations, or economics—without adopting cross-disciplinary methods. A comprehensive understanding of Bangladesh-China relations under globalization demands a fusion of strategic studies, cultural anthropology, development economics, and environmental science.

This is particularly important when evaluating infrastructure projects that involve land use, environmental impact, and displacement. Similarly, studying soft power and media influence requires sociological and cultural frameworks often missing in standard geopolitical analyses.

In a nutshell; the reviewed literature provides a solid foundation for understanding the trajectory and implications of Bangladesh-China relations. However, critical gaps remain in areas such as Bangladesh-centric strategic frameworks, long-term social impacts, cultural diplomacy, domestic politics, multilateral trade comparisons, and interdisciplinary perspectives. Addressing these gaps is essential to offer a more nuanced, balanced, and forward-looking account of how Bangladesh can position itself in the globalized world while engaging China as both a neighbor and a development partner.



This study seeks to contribute to that effort by focusing on Bangladesh's agency, the sustainability of partnerships under the BRI framework, and the strategic balancing required to maintain both national sovereignty and developmental momentum.

ANALYSIS OF BANGLADESH CHINA RELATIONSHIPS

Strategic Partnership

The evolution of Bangladesh–China relations from pragmatic diplomacy to a comprehensive strategic partnership has been shaped by both mutual imperative and geopolitical realignments.

China's influence in Bangladesh spans defense cooperation, diplomatic alignment, and institutional engagement. In recent years, China has emerged as Bangladesh's largest arms supplier, delivering naval vessels, submarines, and combat aircraft, as well as technical training and maintenance support. This defense collaboration enhances Dhaka's military capacity while anchoring China's expanding naval footprint in the Bay of Bengal.

On the diplomatic front, Bangladesh and China elevated their ties under the Comprehensive Strategic Partnership, which entails coordinated strategies relating to Indo-Pacific security, UN votes, climate negotiations, and multilateral forums such as BIMSTEC and SAARC. Bangladesh frequently aligns with China on issues of sovereignty, non-intervention, and development prioritization, reinforcing a normative standing. Importantly, in the transition following Prime Minister Hasina's ouster and the interim leadership of Nobel laureate Muhammad Yunus, Xi pledged to lower interest on Chinese loans, deliver increased investment, and launch negotiations for a Free Trade Agreement—marking a new diplomatic high-water mark.

Bangladesh has pursued a hedging strategy, balancing ties with China and India while avoiding alignment with either power. A recent analysis of Nico-Island relations by a regional think tank describes Bangladesh as practicing “nuanced hedging,” using economic and strategic engagement selectively to maintain autonomy. This strategy reflects Bangladesh's multi-vector diplomacy, participating in Chinese-led BRI frameworks while sustaining traditional ties with India and Western donors.

However, the strategic partnership is not immune to criticism. Analysts warn of strategic asymmetry when China defines the scope of engagement. As noted in critiques of the BRI, Bangladesh's political elites often adopt Chinese projects with limited transparency or public input, increasing elite dependency on Beijing. Nonetheless, Bangladesh maintains some strategic independence by resisting proposals for Chinese military bases and stressing its non-aligned foreign policy stance.

The strategic partnership also extends to institutional and symbolic platforms, such as the Bangladesh–China Friendship Exhibition Center in Dhaka, co-constructed and prominently used to showcase bilateral trade and soft power influence. These symbolic spaces serve as nodes of reinforced diplomatic identity and public validation of cross-border cooperation.

Taken together, the strategic section reveals a complex, layered partnership: Bangladesh leverages Chinese partnerships to strengthen its defense and infrastructure, while China embeds its strategic presence via diplomatic alignment and institutional footprints. Yet Dhaka exercises constrained agency through multi-vector diplomacy—managing dependencies by balancing China's influence with other global actors.

Economic Cooperation (Infrastructure, Trade, Investment)

Economic cooperation between China and Bangladesh has deepened significantly under the Belt and Road Initiative (BRI) as well as through non BRI Foreign Direct Investment (FDI) and Public–Private Partnerships (PPP). Recent literature indicates this relationship has both upgraded Bangladesh's infrastructure and triggered important trade dynamics.

Major infrastructure investments include large-scale transport projects such as the Dhaka Chattogram rail line, Karnaphuli Tunnel, Padma Bridge Rail Link, and proposed BCIM Corridor routes, though the latter has stalled due to Sino-Indian tensions. China's state-owned enterprises are primary contractors in these projects, deploying capital, technology, and workforce, often under concessional loan agreements.

A landmark recent example is the Matarbari Deep-Sea Port, constructed to reduce dependency on foreign transshipment hubs and integrate Bangladesh within regional shipping routes. Economic projections suggest the port could handle up to 2.8 million TEUs by 2036 and contribute an additional 2–3% of GDP, creating thousands of jobs in adjacent economic zones. Though funded largely by Japanese financing, the Matarbari logistics alignment interacts with Chinese corridors and has been discussed in Chinese strategic contexts, marking a shift from outright Chinese funding—but still part of broader connectivity visions.

Trade patterns reveal a huge trade imbalance: Bangladesh exports roughly \$1 billion to China compared with \$13–14 billion in imports—accounting for about 25% of Bangladesh's imports. China has granted zero tariff access to over 97% of Bangladesh's goods under duty-free schemes since July 2020; nevertheless, Bangladesh's exports remain limited largely to ready-made garments and jute, highlighting missed diversification opportunities.

FDI and PPP engagement have also surged. Chinese firms invested approximately \$1 billion in Bangladesh in 2018 alone, including acquiring gas field rights for \$2 billion and constructing power plants, roads, and industrial zones. Researchers note that China is expanding non-BRI investments to mitigate debt-trap concerns and deepen economic footprints via more transparent business models.

Academic assessments argue that Bangladesh must pursue a judicious selection of projects to avoid overdependence. By aligning Chinese investment with Bangladesh's Vision 2041 goals, the country can boost domestic productive capacity and technology transfer, while using economic corridors to attract



export oriented manufacturing relocating from China's high cost regions.

The BCIM Corridor, while dropped officially from BRI in 2019, remains conceptually important. It illustrates the latent potential of sub regional connectivity that might re emerge if geopolitics shift. The corridor aligns with transport, trade, and energy goals that Bangladesh must continue to assess strategically.

In conclusion, the economic cooperation section shows a deepening but uneven relationship: infrastructure investment brings real developmental value, yet trade imbalance and debt considerations persist. Without proactive policy from Bangladesh to diversify exports, negotiate equitable loan terms, and integrate Chinese-led projects with domestic capacity-building, economic cooperation risks magnifying structural dependencies rather than securing sustainable globalization gains.

Conclusion and Policy Recommendations

The strategic and economic engagement between Bangladesh and China has evolved into one of the most consequential bilateral relationships in South Asia. This study has analyzed the trajectory of that relationship through an analytical and neoliberal institutionalist lens, focusing on two principal thematic domains: strategic partnership and economic cooperation. The findings suggest that while the China–Bangladesh partnership holds significant potential for mutual gains, it also presents structural and strategic vulnerabilities that Dhaka must navigate with clarity, caution, and agency.

Strategically, China's role as a key defense supplier, diplomatic partner, and development financier has enabled Bangladesh to modernize its military capabilities and elevate its international standing. The partnership has granted Bangladesh a seat in key infrastructure initiatives and multilateral dialogues, helping diversify its foreign policy beyond India and Western donors. However, the relationship is asymmetrical. China's strategic motives—centered around maritime access, market expansion, and geopolitical leverage—shape the terms of engagement. Bangladesh, while not a passive actor, remains constrained by power differentials, limited negotiating leverage, and internal political dependencies that can inhibit sovereign decision-making.

Economically, Chinese investments in infrastructure and energy have catalyzed growth, connectivity, and industrialization. Projects like the Padma Bridge Rail Link, Karnaphuli Tunnel, and Payra Port have improved internal logistics and regional trade potential. Yet, the economic partnership is marked by a persistent trade imbalance, concerns about debt sustainability, and limited local capacity development. Bangladesh's exports to China remain narrow and underperforming, despite preferential trade schemes. Furthermore, many large-scale investments operate under opaque terms, lacking public transparency, environmental safeguards, or clear exit mechanisms.

Culturally and institutionally, China's influence is expanding through soft power strategies, including Confucius Institutes,

scholarships, and high-visibility bilateral events. These efforts aim to consolidate a long-term presence in Bangladesh's political and civil society fabric, aligning with China's broader global strategy of gaining influence without direct intervention.

Given these findings, this study concludes that while Bangladesh has made substantial developmental strides through Chinese collaboration, the sustainability of this partnership depends on how Bangladesh recalibrates its internal governance, regional positioning, and foreign investment strategy. A relationship premised solely on short-term financial flows or elite-driven project selection will eventually risk creating long-term structural dependencies.

Policy Recommendations

To address these challenges and leverage the opportunities inherent in the Bangladesh–China relationship, this study offers the following policy recommendations:

Institutionalize Strategic Autonomy

Bangladesh should embed foreign policy decision-making within professional institutions—foreign affairs, defense planning, and economic policy bodies—rather than relying on ad hoc, elite-centered negotiations. This institutionalization would ensure continuity, transparency, and alignment with national interests regardless of political change.

Enhance Project Evaluation and Transparency

All future infrastructure and investment agreements with China should undergo rigorous cost–benefit analysis, environmental impact assessments, and public disclosures. Parliament and civil society actors should have structured channels for oversight, reducing the risk of opaque debt arrangements or elite capture.

Diversify Economic Engagement

While maintaining strategic ties with China, Bangladesh should expand its engagement with other economic partners—Japan, South Korea, the EU, ASEAN, and the United States—to avoid overdependence. Trade diversification, investment in domestic value chains, and participation in multilateral trade forums will build resilience.

Upgrade Export Competitiveness

To reduce the trade deficit with China, Bangladesh should identify and support high-potential export sectors beyond ready-made garments—such as IT services, pharmaceuticals, agro-processing, and jute-tech. Bilateral negotiations should focus on relaxing non-tariff barriers and promoting Bangladeshi products in the Chinese market.

Balance Strategic Interests in the Indo-Pacific

Bangladesh should continue its hedging strategy by actively participating in regional initiatives such as BIMSTEC, the Indian Ocean Rim Association, and the ASEAN Regional Forum, while avoiding security entanglements that compromise its non-aligned posture. Strategic communication with India, the US, and China must be calibrated and transparent.



Promote Technology and Knowledge Transfer

In project negotiations with Chinese companies, Bangladesh must insist on clauses that facilitate local employment, knowledge exchange, and technology sharing. This ensures that infrastructural gains are accompanied by capacity-building in domestic industries.

Strengthen Think Tanks and Policy Research

A sustainable strategic policy requires a vibrant intellectual infrastructure. Bangladesh should invest in local research institutions to analyze foreign engagement scenarios, model economic outcomes, and track debt and development indicators in real time.

In conclusion, Bangladesh's rise as a globally connected actor is closely intertwined with its ability to manage its relationship with China. The key challenge ahead lies not in choosing sides, but in choosing strategies—strategies that secure economic modernization without compromising national sovereignty, and that embrace globalization without surrendering policy autonomy. If Bangladesh can institutionalize such an approach, it may well serve as a model for other developing nations navigating the geopolitics of great-power competition in the 21st century.

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