***************
CHAPTER - II
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RELATIONS OF BANGLADESH WITH INDIA

DURING NUJIB REGIME.

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Bangladesh as a Sovereign Independent State under the stewardship of Sheikh Mujib-ur-Rahman could maintain a very good and friendly relations with India. Their common bonds developed in economic, political, social and cultural fields. During Mujib's era credibility between the two countries reached its zenith.

The amicable Indo-Bangladesh relations during Mujib's time became significant with their different religions, ideologies, socio-economic conditions, International out-looks and National interests.

However, Bangladesh is surrounded by Indian territory with largely Hindu-culture from three sides. And initially the Independence brought Bangladesh many problems. In 1971, just after liberation, it made cordial relations with India in Economic and Trade, scientific, educational, cultural, border and other territorial matters, Farakka Barrage Issue, the question of Prisoners of war, Bengalis and Non-Bengalies, infiltration problem, Island issue, etc.

**ECONOMIC AND TRADE RELATIONS**

Bangladesh is economically viable. For the development of any country, there must exist natural resources and man-power both of which Bangladesh possesses. With proper planning, resources mobilization and the implementation of well chalked out industrial and agricultural projects and Schemes Bangladesh can overcome her major economic problems.

(Contd. .... 2%)

(22)
As a newly emergent country with problems of relief, rehabilitation and economic reconstruction, she needs enormous aid and assistance from friendly Nations. India, as the main collaborator in the liberation of Bangladesh stands out to be the most friendly country with the promise of all possible help to her. It was Mujib who could best understand this and he declared to have best relations with India and to live and trade together. For the proper development of trade and commerce between the two countries is the necessity of grant of maximum possible facilities and measures within their laws and regulations to promote trade relations between the two countries.

Further, there should be trade facilities of freely convertible currency and grant of most favoured treatment in such matters as payments, remittances, transfer of funds, operation of commercial establishments, shipping, etc.

As a mark of good economic relation, India offered assistance to Bangladesh to establish fertilizer plant, a cement factory, a sponage iron plant and a tractor production unit.

Both the countries have had common aspirations for all possible expansion and deepening of mutually beneficial economic and trade cooperation and realised that joint ventures would promote the interests of their struggle for economic and social progress.

(Contd. .....24)
To promote export of each country to the market of the other remains their common aspiration for the future. They have further granted mutual advantages, privileges, facilities and favourable terms in the field of trade and economic relations.

Sheikh Mujibur's economic-policy was the wholesale nationalization of many key sectors including banking, insurance, heavy industries, foreign-trade, with minor exception such as small-scale border trade with India, granting of land to the tiller with a ceiling fixed on land, jute and cotton industries, transport and especially shipping.

No doubt, India and Bangladesh are two trading partners in Asia and both are important countries in the east of Asia. While India is the second largest in the world in terms of population, Bangladesh is with her small size one of the most populous and most economically backward countries in the world.

For restoration of communication and construction of houses, it secured Rs. 3,000 Crores from India and other friendly countries of Bangladesh. In January, 1972, India agreed to supply raw-materials, steel, fertilizer, petroleum and other products worth Rs. 25 Crores in the form of grant to Bangladesh. In March 19, 1972, a 25-year treaty of Friendship, Co-operation and Peace signed by the then Prime Minister Indira Gandhi and Sheikh Mujibur Rahman of Bangladesh.¹


(Contd. ....45)
The joint declaration emphasised the importance of close coordination and cooperation between the two countries in trade and payments, economic development and transit. Both the then Prime Ministers approved the principles of the revival of transit trade and the agreement on the border trade.

Bangladesh industry is agriculture-based and centres on jute, paper, news-print, etc. Jute being the principal cash crop and foreign-exchange earner of Bangladesh, needed special attention. Cotton, tea, sugar-cane, tobacco, fruits, forest and forest products are the other products of Bangladesh. Jute production is the backbone of Bangladesh economy. Jessore and Khulna constitute a rich-jute growing area. There is a steel-re-rolling mill in Chittagong with a capacity of 250,000 tonnes and machine tool factory at Joydevpur.  

In Chittagong, the eastern refinery is situated. It is capable of meeting all the present requirements of kerosene, motor fuel and diesel. This refinery escaped from Pakistani Army's aggression.  

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2. Ibid.
The following two tables have shown import - export of Bangladesh by air, sea and land from 1950 to 1974.

### TOTAL IMPORTS FROM PRINCIPAL COUNTRIES (BY SEA, AIR AND LAND)

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>BANGLADESH</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>Negligible</td>
<td>346</td>
<td>(in lbs)</td>
<td>1,688</td>
</tr>
</tbody>
</table>


### TOTAL EXPORT TO PRINCIPAL COUNTRIES:

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>BANGLADESH</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>4,279/-</td>
<td>16,824/-</td>
<td>(in lbs)</td>
<td>5,873/-</td>
</tr>
</tbody>
</table>


Now following the trend of trade relation between India and Bangladesh (in million of US Dollars).

<table>
<thead>
<tr>
<th>YEAR</th>
<th>EXPORT</th>
<th>IMPORT</th>
<th>BALANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1970</td>
<td>-</td>
<td>--</td>
<td>-</td>
</tr>
<tr>
<td>1971</td>
<td>-</td>
<td>--</td>
<td>-</td>
</tr>
<tr>
<td>1972</td>
<td>85.6</td>
<td>2.1</td>
<td>83.5</td>
</tr>
<tr>
<td>1973</td>
<td>174.3</td>
<td>22.8</td>
<td>151.5</td>
</tr>
<tr>
<td>1974</td>
<td>61.3</td>
<td>10.4</td>
<td>50.9</td>
</tr>
<tr>
<td>1975</td>
<td>71.2</td>
<td>5.1</td>
<td>66.1</td>
</tr>
<tr>
<td>1976</td>
<td>53.2</td>
<td>7.8</td>
<td>45.4</td>
</tr>
</tbody>
</table>

(Contd. .......27)
From the above table, we see that India's trade with Bangladesh had been in-substantial considering the vast potential that existed and weighted in India's favour and this point had been a sore point with Bangladesh.

The first trade agreement between India and Bangladesh was signed on 28 March, 1972. And under this agreement, the two countries agreed to extend the most favoured-nation treatment to each other's commerce. This treaty provided for border trade for people living within a 16 Kilometres belt of the border between West Bengal, Assam, Meghalaya, Tripura and Mizoram on one side and Bangladesh the other.

Accordingly India undertook to export to Bangladesh Cement (Rs. 45 million), Coal (Rs. 40 million), machinery and unmanufactured tobacco (Rs. 100 million), Cotton Yarn (Rs. 1.5 crores), and to import fresh fish (Rs. 90 million), raw-jute (Rs. 7.5 million), 20,000 tonnes of news print (Rs. 30 million), and furnace oil and neptha (Rs. 1.75 crores). Both will exchange books, films and Ayurvedic and Unani medicines worth Rs. 60 Lakhs.

1. (a) India Back grounder, weekly reference service index, Vol. V. No. 4 (212), April 21, 1980.
   (b) Foreign Affairs Record Vol. XVIII, No. 3 March, 1972-1.65-66.
It was laid down that the trade between the two countries would be organised on a state to state basis as far as possible. The term of the agreement was initially valid for one year.

**THREE-TIER TRADE:**

This agreement envisaged a three-tier system for trade. First, the Limited payment Agreement (LPA) which provided for a balancing arrangement under which the two countries were to import and export specified items of the value of Rs. 250 in either direction or in any form agreed upon. In addition Rs. 50 million was to be available in the form of a surging credit from either side to balance at the end of the term.

Secondly, trade in excess of the value was to be paid for in hard currency.

Thirdly, there was to be the free border trade in perishable commodities and articles. Under the three categories, trade was expected to be of the order of Rs. 1,000 million. 1

The agreement was aimed at ensuring Welfare of the common people of both the countries. The agreement enabled millions of people in eastern India, especially West Bengal to get fresh fish at a Cheaper rate and helped in stabilizing the economy of tobacco growers in Andhra.

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1. India Backgrounder, Weekly reference Service Index; Vol. V No. 4 (212) April 21, 1980.

(Contd. .....29)
By a protocol signed between the two countries on 1 Nov., 1972 was restored the river-route which facilitated trade and commerce. This protocol was initially valid for five years. On 15 November, 1972, the two countries decided upon a division of the Jute markets. India also agreed to reduce tariffs on raw jute to make it possible for jute growers in Bangladesh to get an adequate return for the raw jute sold in India.¹

By March, 1973, Bangladesh overstepped its credit limit of Rs. 50 million and its exports to India were far below the targeted level of Rs. 250 million and imports were over Rs. 190 million. The Bangladesh Government in such a situation asked the Indian Government for the extension of the previous trade agreement which expired on March, 28, 1973 up to June 27, 1973. Because from October, 1972 due to lack of adequate checks and control Bangladesh Government suspended the Indo-Bangladesh Border trade. ²

In May, 1973, India, Bangladesh, Nepal and Thailand set up Jute International. And in 18 May of the same year, India and Bangladesh signed an Agreement for the utilization of a Credit of Rs. 8 Crore by Bangladesh railways. In June of the same year, India entered into a contract for exports to Bangladesh registered with the State Bank of India amounted to Rs. 212 million and imports to Rs. 228 million.

1. India Back Grounder, Weekly reference service index; Vol. V No. 4 (212); April 21, 1980.
2. Ibid.

(Contd. ....30)
On July 5, 1973, India and Bangladesh signed a three-year Balance Trade and Payments Agreement (BTPA). This agreement was signed by the then Indian Commerce Minister D.P. Chattopadhyaya and his counterpart A.H.M. Kamaruzzam and outlined a flow of goods between the two countries valued at Rs. 305 million each year during the first five years of the accord. This new pact came into effect from September 28, 1973.

A significant feature of the new agreement was that India's import of raw jute from Bangladesh was expected to be about 75 to 80 percent higher than when it imported under the 1972 agreement. At the same time, the import of fish was reduced by less than 50%.

Again in 29 December of the same year, India and Bangladesh agreed in New Delhi a long-term bilateral cooperation in regard to the production of raw jute and export jute goods.

In the meantime, the First Five Year Plan of Bangladesh was announced on Nov. 27, 1973. It envisaged a total outlay of Taka 4,455 Crores.

While the Limited Payment Agreement already concluded between the two countries failed to achieve the desired targets, Bangladesh made extensive use of India's economic aid to import a variety of items.

The following table indicates Bangladesh imports during 1971-72 and 1972-73.

**BANGLADESH IMPORTS FROM INDIA (in million).**

<table>
<thead>
<tr>
<th>ITEMS</th>
<th>1971 - 72</th>
<th>1972 - 73</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wheat</td>
<td>120.9</td>
<td>679.4</td>
</tr>
<tr>
<td>Rice</td>
<td>92.1</td>
<td>9.9</td>
</tr>
<tr>
<td>Other food items</td>
<td>21.4</td>
<td>31.8</td>
</tr>
<tr>
<td>Raw Cotton</td>
<td>4.0</td>
<td>82.6</td>
</tr>
<tr>
<td>Raw tobacco</td>
<td>-</td>
<td>90.7</td>
</tr>
<tr>
<td>Mutton Yellow</td>
<td>1.2</td>
<td>5.6</td>
</tr>
<tr>
<td>Urea</td>
<td>18.8</td>
<td>6.7</td>
</tr>
<tr>
<td>Cotton Yarn</td>
<td>-</td>
<td>44.6</td>
</tr>
<tr>
<td>Coal and Cake</td>
<td>-</td>
<td>14.7</td>
</tr>
<tr>
<td>Crude oil and Petroleum Products</td>
<td>-</td>
<td>156.2</td>
</tr>
<tr>
<td>Cement</td>
<td>1.1</td>
<td>35.8</td>
</tr>
<tr>
<td>Steel Products</td>
<td>1.9</td>
<td>20.9</td>
</tr>
<tr>
<td>Other mainly Manufactured items</td>
<td>161.2</td>
<td>392.9</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>423.4</td>
<td>1571.8</td>
</tr>
</tbody>
</table>

Source: India Backgrounder, Weekly Reference Service Index; 21 April, 1980.

The above table shows that many important items exported by India and not in a normal course of trade.

(Contd. ..... 32)
An agreement regarding economic and trade cooperation between India and Bangladesh was finalised after five-days' high level discussion in New Delhi on 16 May, 1974. According to this agreement, India would extend three credits of Rs. 41 Crores to Bangladesh. The provisions to this agreement were:

(a) A ministerial - level commission was set up for joint collaboration in the production, trade, technical development, manufacture and promotion of jute.

(b) A joint ministerial committee was constituted to coordinate and intensify measures to eliminate smuggling and contravention of currency regulation.

The following four industrial projects were established:

(i) A cement plant at Chatak in Bangladesh based on limestone from Meghalaya in India;

(ii) A clinker plant in Meghalaya for supply of clinker to Bangladesh;

(iii) A fertilizer plant in Bangladesh for the supply of urea to India;

(iv) A sponge iron plant in Bangladesh based on the supply of iron-ore from India.

1. (a) Keesing's Contemporary Archive, 1974;
   (b) Indian Economic Diary, 1974. May 28- June 3, Page-2654

(Contd...... 33.)
The Industrial Development Bank of India (IDBI) granted credits of Rs. 250 million to three financial institutions of Bangladesh, namely the Janata Bank, the Bangladesh Shilpa Bank and the Bangladesh Shilpa Rin Sangstha. The I.D.B.I. Loan to the Bangladesh financial institutions would be for 15- Years credits including grace periods and carrying an interest of five percent. The Indian Govt. granted credits of Rs. 60 million to finance the supply of machinery for a textile mill in Bangladesh and Rs. 100 million for the import of engineering products and other commodities from India. It would be for a period of 20 years, including a grace period of five years. It further undertook for the construction of a rail link between Calcutta and Tripura across Bangladesh.

India imported 6 Lakh bales of raw-jute from Bangladesh upto June, 1974.

In July, 1974 under an Air Agreement initiated in New Delhi, India and Bangladesh decided to increase the frequency of air-services. By an agreement concluded between the two countries, India supplied to Bangladesh 500 Wagons. Moreover, India sanctioned a special grant of Rs. 10 Crores to Bangladesh for constructive works necessitated by flood damage. Again in 30 September, 1974, India and Bangladesh signed a protocol for extending the current annual trade plan under the Balanced trade and payments Agreement (BTPA) for three months till 31st December, 1974.

2. Indian Economic Diary, 1974, Page 2819, Sept. 17-23;
3. Ibid; Bangladesh News.

(Contd. ..... 14)
AGREEMENT ON CURRENCY:

To give a new push to their balanced bilateral trade, India and Bangladesh signed a fresh trade protocol on December 17, 1974 in New Delhi. According to this protocol:

(1) with effect from January 1, 1975, all payments and charges in connection with trade between the two countries shall be effected in freely convertible currency in accordance with the foreign exchange regulation in force in each country from time to time.

(2) The existing arrangement as envisaged in the documents exchanged on September 30, 1974 in respect of coal, tobacco, jute, newsprint and fresh fruits for which commercial contracts have already been concluded, will be extended up to February 28, 1975 to enable uncompleted deliveries to be completed;

(3) Coal and jute will be supplied by India and Bangladesh respectively in 1975 on terms and conditions and for such quantities as may be mutually decided upon;

(4) India will purchase fish valued approximately at 3.5 million in 1975, at prices acceptable to the contracting agencies in the two countries;

(5) the existing institutional arrangements for trade in general and arrangements for specific commodities, i.e. transport coordination committee on fish, would continue to function as before;

(Contd. ......35)
(6) the technical credit to Bangladesh will be converted into an inter-Governmental loan to be repaid in instalment basis.¹

Both the Countries welcomed this new arrangement. D.P. Chottopadhyaya, the then Indian Commerce Minister remarked that this protocol would give a boost to the flow of goods between the two countries.

The Economic Times Dec. 19, 1974, described this as a realistic assessment of the situation and recognition of the fact that trade between the two countries could not be built up on mere political will and friendship. It should be backed by commercial arrangement.”

The value of export from Bangladesh during 1973-74 was Taka 297.41 Crores as against Taka 271.07 crores in the previous (1972-73) year.²

An year-end review had shown that the two way trade between India and Bangladesh declined considerably. The trade below indicated this trend.

<table>
<thead>
<tr>
<th>Year</th>
<th>Import from Bangladesh</th>
<th>Export (from Bangladesh)</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1973 - 74</td>
<td>170.5</td>
<td>587.8</td>
<td>758.3</td>
</tr>
<tr>
<td>1974 - 75</td>
<td>91.8</td>
<td>421.7</td>
<td>513.5</td>
</tr>
<tr>
<td>July-December 1975</td>
<td>9.0</td>
<td>165.0</td>
<td>174.0</td>
</tr>
</tbody>
</table>


(Contd. .... 36)
The last trade agreement with the Government of Sheikh Mujib was signed with India in connection with the export of fish to India by Bangladesh. Under this agreement, Bangladesh exported to India fish worth Rs. 3.5 crores during the year 1975.

Compared with the stormy days of the Colonial-era, Indo-Bangladesh economic relationship in the era of Independence was a suitable model of cooperation and mutual benefit. Planning Development of India is bound to increase her heavy manufacturing capacity. This might bring a change in the pattern of trade with India. From that time, for the promotion of export, the traditional items of exports - tea, jute manufacture and cotton goods - would continue to occupy an important place. From this point of view, India's dependence on the Bangladesh market could hardly be exaggerated. Of course, from time to time, India is helping with credit grants, even special grants, technical know-how, etc. to Bangladesh in mounting her productive capacity both in the public and the private sectors of her economy. The volume of Indian products in the Bangladesh market is gradually increasing.

1. (a) Indo Bangladesh Relations, 1982;
   S.S. Bindra,
   Deep & Deep Publications;
   P. 27;

   (b) Amrit Bazar Patrika (Calcutta), 15, February, 1975.

   (Contd. . . . . 37)
Scientific, educational and cultural relations also did not play less role in maintaining friendly and normal relations during Sheikh Mujibur Rahman's era. India and Bangladesh agreed to cooperate in the peaceful uses of atomic energy and space research and reached an agreement on June 10, 1972 in New Delhi. The agreement was reached at a meeting between the two countries. On January 5, 1973, India and Bangladesh established a Joint River Board to maintain coordination between the two countries for the most effective use of their power system and energy resources. Another treaty was signed between the two countries on 27 August, 1973 in Dacca which provided for exchange of information between the two countries on atomic energy and scientific research.

India and Bangladesh again signed a cultural exchange protocol on September 27, 1974 outlining a comprehensive exchange programme for two years between the two countries in the field of education, culture, information and sports.\(^1\)

Under this protocol, both the countries had agreed to exchange books, visits by cultural troupe and sports-teams and also exchange of exhibition of books, paintings and other art objects.

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The Govt. of India had offered 100 Scholarship annually for Bangladesh nationals for higher studies and research. Bangladesh had offered scholarship for Indian Nationals in Scientific fields. They also agreed to encourage collaboration between the learned societies, universities and research institutions to promote closer cooperation. India agreed to send eminent musicians and dancers to Bangladesh in Classical music and dance. Both the countries had agreed to participate in film festivals held in each other's country.¹

Thus, Bangladesh participated in Indian Film Festival held in New Delhi from December 30, 1974 to January 12, 1975. This showed the good relation among the two countries in the cultural fields.

Thus, during sheikh Mujibur Rahman era, Indo-Bangladesh cooperation in the trade, science, cultural and educational fields was largely extended. Bangladesh rendered tremendous services in the cause of fruitful cultural exchange between the two countries. India also played a memorable role by organising exhibition of books and periodicals and fine arts from which cultural exchange can be made.

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(Contd. 39)
Our geographical proximity has been a factor for the growth and development of our mutual friendly relations between Bangladesh and India. Bangladesh has a long boundary of 2,542 miles with India.

The problems of Dahagram, Berubari and Angorpota enclaves were previously existed problems between Pakistan and India. But after liberation of Bangladesh, both countries felt the necessity of amicable settlement. The Border-problem settlement is not an easy task. An agreement on Boundary Demarcation between Bangladesh and India was signed in 16th May, 1974 in New Delhi. Under the provision of this agreement, India retain Berubari Union and Bangladesh retains Dahagram and Angorpota enclaves. In this connection also India would lease in perpetuity land corridor measuring 178 meters by 85 meters to Bangladesh.¹

According to Art. 2 of this agreement, the Government of India and Bangladesh agreed that the territories in adverse possession in areas already demarcated in respect of which boundary strip maps were already prepared, should be exchanged within six months of the signing of the boundary strip maps by the plenipotentiaries.

Art. 2 of this agreement also provided that both the Governments agreed that when areas were transferred, the people of this areas should be given the right of staying where they were, as nationals of the state to which the areas were transferred. They also agreed to settle any dispute peacefully with consultations.\(^1\)

This agreement was endorsed by the Parliament of Bangladesh at a stormy late evening session on 23 November, 1974. Differences of opinion arose regarding this agreement.

But India welcomed this agreement. The Tribune in an editorial remarked that "the way India and Bangladesh have solved their boundary problem is an example of good neighbourliness".\(^2\)

On 10 February, 1975, a three-point agreement on the principles of delineation of maritime boundary evolved at the concluding session of the three day Foreign Secretary level talks between India and Bangladesh in Dacca.

Again a common guide line was evolved by officials of Bangladesh and India at a three-day conference held in Calcutta relating to problems at the border. These guidelines helped border officials of both the countries to deal entirely with day to day problems. They also agreed to maintain status-quo regarding a disputed river island at the border till a survey was conducted to determine in which territory it was located.\(^3\)

1. Bangladesh News, 1974; 2\(^a\)The Tribune (editorial) 21 May, 1974; 3\(^b\)S.S. Bindra, Indo-Bangladesh Relations, P.30; 3. Bangladesh News 1.5.'

(Contd. ......41)
Compared with the previous days (before its liberation) the agreements, consultations, meetings, etc. have shown a good neighbourliness and peaceful relations between Bangladesh and India during Sheikh Mujibur Rahman's period.

**FARAKKA ISSUE**

The Farakka agreement stood as another important landmark in the good relations between India and Mujib’s Bangladesh. The Farakka Barrage dispute was a source of tense relation between India and Pakistan. From 1960 to 1970, both the Governments tried to solve the dispute but failed. After the emergence of Bangladesh, it was hoped that as India and Bangladesh had a good relation in all spheres, the Farakka Barrage dispute would also be resolved amicably.

The then Indian Ministry of Irrigation and Power announced on April 9, 1972 that India and Bangladesh had decided to establish a permanent Joint River Commission (JRC) which would formulate plan for flood-control and irrigation projects and examine the possibility of linking the Power grids of Bangladesh with the adjoining areas of India, in order to utilise water resources on an equitable basis for the benefit of the people of both the countries. Accordingly, on 29th April of that year, India and Bangladesh agreed to share equitably the water of all the rivers - the Ganges, Teesta, the Brahmaputra and other rivers common to the two countries.

(Contd. ......42)
The purpose of Farakka Project is to save the port of Calcutta, which is threatened by the silting of the river Hooghly. On Nov. 24, 1972, India and Bangladesh set up the Joint River Commission (JRC).

Again on 16th to 17th July, 1973, a discussion was held between Khandakar Mostaque Ahmed, Minister of Flood-Control, water Resources and Power of Bangladesh and Sarder Swaran Singh, Minister of External Affairs of India. This discussion mainly dealt with the Commissioning of Farakka feeder canal and its impact on Bangladesh. The discussion covered the Farakka Barrage project and its impact on both the countries.¹

From time to time, the J.R.C. meetings between Bangladesh and India were held for the solutions of the problems so far identified in matters of preventing floods in both the countries.

The Indira-Mujib Declaration of May 16, 1974 expressed determination to reach agreement on sharing of Waters. Indo-Bangladesh JRC in a meeting held in Dacca had drawn up a programme of studies for exploring the possibilities of augmenting the fair weather flow of the Ganges during the dry season. On April 18, 1975, the Farakka Barrage Constructed at an estimated Cost of Rs. 130 Crores was commissioned at an experimental basis from April, 21 following a short term agreement on utilization of the Ganga Water between the two countries. Accordingly the feeder Canal of the Farakka Barrage would be run during the current loan period in the following manner. —


(Contd. ......43)
<table>
<thead>
<tr>
<th>Months</th>
<th>Ten day period</th>
<th>Withdrawal</th>
</tr>
</thead>
<tbody>
<tr>
<td>April, 1975</td>
<td>21st to 30th</td>
<td>11,000 Chs.</td>
</tr>
<tr>
<td>May, 1975</td>
<td>1st to 10th</td>
<td>12,000 &quot;</td>
</tr>
<tr>
<td></td>
<td>11th to 20th</td>
<td>15,000 &quot;</td>
</tr>
<tr>
<td></td>
<td>21st to 31st</td>
<td>16,000 &quot;</td>
</tr>
</tbody>
</table>

A joint team was stationed at Farakka to record the discharges into the feeder canal and the remaining flow into Bangladesh. This team submitted its report to both the Governments for consideration.

This agreement was a break-through for the Farakka issue and set an outstanding example of mutual understanding and accommodation of the two neighbouring countries in the development projects for the utilisation of the water of an International river. It was hoped during that time that this understanding would further reinforce the relations between the two countries and would enable expeditions settlement by negotiations of the Farakka issue on a lasting basis.¹

THE QUESTION OF PRISONERS OF WAR, BENGALIS AND NON-BENGALIS.

After the liberation of Bangladesh, in order to establish the identity of Bangladesh and legitimise its role during the liberation war, Bangladesh made efforts to initiate talks with Pakistan on issue of the prisoners of War.

¹Lok Sabha Debates, 1975, April 21, PP. 233-36, Indian Economic Diary, 1975, P. 3174.
The Simla Agreement on 2nd July, 1972, between Bhutto of Pakistan and Mrs. Indira Gandhi of India was warmly welcomed by the newly emergent Bangladesh.

For the settlement of the question of prisoners of war, Bengalis and Non-Bengalis an agreement between India, Pakistan and Bangladesh was made on five major questions: (1) the repatriation of Pakistani prisoners of war and civilian internees; (2) the Bangladesh Govt.'s proposal to try a number of prisoners on war crime charges; (3) the repatriation of the Bengalis in Pakistan; (4) The future of the non-Bengalis in Bangladesh (afterward referred as Biharis) who had opted for Pakistani Citizenship; (5) Recognition of Bangladesh by Pakistan.

Dr. Kamal Hussain, the Foreign Minister of Bangladesh had visited New Delhi from April 13 to 16, 1973 for talks with Mr. Swaran Singh, External Affairs Minister of India. A joint declaration was issued on April 17: "..... without prejudice to the respective positions of the Government of India and the Government of the People's Republic of Bangladesh, the two Governments are ready to seek a solution to all humanitarian problems through simultaneous repatriation of Pakistani prisoners of war and civilian internees, except those required by the Government of the People's Republic of Bangladesh for trial on criminal charges; repatriation of Bengalis forcibly detained in Pakistan; and repatriation of Pakistanis in Bangladesh, that is, all non-Bengalis who owed allegiance and opted for repatriation to Pakistan. The Govt. of India and the Govt. of People's Republic of Bangladesh earnestly urged Pakistan to respond to the constructive initiative taken by the two Governments to resolve humanitarian problems in the manner proposed."


(Contd. ......45)
Following the announcement of 17 April, a series of talks was held between India and Bangladesh and India and Pakistan Officials. An agreement was signed in New Delhi on 28 August, 1973 between India and Pakistan with the concurrence of Bangladesh providing for a solution of the outstanding problem.¹

The three-way repatriation of the Bengalis in Pakistan and Non-Bengalis in Bangladesh began on Sept. 19, 1973. The then Prime Minister of Pakistan Mr. Z.A. Bhutto recognised Bangladesh on Feb. 22, 1974. This announcement facilitated the Bangladesh in the tripartite meeting envisaged in the New Delhi Agreement. From 5th April to 9th April, 1974 the representatives of these three countries met in New Delhi to discuss the various issues mentioned in the Delhi Agreement and particularly the question of 195 Pakistani prisoners of war charged with war crimes by Bangladesh and the completion of the repatriation of Pakistanis in Bangladesh. An agreement was signed on April 9, 1974 whereby Bangladesh agreed to abandon the proposed trial of the 195 prisoners and Pakistan undertook to admit the three-categories of non-Bengalis by preparing to receive them without any limit of their numbers.²

¹. Indo Bangladesh Relations, 1982; S.S. Bindra, P. 21.
ANTI-INDIAN PROPAGANDA:

For nearly three years during Mujib's era, Bangladesh was rolling down under severe crisis. Bangladesh was born after a great struggle of their people. In East Pakistan (now Bangladesh), imprisonment, torture, raping of woman, destruction of property, killing and maiming of the bodies of Bengalees were of incalculable dimension. The Pakistani armies destroyed their fertile-agricultural land. In such a situation, the Bengali people had to suffer for food. However, this situation forged destabilisations in the third world countries. In that thickly populated area, the sinister hand of powerful nations had been following a policy of neo-colonialism and establishing new spheres of influence. Such powers did not care for the value of life of people in the poorer countries.

It had already been mentioned that Bengalees from the past had been proud of their Bengal, the land was covered in thick foliage of food crops and wealth. Before its (Bangladesh) liberation in 1971, it was exploited by the colonial rule of West Pakistanis. As Bengalees are emotional, they began to think that India through her assistance would treat their Bangladesh as a colony. Actually this was not the intention of India.

(Contd. .....47)
However, a newly born nation had to suffer many hardships such as food crisis, unemployment, housing, communication, trade and commerce, etc. As Bangladesh was overtaken by near-anarchic conditions, whatever administrative actions were taken were proving counter productive. Armed raids, bank looting, almost total collapse of law and order and smuggling were the order of the day. The worst that was pushing the people to the brink of either starting a revolution or dying for want of food, was erosion of the Charisma that was built by the people around the name Bangabandhu Sheikh Mujibur Rahman, the Father of the Nation.⁷

In such a situation, Sheikh Mujibur Rahman wanted an opportunity to come closer to the U.S.A. Some in the State Department did realise the situation but Kissinger showed no interest in Bangladesh. Certain elements in Bangladesh started a propaganda war against India and the Soviet Union. They were criticising the trade agreements signed between India and Bangladesh. Sheikh Mujibur Rahman tried his best to crash this attitude of the Bengali people towards India and the Soviet Union. He said how the peoples of India and the Soviet Union rendered valuable services to their people during the liberation war. Kissinger was for covert plan to eliminate this enemy who opposed to Sheikh Mujibur Rahman. Sheikh Mujibur Rahman with certain aims visited United States in the autumn in 1974. Soviet Union did not like it.

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1. Bangladesh: in Blood and Tears;
   Jyoti Sengupta;
   P. 10.
The 1974 Famine in Bangladesh: "Bangladesh in 1973 & 1974, bought American food in commercial markets. The circumstances of the 1974 famine illustrate the consequence of chaos, where food policy was made inadvertently and in the market place. Early in 1974, the Bangladesh Government contracted to buy grain to meet its import needs from Canada, Australia and the United States. These purchases, at current high market prices were to be financed with short-term commercial credit. In the summer of 1974, the Bangladesh Government desperately short of foreign exchange, was unable to obtain the credit. Two large sales by American grain companies, for delivery in the Autumn, were therefore cancelled. Bangladesh was not able to obtain US Government Credit. Meanwhile, US agreed to supply food as aid under the PL 480 programme were also delayed, mainly because the officials were negotiating in secret as to whether Bangladesh was to be disqualified from receiving aid because it had sold jute to Cuba earlier in the year. By the time, the American food arrived in Bangladesh, in December 1974, the autumn Famine was over".  

The Government of Bangladesh was aware of some anti-Indian elements inside Bangladesh. It was thought that Pakistan was supporting these elements because Bhutto's Government was in a mood to create a wedge between India and Bangladesh. The economic conditions of the people of Bangladesh were gradually deteriorating after liberation. The people condemned the government of Sheikh Mujibur Rahman for its mismanagement, corruption, inefficiency, etc. So, the people of Bangladesh thought that India was responsible for all their ills. They regarded Indians as "expansionist" and an "exploiter".1 Before liberation Bengalis blamed West Pakistanis and now blamed India. Mujib had a soft corner to Indians. But some sections of the people of Bangladesh did not like this attitude. The people of Bangladesh did not like this attitude. The people of Bangladesh did not like this attitude and the Indian interference with the day to day affairs of Bangladesh.

Moreover, border-trade helped large scale smuggling. And for this Indians were made responsible.

Thirdly, they did not like the construction of Farakka Barrage. They thought that this project would be harmful to Bangladesh economy. The Farakka Barrage, 7,229 feet long and with spans, proposed to divert 40,000 cusecs of water from the Ganga into the Bhagirathi Hooghly river during the dry flow period.

1. Indo-Bangladesh Relation, S.S. Bindra, P. 22.
The people of Bangladesh felt that if such a huge quantum of water was diverted during the dry season, there would obviously be serious shortage of irrigation water which, it was alleged, would make the seven northern districts of Bangladesh a desert. Moreover, the barrage would also disrupt the agricultural pattern, water-transport, fish wealth, etc. of Bangladesh. A large section of the people feared that India by not providing water to them, wanted to cripple the economy of Bangladesh for ever so that it would always be subservient to India.¹

Lastly, it had already been mentioned above that Mujib had apparently a soft-corner towards the Indians. So, during this era, the Indians interfered in the Bangladesh administration. The Bengalis considered Mujib as a puppet in Indian hands. During the preparing of the Five Year Plan, budget, etc. the Indian advisers advised them and this was supposed to degrade their position.

Further, during the liberation war of Bangladesh, the Indian army with the Bangladesh Mâkti Bahini fought against the Pakistani armies. However, a sense of inferiority complex had grown among Bangladesh military officers to see that General Niazi had surrendered to General Arora of the Indian Army. Their grievance was that the surrender was not signed with the Commander of the Bangladesh Army General Osmany. It was a fact that in the Indo-Pak war, the Indian Army had valuable support from Bangladesh's armed forces who had weakened the morale of the Pakistani soldiers from within the Country.

¹ S.S. Bindra, Indo-Bangladesh Relations; P. 23;
² Bangladesh: in Blood and Tears; Jyoti Sengupta; Pr. 41-42.
Anti-Indian propaganda started growing almost immediately after India withdrew all her troops from Bangladesh. Moreover, Maulana Bhashani also began his tirade against India and he took a hostile attitude to the newly formed government instead of his cooperation with it. It is to be noted here that during the Pakistani crackdown on the Bangalis, Maulana Bhashani took shelter in India. Mujib did not like the attitude of Maulana Bhashani. Sheikh Mujibur Rahman said that if India interfered in Bangladesh's internal affairs, then he knew "how to resist such interference". Mujib also said that Bangladesh was grateful to India for giving her one million tons of food in her darkest days.1

Maulana Bhashani after returning from Calcutta to Bangladesh after independence, reorganised his National Awami Party (Bhashani NAP). In the past he had adopted anti-American posture. But this attitude of Maulana Bhashani was altered after liberation. At a rally held on Paltan Maidan on June 30, 1974, he said that the Soviet Union and India were responsible for the economic crisis in Bangladesh. His anti-Indian attitude went so far that he organised a large procession to destroy the Farakka Barrage in India. However, he failed to make this plan successful as India took all steps to ensure no violation of the Indian territory on the border, close to Farakka.

1. Bangladesh in Blood and Tears; P. 42; Jyoti Sengupta.

(Contd. ....52)
At the end of 1974, Sheikh Mujibur Rahman declared Emergency and introduced a single-party political system banning all other political parties. In forming BAKSAL (Bangladesh Krishak Sramik Awami League) combining in it the ruling Awami League, Communist Party of Bangladesh (Moni Singh) and National Awami Party of Professor Muzaffar Ahmed, Mujib prepared the government to resist any Coup by the Leftist.¹

These are the main factors which created anti-Indian feelings in the minds of the Bangalis.

SUMMIT CONFERENCE OF MAY, 1974:

At the invitation of the then Indian Prime Minister Indira Gandhi, the then Prime Minister of Bangladesh Sheikh Mujibur Rahman visited New Delhi from 12th May to 16th May, 1974. During this Summit Conference, the two Prime Ministers discussed various matters regarding Indo-Bangladesh relations. This marked the "frankness and mutual trust, reflecting the strong bonds of friendship and understanding", between the two Countries. The two Prime Ministers reviewed the commercial relations and economic and technical cooperation between the two countries. Thus, the discussion touched the various aspects between India and Bangladesh.²

1. Blood and Tears, P. 43
   Jyoti Sengha.
   (b) Indo-Bangladesh Relations — S.S. Bindsra 1982, PP 32-33.
   (Contd. .......53)
In the same year, the then Indian President V.V. Giri visited Dacca from June 15 - 19. This visit also showed the seeds of good and friendly relations between the two Countries.

Joint-Indo-Bangladesh Communique also showed another bond of good relation between India and Bangladesh. Both the Countries, from time to time held bilateral discussions regarding various issues. The then Indian External Affairs Minister, Swaran Singh's visit to Bangladesh in 1974, showed another example of their bonds.

The Bangladesh liberation struggle created a gigantic problem of refugees in India. After taking various measures, this problem was also solved amicably during Sheikh Mujib's era.

On 28 December, 1974, emergency was declared in Bangladesh and Sheikh Mujib declared himself the President of Bangladesh. And on 15th August, 1975, he was assassinated along with the members of his family.

Our survey of Indo-Bangladesh relations during the Mujib era shows that from the later half of 1972, some strains were visible in Indo-Bangladesh relations. There arose many ups and downs relating to some issues between the two countries. Now, the question was as to what kind of strains arose between the two countries. We have seen that from 1971 to 1975, many agreements were signed between the two countries.

(Contd. .... 54)
As for example, India and Bangladesh signed a 25-year Treaty of Friendship, Cooperation and Peace. This treaty covers twelve articles. But with the passing of time, all these articles could not be easily adhered to. Not only that, another agreement regarding trade and commerce concluded between the two countries. But all these concluded agreements could not lead to a satisfactory development of their trade and commerce. Again, the Border-Agreement was concluded in May, 1974 after Sheikh Mujibur Rahman's visit to India.

The Border-Agreement was endorsed by the Parliament of Bangladesh at a stormy late evening session on 23rd November, 1974. Opposition members led by Ataur Rahman Khan of the Jatiya League took the floor one after another and delivered lengthy speeches describing the agreement as a "Slave document under which Bangladesh has sold out its Sovereignty". They vehemently opposed the transfer of Berubari to India. Thus, we see that within these years, some strains were visible between the two countries. Another strain arose out of the Interim Agreement on Farakka Barrage Project between Sheikh Mujibur Rahman and Indira Gandhi. The Farakka Barrage and its feeder Canal for the sharing of Ganga-Water between the two countries appeared as a tough and ever-lasting problem between the two countries.

However, Mujib tried his best to solve all the rising problems between the two countries. As a next-door neighbour, India also responded very amicably. After the assassination of Mujibur Rahman, the then Indian Prime Minister Indira Gandhi said: "We do not like the politics of assassination".

(Contd. ......55)
A new regime under his Cabinet Colleague Khandakar Mushtaque Ahmed was established in Bangladesh. The new Bangladesh Government reiterated its desire to maintain relationship of friendship and cooperation with India. This desire was conveyed to the then Indian Foreign Secretary Kewal Singh by the High Commission of Bangladesh, Shamsur Rahman, during a personal call. The then Indian Prime Minister, in an interview to the Foreign Editor of Cairo's "Al Ahram", deplored the assassination of "a great statesman and symbol figure of National Freedom like Sheikh Mujibur Rahman". The new regime of Bangladesh under Sheikh Mujibur Rahman's cabinet colleague Khondakar Mushtaque Ahmed was established and in a special message to the Indian Prime Minister said what the existing bonds of friendship between the two countries were "deeply cherished and valued" by the government and the people of Bangladesh. In a message handed over by the then Indian High Commissioner Samar Sen to the then Bangladesh President Khandakar Mushtaque Ahmed, the then Indian Prime Minister Indira Gandhi had reiterated her Government's desire for continued co-operation with Bangladesh in various fields on the basis of equality and mutual respect for sovereignty, territorial integrity and non-interference in each other's internal affairs. However, the two Governments conveyed their desire of friendly relation.

Mujib's endeavour to maintain a good relationship with India was quite laudable. But the elements behind his assassination could not support such a relation.