

## **Abstract**

Over recent years Bangladesh has managed to receive plenty of investments from China and India. The dissertation answers how Bangladesh, being a small state, has been able to benefit from two rival powers, China and India, at the same time without being completely aligned with either one. Small states usually tend to balance one powerful state by bandwagoning with another one. In South Asia, it seems Bangladesh has successfully avoided the tendency and retained its strategic autonomy up to some point.

For how long Bangladesh will continue to stay equally open to China and India or choose one over another in years to come remains unanswered in much of International Relations (IR) literature. Many IR theories suggesting small states having less bargaining capacities in affairs with their powerful counterparts simply do not apply here.

Here the thesis argues that reduced rivalry and increased economic interdependence between China and India in an age of economic globalization has contributed to the ability of Bangladesh taking advantage of both without falling into the strategic orbit of either power. However, if the rivalry between China and India intensifies, Bangladesh may have to make a clear choice of picking a side. The thesis also answers how will such intense rivalry, if it ever happens, affect Bangladesh's bargaining capacity of benefiting from both sides. Reviewing a correlative event of the past, the dissertation carefully applies Thucydides' interpretation of the Peloponnesian War between Athens and Sparta over Melos to understand Bangladesh's relations with India and China.