

# ISAS Working Paper

No. 157 – 23 August 2012

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## China-South Asia Strategic Engagements - 2 Bhutan-China Relations<sup>1</sup>

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Geographic location plays an important role in determining the foreign policy choices of countries. This is invariably true despite the size and resources available to countries. Countries which are fortunate to have access to seas are distinct in many ways from the landlocked states in this regard. If the state is landlocked, small in size and not so rich in terms of resources, the fate of such a state would be all the more precarious. Bhutan belongs to the afore-mentioned category of small landlocked states.

The Himalayan country of Bhutan (Druk-yul)<sup>i</sup> is located between China and India - two emerging world powers. This unique location of Bhutan between not-so-friendly China and India places her in a complex situation. It would be a Herculean task for Bhutan to maintain relations in a manner satisfactory to both China and India. There is every chance that one of these big neighbours tends to suspect Bhutan of closeness to the other. Hence conducting foreign policy would be a tight rope walk for Bhutan in the context of her peculiar geographic and strategic location. The other small landlocked state in the Himalayas, Nepal, is also having the same kind of predicament.

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<sup>1</sup> The paper by Dr Mathew Joseph C. is the second in a series of five Working Papers on China's security relations with some South Asian countries. These papers are being published by the Institute of South Asian Studies (ISAS), an autonomous research institute at the National University of Singapore.

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Being small landlocked states sandwiched between big continent-size countries, the primary concern of both Bhutan and Nepal is the maintenance and protection of their territorial integrity and national sovereignty. Issues like economic development come only after that. This is a dilemma that most of the small states face with regard to their existence and foreign policy management. The landlocked status of both Bhutan and Nepal makes their condition much worse than that of small states like Sri Lanka or Bangladesh.

Though the predicament of both these countries is almost the same in the geographic and strategic context of the Himalayas, both Bhutan and Nepal behaved distinctly different in conducting their relations with China and India. While Nepal tried to play China against India and vice-versa, Bhutan remained steadfastly with India. Nepal followed this adventurist strategy in her foreign relations hoping that it would ensure her national sovereignty and territorial integrity. It turned out to be a not so beneficial policy as far as her national interest and goals are concerned. On the domestic front it led to periods of political instability and turmoil. On the contrary, Bhutan followed a policy of more or less siding with India and keeping a safe distance from China both politically and otherwise. This policy helped Bhutan to consolidate itself and tide over some of the severe domestic political crises and embark on a path of economic development and a sort of ‘controlled democratic experiment’ in the political system.

A comparison between Bhutan and Nepal in this regard is not the aim here. This paper is an attempt to understand and explain the relations between Bhutan and China in the context of solid bilateral relations between Bhutan and India and the emerging politico-security discourse within Bhutan with regard to its strategic yet precarious location between China and India and various foreign policy options available.

## I

As mentioned earlier, located between the Tibet Autonomous Region (TAR) of China and India, Bhutan has a land area of 38,394 sq km<sup>ii</sup> and a population of around 700,000.<sup>iii</sup> Bhutan shares 470 km of border with China and 605 km of border with India.<sup>iv</sup> Like other South Asian states Bhutan is a multi-ethnic and multi-religious state. There are mainly four ethnic groups in Bhutan: Ngalongs, Sharchops, Khengs and Lhotshampas (the people of Nepali origin). Of which the Ngalongs who are of Tibetan descent, inhabit western Bhutan and form the ruling elite and speak Dzongkha – the national language of Bhutan.<sup>v</sup> The Sharchops and the Khengs inhabit the eastern and central parts of Bhutan respectively. The Lhotshampas form a majority in southern Bhutan. Among the above-mentioned ethnic groups, the Ngalongs and the Khengs subscribe to the Drukpa Kagyuppa sect of Mahayana Buddhism. The Sharchops follow the Nyingma sect of Buddhism and speak a Tibeto-Burmese language called Tsangla. The Lhotshampas are mainly Hindus and speak Nepali language.<sup>vi</sup>

The unification of Bhutan took place in the 17<sup>th</sup> century. Shabdrung Ngawang Namgyal, a politico-religious refugee from Tibet, was instrumental in this. He came to Bhutan in 1616 as a result of the sectarian strife between the Gelugpa (yellow hat) and Kagyuppa (red hat) sects of Mahayana Buddhism in Tibet. The ascendance of Gelugpa sect in Tibet resulted in the expulsion of the followers of Kagyuppa sect from there. Before his death in 1652, Shabdrung Ngawang Namgyal could unify various principalities under one state.<sup>vii</sup> Till the death of Shabdrung Ngawang Namgyal, political and religious authority remained with him. After his death spiritual and temporal powers were divided and vested in two authorities called the Je Khempo (spiritual head) and the Druk Desi (temporal head). The theocratic administrative system instituted by Shabdrung Ngawang Namgyal was called the Choesid system and it remained in place till its replacement by hereditary monarchy in 1907.<sup>viii</sup>

The political history of Bhutan under the Choesid administrative system (late 17<sup>th</sup> century to early 20<sup>th</sup> century) was a period of instability and chaos. During this period Bhutan had to fight with Tibet and British India several times. According to sources, nine times Bhutan was attacked by the Tibetans and Mongols<sup>ix</sup> though Bhutan managed to defeat them. On the contrary, in her conflicts with British India Bhutan got defeated and lost the territories of Bengal and Assam Duars.<sup>x</sup> Since the institution of Druk Desi lost its prominence over a period of time, the Penlops (Governors) of Paro in western Bhutan and Tongsa in eastern Bhutan became the centres of political power in Bhutan. Towards the end of the 19<sup>th</sup> century the Penlops of Tongsa developed cordial relations with the British.

The last quarter of the 19<sup>th</sup> century was significant in terms of the emergence of the geo-political competition among the British, Russians and the Chinese which is called the ‘Great Game’. The vast Tibetan expanse and the Himalayas became the theatre of this ‘Great Game’. The British feared that the Chinese and Russians were having designs over their Indian Empire. And thereafter the aim of the British was to evolve strategies to prevent this eventuality. Hence Tibet occupied an important position in their Himalayan policy.

In this regard, to ward off threats from both China and Russia, the British designed a “double rampart” strategy. According to it, the Tibetan plateau would form the outer rampart and the Himalayan states of Nepal, Sikkim and Bhutan would form the inner rampart. Foreign influence would be tolerated in the outer rampart and it would not be allowed in the inner rampart. Due to this policy, though the British were not very comfortable with the Russian and Chinese influence in Tibet, they had to tolerate it. However, any attempt on the part of the Chinese to have some influence in the inner rampart was resisted.<sup>xi</sup>

The above-mentioned “double rampart” policy allowed internal autonomy within the buffer states of inner rampart but their external relations were controlled by the British. The capacity of

the British to influence the developments in Tibet was severely limited, and due to that they had to allow the involvement of the Chinese and the Russians in Tibetan affairs. The British were always very cautious when they were dealing with Tibet due to the religious-cultural influence of Tibet in the Greater Himalayan region. After all, the entire inner rampart which consisted Nepal, Sikkim and Bhutan are part of the Tibetan religious-cultural universe.

The treaties signed between the British and the buffer states of the inner rampart were clear examples of the British paranoia towards the imagined influence of the Chinese and the Russians in Tibet.<sup>xii</sup> A careful examination of the provisions of these treaties will give a sense of the British fear of the Chinese and the Russians. The efforts of the British to develop direct relations with the Dalai Lama and his court at Lhasa succeeded only in the beginning of the twentieth century. This was partly because of the Tibetan fear of the Chinese reaction to such a development and partly due to the policy of isolationism followed by the Tibetan ruling elite.

The policy followed by the ruling elite of Tibet was also a complex one. The Lhasa Convention signed between the British and the Tibetan authorities in 1904 was an important development as far as the relations between the British and Tibet were concerned. The ninth provision/clause of the Convention stipulated that the foreign relations of Tibet must be with the consent of the British. Knowing their limitations in respect of China, the Tibetans vacillated between extreme positions. Accordingly the British had to accept Tibet's special relationship with China in 1906, Tibet's autonomy in 1921 and Chinese suzerainty over Tibet later.<sup>xiii</sup>

The establishment of hereditary monarchy in Bhutan in 1907 and the signing of the Punakha Treaty in 1910 between the British and Bhutan had to be understood in the context of the relations between Tibet and the emerging geo-political and strategic developments in the Greater Himalayas. The British played a major role in the establishment of hereditary monarchy in Bhutan due to two reasons: the theocratic Choesid system was inefficient and provided ample scope for intrigue since there were two centres of power within it and the British wanted to make the Penlop of Tongsa Ugyen Wangchuck, their staunchest ally in Bhutan, the sole authority in Bhutan, due to the not so friendly behaviour of the Penlop of Paro.

Through the establishment of the hereditary monarchy of Wangchucks in Bhutan, in one go the British achieved an important strategic goal as far as the eastern Himalayas are concerned. They could resolve the political instability that plagued Bhutan for quite a long time and ensure the support of a dependable ally in the monarchy of Bhutan. The Treaty of Punakha which was signed in 1910 became a testimony to that. The immediate context of the signing of the Treaty of Punakha was the Chinese invasion of Tibet during 1910-1912.<sup>xiv</sup>

The Treaty of Punakha was an improved version of the Sinchula Treaty of 1865. The Article VIII of the Treaty clearly states that “[T]he British Government undertakes to exercise no interference in the internal administration of Bhutan. On its part the Bhutanese Government agrees to be guided by the advice of the British Government in regard to its external relations.”<sup>xv</sup> The striking similarity between the Article VIII of the Treaty of Punakha and the ninth provision/clause of the Lhasa Convention of 1904 suggest that the aim of the British during this period was the prevention of Chinese and Russian influence in Tibet and the Himalayan states.

By the time of decolonisation of the Indian subcontinent, the Himalayan states faced the problem of their future relations with independent India. In the case of Bhutan this was resolved by the conclusion of the Treaty of Perpetual Peace and Friendship between the Government of India and the Government of Bhutan (India–Bhutan Treaty of 1949) on 8 August 1949 at Darjeeling.<sup>xvi</sup> The timing of the signing of this Treaty was very significant. By the summer of 1949 the Communists had established their domination in China and the Himalayan states were having apprehensions about their security in the context of the Communist takeover of China. The Indo-Bhutan Treaty of 1949 retained the main features of the Treaty of Punakha. As a gesture of friendship India returned the territory of Dewangiri having an area of 32 square miles to Bhutan and later it was renamed as Deothang by the Bhutanese.

In this Treaty, by Article 2, both countries agreed that “[T]he Government of India undertakes to exercise no interference in the internal administration of Bhutan. On its part the Government of Bhutan agrees to be guided by the advice of the Government of India in regard to its external relations.”<sup>xvii</sup> Similarly Article 6 of the Treaty stipulated that the import of arms and ammunitions by Bhutan has to be with the approval of the Government of India.<sup>xviii</sup> These Articles of the Treaty clearly show the Indian sensitivity in the emerging geo-political context of the Himalayas.

The Indian fears became true when the Peoples Liberation Army (PLA) of China overran Tibet in 1950. In this context Jawaharlal Nehru, the Prime Minister of India, declared in the Indian Parliament “that India would not allow the Himalayan barrier to be penetrated and that the defence of Bhutan, Nepal and Sikkim was India’s responsibility.”<sup>xix</sup> The mid-1950s witnessed a deterioration of the relations between India and China. As the relations deteriorated China started making claims on Indian as well as Bhutanese territories. This started as cartographic aggression in the first place.<sup>xx</sup> It was reported that in 1950 itself China “described Bhutan as one of the five fingers of its Tibetan palm.”<sup>xxi</sup>

Considering the gravity of the situation, India’s Prime Minister Jawaharlal Nehru made an official visit to Bhutan in 1958, which was the first of its kind, and exhorted the Bhutanese to

shed off the policy of isolationism and embark upon a path of modernisation. In the address he delivered at Paro he said the following:

Some may think that since India is a great and powerful country and Bhutan is a small one, the former might wish to exercise pressure on Bhutan. It is, therefore, essential that I make it clear to you that our wish is that you should remain an independent country and taking the path of progress according to your will. At the same time, we two should live with mutual goodwill. We are members of the same Himalayan Family and should live as friendly neighbours, helping each other. The freedom of both Bhutan and India should be safeguarded, so that no one from outside can do any harm to them.<sup>xxii</sup>

By these words Prime Minister Nehru was giving a clear message to the international community regarding the nature of India-Bhutan relations and India's security concerns in the Himalayan region in general and Bhutan in particular. As a consequence of Prime Minister Nehru's visit to Bhutan, the Government of Bhutan accelerated the pace of the process of modernisation which started in the early 1950s.

## II

The Chinese aggression on Tibet in 1959 and the consequent flight of Dalai Lama and his followers from Tibet to India opened a new chapter in the security situation in the Himalayan region. A section of Tibetan refugees also reached Bhutan. The Chinese occupied the eight Bhutanese enclaves in western Tibet as part of their military campaign.<sup>xxiii</sup> The conquest of Tibet by China brought both India and China as close neighbours in the geographical sense. The colonial security doctrine based on the principle of "double ramparts" became redundant after the invasion of Tibet by China. Suddenly the Himalayan states of Nepal, Sikkim and Bhutan (inner rampart) had to face a resurgent China on their undefined borders.

For Bhutan, the Chinese invasion of Tibet was more than the conquest of a neighbouring country by another. Though in terms of the minute details of faith there were differences between Bhutan and Tibet, in the broader sense both belonged to the Mahayana School of Buddhist culture.<sup>xxiv</sup> Moreover, most of the Bhutanese political elite had social relations with the people of Tibet. Apart from that, Bhutan's trade, commerce, cultural and religious linkages were with Tibet. In this context, the disappearance of Tibet from the world map created a sort of existential crisis for Bhutan. This was complicated by the stories of Chinese atrocities towards the Tibetan people and religious institutions as narrated by the Tibetan refugees who crossed over to Bhutan.<sup>xxv</sup>

Bhutan overcame this situation by snapping all ties with Tibet and thereby China and closing the border towards the north. “The turmoil following the integration of Tibet into the PRC and the Sino-Indian border war in 1962 forced Bhutan to interrupt its ancient relationship with its northern neighbour for security reasons and to reorient its trade route toward India.”<sup>xxvi</sup> It was not an easy decision for Bhutan. According Bhuchung K. Tsering, Bhutan in her quest to differentiate herself from Tibet even adapted the Tibetan script which was used for centuries and started calling it Dzongkha.<sup>xxvii</sup> These reactions were the reflection of being left alone as the last post of Mahayana Buddhism in the Himalayas.

In the wake of the Chinese invasion of Tibet, the political elite of Bhutan realised that the traditional policy of isolationism would not help the country in protecting its internal autonomy and independent status. In 1961, King Jigme Dorji Wangchuck and Lonchen (Prime Minister) Jigmie Palden Dorji of the Dorji family, which is considered to be the most important political family after the royal family, visited India in the context of the Chinese invasion of Tibet. In the course of the negotiations, both the countries “probably reached unpublished agreements on India’s defence responsibilities and military training missions in Bhutan, as well as economic aid and Bhutan’s future memberships of international organisations....”<sup>xxviii</sup> In accordance, India agreed to establish the Indian Military Training Team (IMTRAT) in Bhutan.<sup>xxix</sup> And “[I]n 1961, the training of the Bhutan Army was formally entrusted to the Indian Army”.<sup>xxx</sup> It was also felt that there is a need to open up the country both politically and economically. The implementation of the Five Year Plans from 1961 was a consequence of that.

The Sino-Indian War in 1962 and its consequences were an eye opener to both India and Bhutan. India realised that in a competitive strategic environment, to counter China and secure the borders would be difficult without proper state-of-the-art defence preparedness. Also India realised that the security of Nepal, Sikkim and Bhutan – buffer states between India and China -- was as important as increasing the Indian military preparedness. Though in the 1962 War China did not use Bhutanese territory, Bhutan realised that it might not be the case in later conflicts between China and India. A section in the Bhutanese elite started suspecting India’s capability to protect the political autonomy of Bhutan in the eventuality of a Chinese advance.<sup>xxxi</sup>

The political elite in Bhutan understood that the age-old policy of isolationism would not be helpful in any manner in securing Bhutan’s territorial integrity and political autonomy. India also understood this and encouraged Bhutan to join various international organisations. The joining of Bhutan in the Colombo Plan in 1962, the Universal Postal Union (UPU) in 1969, the United Nations Organization (UN) in 1971 and the Non-Aligned Movement (NAM) in 1973 was aimed at getting more visibility in front of the international community.<sup>xxxii</sup> When the South Asian Association for Regional Cooperation (SAARC) was formed in 1985, Bhutan became one of the founding members of the organisation.<sup>xxxiii</sup> Due to this increased visibility of Bhutan in the

international sphere both India and Bhutan hoped that the latter will be able to avoid the fate of Tibet.

However, China did not stop making territorial claims over Bhutan. The Chinese claim over Bhutanese territory has a long history. “In February 1910, the Manchu government of China laid claim to Bhutan along with Nepal and Sikkim.”<sup>xxxiv</sup> Similarly in 1954, A Brief History of China, a Chinese official publication, included a considerable portion of Bhutan as a pre-historical realm of China.<sup>xxxv</sup> In 1958 it was reemphasised by publishing a map in which Bhutanese territory was shown as Chinese territory and in 1960 it was “openly declared that Bhutanese, Sikkimese and Ladakhis form a united family in Tibet, that they have always been subject to Tibet and to the great motherland of China....”<sup>xxxvi</sup>

As per the 1949 India-Bhutan Treaty, the foreign relations of Bhutan had to be conducted with the guidance of India. When India tried to discuss the problems with regard to Bhutan-China border as part of the India-China border negotiations, China rejected it on the pretext that China would prefer direct talks with Bhutan.<sup>xxxvii</sup> In fact, in 1959, the Chinese Prime Minister Zhou Enlai sent a letter to Jawaharlal Nehru, then Prime Minister of India, stating Chinese intention to have direct bilateral discussions with Bhutan.<sup>xxxviii</sup>

The Chinese overtures towards Bhutan and the end result of the Sino-Indian War in 1962 created a pro-Chinese lobby within the Bhutanese ruling elite.<sup>xxxix</sup> This section pointed out that in the aftermath of the Sino-Indian War, India would not be able to give assurance of Bhutan’s security and it would be better for the country to follow the policy of “equal friendship” with India and China. For this section, the foreign policy of Nepal under King Mahendra anchored around the afore-mentioned principle was something worth emulating. After a lot of thought this line of thinking was rejected by the Government of Bhutan.<sup>xl</sup>

The political turmoil in Bhutan during the mid-1960s developed in the context of the debate between the pro-China lobby within the ruling elite and its opponents within it. The intra-elite conflict in Bhutan resulted in the assassination of Prime Minister Jigme Palden Dorji on 5 April 1964 and it was followed by a coup attempt against King Jigme Dorji Wangchuck in December 1964. The political instability created by these developments compelled the King to go slow on the modernisation drive and compromise with the traditional elements within the ruling elite.<sup>xli</sup>

The entry of Bhutan into the UN in 1971 with the support of India was a major development in terms of Bhutan’s national personality. China also supported Bhutan’s joining the UN due to its long-term implication that it is an assertion of Bhutan’s independence from India.<sup>xlii</sup> The UN membership provided Bhutan a platform to voice her concerns regarding her own specific issues and developments in international politics. Bhutan seized this opportunity and used it judiciously



to project her political independence in the international arena.<sup>xliii</sup> In the platform of the UN and that of the nonaligned movement, Bhutan differed with India more than once. These differences despite the Article 2 of the India-Bhutan Treaty of 1949 helped a lot in underlining the independent status of Bhutan as a modern nation-state.

The attempts by China to open direct contact with Bhutan since the late 1950s were unsuccessful. The main reason behind this was China's policy towards Tibet – the spiritual fatherland of Bhutan. The antagonistic relations between India and China also played a role in the distance between Bhutan and China. The improvement in the Sino-Indian relations in the late 1970s, under the government in New Delhi led by Janata Party, paved the way for a positive shift in the relations between Bhutan and China. The near-normalisation of Sino-Indian relations created the condition for direct engagement between Bhutan and China. For China, development of relations with Bhutan is not an end in itself. "China is considering its relation with Bhutan as part of its 'Western development strategy', that could allow Tibet to regain a central position in the Himalayan region."<sup>xliv</sup>

As an incident, paradoxically, the border incursion by China into Bhutanese territory in 1979 led to the events which culminated in the direct contact between the two countries.<sup>xlv</sup> When Bhutan raised the issue through India in accordance with the India-Bhutan Treaty of 1949, China offered to resolve the problem bilaterally. The preliminary discussions between Bhutan and China regarding the modalities of direct engagement began in 1981 and the formal direct negotiations on resolving the boundary dispute started in 1984.<sup>xlvi</sup>

The border between Bhutan and Tibet was not demarcated properly. This 470 km un-demarcated border became a contentious issue after the Chinese conquest of Tibet. The un-demarcated nature of the border led to incursions by China many a time. Severe Chinese incursions of Bhutanese territory happened in 1967, 1979, 1983.<sup>xlvii</sup> It is important to note that China resorted to encroachment of Bhutanese territory even after the stage was set for direct engagement between both the countries. These border incursions by China were intended to put pressure on Bhutan and to prove the point that India would not be of any help in her border dispute with China.

As mentioned earlier, bilateral negotiations between Bhutan and China to resolve the border dispute officially began in 1984. So far [as at the time this paper was written], 19 rounds of discussions have happened and the last one was held at Thimphu during 11-13 January 2010.<sup>xlviii</sup> At the beginning of the border talks itself, the disputed areas were identified as north-western section (Doklam, Sichulung, Dramana and Shakhatoe in Samste, Haa and Paro districts) and central section (Pasamlung and Jakarlung valley in Wagduerphodrang district).<sup>xlix</sup> In the total of 764 sq km of disputed territory, the north-western and central sections cover 269 sq km and 495 sq km respectively.<sup>1</sup>

From the very beginning, it was clear that the Chinese aim was not resolving the border dispute but to establish diplomatic relations with Bhutan, the only neighbour of China with which there is no diplomatic relations. In the second round of talks held in 1985 China “talked of expanding contact, saying that it has diplomatic relations with all SAARC states, but not with Bhutan.”<sup>li</sup> However, Bhutan did not give any positive signal towards this Chinese move. The bilateral discussions between China and Bhutan continued without much headway till 1996. In the 10<sup>th</sup> round of the border talks held in 1996, China put forth a proposal involving the exchange of disputed areas between both the countries. According to this proposal, China offered the central section to Bhutan and in return wanted the north-western section.<sup>lii</sup> No conclusive decision was taken on this proposal.

In the meantime, Bhutanese authorities noticed activities of logging and road construction by China in the disputed territory.<sup>liii</sup> These activities were happening despite the goodwill created by the bilateral engagement between the countries. When this issue was raised by Bhutan, China proposed an interim agreement to maintain peace and tranquillity along the contentious borders.<sup>liv</sup> Bhutan accepted this and both the countries signed the Bhutan-China Agreement on Maintenance of Peace and Tranquillity along the Sino-Bhutanese Border Areas, 1998, on 8 December 1998 in the 12<sup>th</sup> round of border talks held at Beijing.<sup>lv</sup>

The signing of the Bhutan-China Agreement on Maintenance of Peace and Tranquillity along the Sino-Bhutanese Border Areas, 1998, was significant in more than one way. This became the first bilateral agreement, and for that matter first legal document, signed between Bhutan and China. China, for the first time, through the signing of this Agreement accepted the sovereignty and independent status of Bhutan. The Article 1 of the Agreement clearly states that as following:

Both sides hold the view that all countries big or small, strong or weak are equal and should respect one another. The Chinese side reaffirmed that it completely respects the independence, sovereignty and territorial integrity of Bhutan. Both sides stand ready to develop their good-neighbourly and friendly cooperative relations on the basis of the Five Principles of Peaceful Co-Existence.<sup>lvi</sup>

The Article 3 of the Agreement resolves to maintain the status-quo of the Bhutan-China boundary as existed prior to March 1959. The Article reads as follows:

Both sides agreed that prior to the ultimate solution of the boundary issues, peace and tranquillity along the border should be maintained and the status quo of the boundary prior to March 1959 should be upheld, and not to resort to unilateral action to alter the status quo of the border.<sup>lvii</sup>

As far as Bhutan is concerned, this Agreement has a special significance. With this, the claim of China over Bhutan ceased to exist. The acceptance of Bhutan as a sovereign independent state by China underlined a clear shift in Chinese policy towards Bhutan in particular and Himalayas in general. China wanted to project herself as a benign power towards the small states in South Asia. This Agreement with Bhutan was intended to advance this point and wean away Bhutan from Indian influence.

However, despite the signing of the Agreement on Maintenance of Peace and Tranquillity, China continued her intimidation of Bhutan by repeatedly carrying out incursions into Bhutanese territory. China indulged in road constructions in the disputed territory in 2004 and 2009 and many a time intruded into the Royal Bhutan Army (RBA) posts on the Bhutan-China border.<sup>lviii</sup> This bullying tactic of China is to push for the package deal/swap deal which China offered to Bhutan in the 10<sup>th</sup> round of talks held in 1996. According to this proposed deal, China will relinquish her claim over the 495 sq km disputed territory in the central section provided Bhutan is ready to hand over the 269 sq km disputed territory in the north-western section.

The strategic advantage China derives out of this deal is the main driving factor for China to push this deal through. An informed opinion regarding the strategic benefit China will get from this deal is as follows:

The [north] western sector near the tri-junction of India-Bhutan-China border is not far from India's 'chicken's neck', a 24-km wide corridor (also known as the Siliguri Corridor) which connects mainland India to its north-eastern states. The reasons for the Chinese claim (in [north] western sector) seem not to be on the basis of traditional usage or history but owing to the strategic nature of the western border.<sup>lix</sup>

Considering the adverse effect this deal would create for India vis-à-vis China in strategic and security terms, Bhutan is not in a position to take a positive decision in this regard. China also understands that Bhutan cannot accept this 'package deal'. The two-dimension strategy of armed incursions and pressure over the 'package deal', which China follows with regard to Bhutan, is intended to create a wedge within the Bhutanese elite to create a pro-China section. So far, efforts in this direction have not been fruitful.

Also, China believes that Bhutan will be compelled to enter into diplomatic relations with China under the above mentioned two-dimension strategy. For China, establishing diplomatic relations with Bhutan is much more important than resolving the border dispute. China knows that the resolution of the border dispute with Bhutan will happen only in the context of the resolution of the border dispute with India though they assert the other way around.

The 18<sup>th</sup> round of border talks between Bhutan and China was held at Beijing in 2006.<sup>lx</sup> After that there was a lull in the process of border talks, probably due to the political transformation of Bhutan from an absolute monarchy to a constitutional one.<sup>lxi</sup> As mentioned earlier, the 19<sup>th</sup> round of border talks took place at Thimphu in January 2010. In the 14<sup>th</sup> round of talks in December 2000, Bhutan extended its border line from the mutually-agreed demarcation and suggested that, apart from direct talks at the political level, “technical discussions between experts from both sides be held using maps.”<sup>lxii</sup> Since then, discussions among technical experts from both countries also take place.

The 1990s witnessed a new development in the intellectual domain of Bhutan. A group of informed Bhutanese intellectuals started articulating a distinct Bhutanese voice especially in the context of the external relations of Bhutan and her strategic environment. Articulation of a ‘Bhutanese view point’ had already begun in the context of the ethnic conflict in which the Government of Bhutan and the people of Nepali origin who lived in the southern districts of Bhutan were parties.<sup>lxiii</sup>

Till then, Bhutan was one country and state on which non-Bhutanese ‘scholars’ and ‘experts’ used to write. Even today majority of the literature available on Bhutan is produced by the outside scholars and experts. This has undergone a major change after the establishment of the Centre for Bhutan Studies in Thimphu and the publication of the journal titled *Journal of Bhutan Studies*.<sup>lxiv</sup> Through this journal and other publications, a distinct Bhutanese voice is articulated on very many issues.

Among other issues a new crop of authors have come onto the open domain and put forth their concerns and opinions about Bhutan’s external relations and strategic environment. Some of these writers are as follows: Karma Ura, Tashi Choden, Karma Galay and Dorji Penjore.<sup>lxv</sup> These authors write on themes like security, external relations of Bhutan and international politics of Bhutan. Through these writings, the above-mentioned authors are trying to place Bhutan in the wider canvas of world politics as well as in the regional context. They rightly identify that most of the problems Bhutan is facing are, despite their uniqueness, similar to the problems of other small states in the world.

In the wake of the political transition in Bhutan, the India-Bhutan Treaty of 1949 was revised and updated. The updated India-Bhutan Friendship Treaty was signed on 8 February 2007 between Pranab Mukherjee, then India’s Minister of External Affairs, and Jigme Khesar Namgyal Wangchuck, the then Crown Prince and now King of Bhutan.<sup>lxvi</sup> Article 2 of the India-Bhutan Treaty of 1949 is reformulated in the updated treaty to the satisfaction of Bhutan. Article 2 of the India-Bhutan Friendship Treaty 2007 reads as follows:

*In keeping with the abiding ties of close friendship and cooperation between Bhutan and India, the Government of the Kingdom of Bhutan and the Government of the Republic of India shall cooperate closely with each other on issues relating to their national interests. Neither Government shall allow the use of its territory for activities harmful to the national security and interest of the other.*<sup>lxvii</sup>

The revised or updated Article 2 of the India-Bhutan Friendship Treaty 2007 gives enough space for Bhutan to conduct her foreign relations independent of India's advice. Now, technically, Bhutan does not need to seek the permission of India to establish direct diplomatic relations with China.

In the new political context, how the Chinese overtures towards Bhutan in all respects will be received is an important question. Under absolute monarchy, Bhutan steadfastly remained with India on almost all international and regional developments. The monarchy always resisted the tempting offers made by China since late 1950s which even included the offer of financial assistance.<sup>lxviii</sup> The inherent problems of the political transformation of Bhutan from an absolute monarchy into a constitutional monarchy<sup>lxix</sup> might lead to factional fights within the political elite of Bhutan and that would give China a chance to intrude in Bhutanese politics in the near future. This anticipated scenario will result in more instability in the Himalayan politics.

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#### **End Notes**

- <sup>i</sup> Bhutan is described as *Druk-yul* (land of the thunder dragon) in *Dzongkha*, the national language of Bhutan.
- <sup>ii</sup> This figure is based on the information provided by the Royal Government of Bhutan (RGOB) in its official Website, see URL: <http://www.bhutan.gov.bt/government/aboutbhutan.php> (accessed on 21 September 2011).
- <sup>iii</sup> According to the RGOB sources the population of Bhutan in 2008-2009 is 683,407, see URL: <http://www.bhutan.gov.bt/government/aboutbhutan.php> (accessed on 21 September 2011). The CIA World Fact Book gives a figure of 708,427 as the estimated population of Bhutan in July 2011, see URL: <https://www.cia.gov/library/publications/the-world-factbook/geos/bt.html> (accessed on 21 September 2011).
- <sup>iv</sup> See CIA World Fact Book, URL: <https://www.cia.gov/library/publications/the-world-factbook/geos/bt.html> (accessed on 21 September 2011).

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- <sup>v</sup> Michael Aris, *Bhutan: The Early History of a Himalayan Kingdom* (New Delhi: Vikas, 1980), pp.58-59.
- <sup>vi</sup> Mathew Joseph C., *Ethnic Conflict in Bhutan* (New Delhi: Nirala Publications, 1999), p.23.
- <sup>vii</sup> Leo E. Rose, *The Politics of Bhutan* (Ithaca: Cornell University Press, 1977), p.25.
- <sup>viii</sup> Bikrama Jit Hasrat, *History of Bhutan: Land of the Peaceful Dragon* (Thimphu: Education Department, Royal Government of Bhutan, 1980), p.156.
- <sup>ix</sup> Karma Ura, "Perceptions of Security", *Journal of Bhutan Studies* (Thimphu), vol.5, winter 2001, p.119, URL: <http://www.bhutanstudies.org.bt/pubFiles/v5-9.pdf> (accessed on 12 September 2011). According Ura, Bhutan was attacked by Tibetans and Mongols in the following years: 1618, 1634, 1639, 1644-46, 1649, 1656-57, 1675-79, 1730 and 1732.
- <sup>x</sup> Bhutan lost Assam Duars to the British in 1841. As a result of the Anglo-Bhutan war in 1864-65 Bhutan lost Bengal Duars too. The Sinchula Treaty of 1865, signed between the British and the Bhutanese almost fixed the boundaries of Bhutan as it is existing today.
- <sup>xi</sup> Dawa Norbu, "The Europeanization of Sino-Tibetan Relations, 1775-1907: The Genesis of Chinese 'Suzerainty' and Tibetan 'Autonomy'", *The Tibet Journal* (Dharamsala), vol.15, no.4, Winter 1990, p.62.
- <sup>xii</sup> The Treaty of Sugauli (1816) signed between Nepal and the British, the Treaty of Titalia (1817) signed between Sikkim and the British and the three treaties signed between Bhutan and the British (Treaty of 1774, the Sinchula Treaty in 1865 and the Treaty of Punakha in 1910) bear testimony to this.
- <sup>xiii</sup> Ura, "Perceptions of Security", p.124. Also see Amar Kaur Jasbir Singh, *Himalayan Triangle: A Historical Survey of British India's Relations with Tibet, Sikkim and Bhutan 1765-1950* (London: The British Library, 1988).
- <sup>xiv</sup> Tashi Choden, "Indo-Bhutan Relations: Recent Trends", *Journal of Bhutan Studies* (Thimphu), vol.11, Winter 2004, p.114, URL: <http://www.bhutanstudies.org.bt/pubFiles/v11-6.pdf> (accessed on 12 September 2011).
- <sup>xv</sup> For the text of the Treaty of Punakha, 1910 see Parmanand, *The Politics of Bhutan: Retrospect and Prospect* (Delhi: Pragati Publications, 1992), pp.218-219.
- <sup>xvi</sup> Rajesh S. Kharat, *Foreign Policy of Bhutan* (New Delhi: Manak Publications Pvt. Ltd, 2005), p.57.
- <sup>xvii</sup> For the text of the Treaty of Perpetual Peace and Friendship between the Government of India and the Government of Bhutan 1949, Ministry of External Affairs (MEA), Government of India, URL: <http://www.mea.gov.in/mystart.php?id=53051776> (accessed on 29 September 2011). Also see Parmanand, *The Politics of Bhutan: Retrospect and Prospect*, pp.222-224.
- <sup>xviii</sup> Ibid.
- <sup>xix</sup> Surjit Mansingh, "China-Bhutan Relations", *China Report* (New Delhi), vol.30, no.2, 1994, p.177.
- <sup>xx</sup> The magazine *China Pictorial* published a controversial map in 1958 that showed territories of both India and Bhutan as being within Tibet. See Parmanand, *The Politics of Bhutan: Retrospect and Prospect*, p.165. Also see Thierry Mathou, "Bhutan-China Relations: Towards a New Step in Himalayan Politics", Karma Ura and Sonam Kinga (eds.), *The Spider and the Piglet* (Proceedings of the First International Seminar on Bhutan Studies) (Thimphu: The Centre for Bhutan Studies, 2004), p.394, URL: <http://www.bhutanstudies.org.bt/pubFiles/19-Spdr&Pglt.pdf> (accessed on 29 September 2011).

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- <sup>xxi</sup> S. D. Muni, "Bhutan Steps Out", *The World Today* (London), vol.40, no.12, December 1984, p.516.
- <sup>xxii</sup> Cited in A. Appadurai and M.S. Rajan, *India's Foreign Policy and Relations* (New Delhi: South Asian Publishers, 1988), p.173.
- <sup>xxiii</sup> Muni, "Bhutan Steps Out", p.515.
- <sup>xxiv</sup> Karma Galay, "International Politics of Bhutan", *Journal of Bhutan Studies* (Thimphu), vol.10, Summer 2004, p.98, URL: <http://www.bhutanstudies.org.bt/pubFiles/v10-8.pdf> (accessed on 12 September 2011).
- <sup>xxv</sup> Leo E. Rose, "Bhutan's External Relations", *Pacific Affairs* (Vancouver), vol.47, no.2, Summer 1974, p.195.
- <sup>xxvi</sup> Thierry Mathou, "Tibet and its Neighbors: Moving toward a New Chinese Strategy in the Himalayan Region", *Asian Survey* (Berkeley), vol.45, no.4, July-August 2005, p.515.
- <sup>xxvii</sup> Bhuchung K. Tsering, "Nationalities Problem in Bhutan", *The Tibet Journal* (Dharamsala), vol.15, no.3, Autumn 1990, p.76.
- <sup>xxviii</sup> Mansingh, "China-Bhutan Relations", p.178.
- <sup>xxix</sup> Kharat, *Foreign Policy of Bhutan*, p.65.
- <sup>xxx</sup> Rose, "Bhutan's External Relations", p.196.
- <sup>xxxi</sup> Pranav Kumar, "Sino-Bhutanese Relations: Under the Shadow of India-Bhutan Relations", *China Report* (New Delhi), vol.46, no.3, 2010, p.246.
- <sup>xxxii</sup> Mathew Joseph C., "India-Bhutan Relations: An Overview", *Indian Foreign Affairs Journal* (New Delhi), vol.2, no.1, January-March 2007, p.94.
- <sup>xxxiii</sup> Ibid.
- <sup>xxxiv</sup> Mathou, "Bhutan-China Relations: Towards a New Step in Himalayan Politics", p.392.
- <sup>xxxv</sup> Dorji Penjore, "Security of Bhutan: Walking between the Giants", *Journal of Bhutan Studies* (Thimphu), vol.10, Summer 2004, pp.114-115, URL: <http://www.bhutanstudies.org.bt/pubFiles/v10-9.pdf> (accessed on 12 September 2011).
- <sup>xxxvi</sup> Ibid, p.115.
- <sup>xxxvii</sup> Muni, "Bhutan Steps Out", p.515.
- <sup>xxxviii</sup> Kuei-hsiang Hsu, "A Preliminary Study of the Triangular Relationship between Bhutan, China, and India", p.4, URL: <http://www.mtac.gov.tw/mtacbooke/upload/09403/0102/21.pdf> (accessed on 29 September 2011).
- <sup>xxxix</sup> Muni, "Bhutan Steps Out", p.517.
- <sup>xl</sup> Rose, "Bhutan's External Relations", p.198.
- <sup>xli</sup> Mathew Joseph C., "Political Transition in Bhutan", *Economic and Political Weekly* (Mumbai), vol.41, no.14, 8-14 April 2006, p.1312.
- <sup>xlii</sup> Mansingh, "China-Bhutan Relations", p.176.
- <sup>xliii</sup> Choden, "Indo-Bhutan Relations: Recent Trends", p.115.

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- <sup>xliv</sup> Mathou, “Bhutan-China Relations: Towards a New Step in Himalayan Politics”, p.388.
- <sup>xl</sup> Penjore, “Security of Bhutan: Walking between the Giants”, pp.116-117.
- <sup>xlvi</sup> Ibid, p.117.
- <sup>xlvi</sup> Muni, “Bhutan Steps Out”, p.515.
- <sup>xlvi</sup> See “China, Bhutan hold 19<sup>th</sup> border talks”, *People’s Daily Online*, 13 January 2010, URL: <http://english.peopledaily.com.cn/90001/90776/90883/6866946.html> (accessed on 9 October 2011).
- <sup>xl</sup> Medha Bisht, “Sino- Bhutan Boundary Negotiations: Complexities of the ‘Package Deal’”, IDSA Comment, 19 January 2010, URL: [http://www.idsa.in/idsacomments/Sino-BhutanBoundaryNegotiations\\_mbisht\\_190110](http://www.idsa.in/idsacomments/Sino-BhutanBoundaryNegotiations_mbisht_190110) (accessed on 9 October 2011).
- <sup>l</sup> Ibid.
- <sup>li</sup> Penjore, “Security of Bhutan: Walking between the Giants”, p.117.
- <sup>lii</sup> Hsu, “A Preliminary Study of the Triangular Relationship between Bhutan, China, and India”, p.5.
- <sup>lii</sup> Penjore, “Security of Bhutan: Walking between the Giants”, p.117.
- <sup>liv</sup> Ibid.
- <sup>lv</sup> Mathou, “Bhutan-China Relations: Towards a New Step in Himalayan Politics”, p.400.
- <sup>lvi</sup> For the full text of the Agreement see Ibid, pp.410-411.
- <sup>lvii</sup> Ibid.
- <sup>lviii</sup> For details see S. Chandrashekharan, “Bhutan’s Northern Border: China’s Bullying and Teasing Tactics”, Update No.82, Note no.564, 14 January 2010, South Asia Analysis Group, URL: <http://www.southasiaanalysis.org/%5Cnotes6%5Cnote564.html> (accessed on 2 September 2011). Also see Kumar, “Sino-Bhutanese Relations: Under the Shadow of India-Bhutan Relations”, p.247.
- <sup>lix</sup> Kumar, “Sino-Bhutanese Relations: Under the Shadow of India-Bhutan Relations”, p.248.
- <sup>lx</sup> Chandrashekharan, “Bhutan’s Northern Border: China’s Bullying and Teasing Tactics”.
- <sup>lxi</sup> For details of this process see Mathew Joseph C., “Bhutan: The Making of a Constitutional Monarchy”, *Indian Journal of Politics and International Relations* (Kottayam), vol.1, no.1, January-June 2008.
- <sup>lxii</sup> Hsu, “A Preliminary Study of the Triangular Relationship between Bhutan, China, and India”, p.7.
- <sup>lxiii</sup> See the writings of people like the present Prime Minister of Bhutan Jigmi Y. Thinley in the context of the ethnic conflict in Bhutan in this regard. For example Jigmi Y. Thinley, “Bhutan: A Kingdom Besieged” in Ministry of Foreign Affairs, Government of Bhutan, *Bhutan: A Traditional Order and Forces of Change, Three Views from Bhutan* (Thimphu: Ministry of Foreign Affairs, 1993), pp.1-36.
- <sup>lxiv</sup> This journal and other publications of the Centre for Bhutan Studies are available at URL: <http://www.bhutanstudies.org.bt/>.
- <sup>lxv</sup> Writings of these authors are already mentioned in notes, see note nos. 9, 14, 24 and 35.



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<sup>lxvi</sup> Amit Baruah, "India, Bhutan update Friendship Treaty", *The Hindu* (Internet Edition), 9 February 2007, URL: <http://www.hindu.com/2007/02/09/stories/2007020920581400.htm> (accessed on 3 October 2011).

<sup>lxvii</sup> For the text of the updated India-Bhutan Friendship Treaty see URL: <http://www.satp.org/satporgtp/countries/india/document/papers/indiabhutan.htm> (accessed on 3 October 2011).

<sup>lxviii</sup> Cited in Hsu, "A Preliminary Study of the Triangular Relationship between Bhutan, China, and India", p.7.

<sup>lxix</sup> Mathew Joseph C., "Bhutan: 'Democracy' from Above", *Economic and Political Weekly* (Mumbai), vol.43, no.19, 10-16 May 2008, pp.29-31.

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