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The Kingdom of Bhutan: Evolution of the Modern State¹

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The Kingdom of Bhutan, one of the most elusive and inadequately studied states in South Asia, has seen a remarkable development since the introduction of hereditary monarchy in 1907. Each of the Wangchuck kings bearing the Raven Crown has left his distinctive mark on the country's polity and pursued the socio-cultural, economic and political development of Bhutan with a cautious mix of innovation and idealism. On the occasion of Bhutan's 110th National Day, this paper seeks to illustrate the political developments under the reign of past monarchs as well as the paradigm-shifting transition to democracy, before turning towards democracy's consolidation under the rule of Bhutan's current king, Jigme Khesar Namgyel Wangchuck. The paper concludes with a brief discussion of current challenges for the kingdom's future development.

¹ The Institute of South Asian Studies (ISAS), an autonomous research institute at the National University of Singapore, is dedicated to research on contemporary South Asia. It seeks to promote understanding of this vital region of the world, and to communicate knowledge and insights about it to policy makers, the business community, academia and civil society, in Singapore and beyond. As part of this ongoing process, ISAS has launched a series of commemorative essays on each of the eight South Asian countries to coincide with their respective national days. The objective is to present a snapshot of the successes and challenges of the countries in South Asia, a sub-optimally integrated region with a globalising aspiration. This fifth essay focuses on Bhutan which celebrates its Independence Day on 17 December 2017.

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The Emergence of Monarchy from Buddhist Theocracy

The story of a distinct and sovereign Bhutanese nation begins in the 17th century with the arrival of Shabdrung Ngawang Namgyal, a Buddhist monk from Tibet. Due to internal rivalries and a challenger to his position as the fifth incarnation of the Gyalwang Drukpa, he was forced into exile in 1616 and went south. He began to gather the support of the region's Drukpa monasteries and subdued those who would not follow him voluntarily. He "relentlessly [pursued] a policy of geographical unification" (Choudhuri 1993: 67) and ultimately succeeded in bringing the diverse monasteries, their clergy and the influential families and clans under his control. Once the fighting for control and spiritual supremacy stopped, Shabdrung Namgyal created a dual system of governance, composed of a religious and a civil branch. He understood that "for the functioning of a state, political administration ought to be distinguished from religious activities. And unless the function of the religious and administrative functionaries were well defined, overlapping jurisdictions might generate almost self-defeating strife and recriminations" (Choudhuri 1993: 68). The religious branch of the system was headed by the Je Khenpo (Lord Abbot). He had authority over the Buddhist monasteries, enforced strict adherence to priestly vows, directed monastic studies and presided over important religious ceremonies. The civil branch of the administration was headed by the Druk Desi (also referred to as Deb Raja). A Privy Council, made up of regional leaders and the Shabdrung's confidants, elected the Druk Desi every three years and he was assisted by a Council of Ministers (Chinlah). Administration and revenue generation were enhanced by limited decentralisation. The country was divided into provinces³ and districts. The provincial governors, known as Penlops, became more and more powerful over time.

Besides creating the administrative superstructure of the new state, Ngawang Namgyal also introduced and formalised his "rules of the game". The laws that he promulgated and codified were concerned with many aspects of life and guided by theological principles as well as practical considerations, formalising the interconnectedness of Buddhist spirituality and the common necessities required for organising and ruling a state.

³ Note that the number of provinces mentioned by authors differs between three and five, depending on the source.

The administrative system that Namgyal introduced in Bhutan worked well during his time. However, its critical shortcoming manifested itself from 1651 onwards when Ngawang Namgyal died. The power vacuum left by his death as well as the complex mechanisms of succession based on different reincarnations, produced growing tensions and struggles for power within the religious and temporal elites of Bhutan. Eventually, this led to “constant civil war, plots, and counterplots, and no less than 54 Druk Desis held office between 1651 and 1907” (Wangchuk 2004: 838). Of the 54 Druk Desis that headed the temporal branch of government, 35 were faced with revolts and eight were assassinated. The situation deteriorated considerably in the 19th century when there were revolts against 24 of the 31 Druk Desis who reigned during those 100 years – four of them were assassinated (Choudhuri 1993: 75-80). The instability during the 19th century was further fuelled by growing contacts and conflicts with the British colonial power.⁴

In 1864-65, Bhutan fought a short but fierce war against the British over the so-called southern duars, the fertile plains at the southern foothills of the Himalayas. Although Bhutan lost the military conflict and had to surrender parts of its territory in Sikkim, Assam and Bengal, it was able to maintain its sovereignty vis-à-vis the British. On 11 November 1865, a treaty between Bhutan and the British, signed at Sinchhula, ended the conflict over the duars and Bhutan had to cede considerable parts of its territory to British India for which it was compensated by an annual sum of 50,000 rupees (S\$1,047 at current rate). After 1865, there was next to no contact between the British and the government of Bhutan for several decades. The internal conflicts, revolts, and civil wars continued and were even fuelled by disputes over how to handle the British. During this struggle for power, resources, and control, Ugyen Wangchuck, the Tongsa Penlop whose father had commanded the Bhutanese army against the British in 1864-65, emerged as the new national “strongman”. He realised it was necessary to cooperate with British India if Bhutan was to maintain its independence because a growing Chinese assertiveness in the Himalayas and the British policy to consolidate India’s northern borders began to significantly threaten Bhutan’s sovereignty.

⁴ The British colonial officer Jean Claude White gives a detailed account of relations between the British and Bhutan. He also reiterates the former missions of Bogle (1774), Hamilton (1775 and 1777), Turner (1783), Pemberton (1838), and Eden (1864) to Bhutan, a compelling account that cannot be elaborated on here. Cf. chapters XX and XXI in White 1909: 237-85.

Realising that “the dual political system was obsolete and ineffective” (Savanda, Harris, Library of Congress 1993: 261) and that “all possibility of smooth continuation of the Drukpa theocracy had been exhausted” (Sinha 2001: 102), Ugyen Wangchuck aligned himself with the British following the death of the last Shabdrung in 1903. He accompanied the British mission of Younghusband to Tibet and mediated a compromise between the government in Lhasa and British India. For his services, he was awarded the title of Knight Commander of the Indian Empire. The man sent to Bhutan to honour Sir Ugyen and present him with the title was Jean Claude White, the political officer of the British Indian government in the state of Sikkim. White had become very fond of Bhutan and was fascinated by the country and its people, perhaps even admiring it. The two men became friends (White 1909: viii) and it was through this relationship that the Tongsa Penlop was able to secure the support of British India to establish a hereditary monarchy in the sovereign nation of Bhutan.

Finally, in 1907, Ugyen Wangchuck was unanimously elected to be the first king of Bhutan by an assembly of the religious and political elites.

The Consolidation of Monarchy and Ensuring Sovereignty

With Ugyen Wangchuck coming to power as the first Druk Gyalpo, or Dragon King, the dual system of administration came to an end and authority was centralised. The position of Shabdrung was abolished, with its ritual functions passing to the Je Khenpo and its political functions assigned to the king. Even though the position of the Je Khenpo remained, it lost most of its influence regarding matters of the state. Also, the position of the Druk Desi was abolished and its administrative and secular functions were given to the Dragon King (Sinha 2001: 76). The first king also initiated a very cautious process of gradual modernisation by introducing two western-style schools, and encouraging commerce and trade with India. Relations with the British improved considerably and the king even attended the Delhi Durbar in 1911. The treaty of Phunakha, signed in 1910, granted political independence to the Kingdom of Bhutan. The British would not interfere in Bhutan’s domestic affairs and administration, while Bhutan would consult the British on matters of external relations. Additionally, the annual sum that Bhutan received in compensation for the loss of the southern duars was doubled, providing for more resources to spend on development.

In 1926, King Ugyen Wangchuck died and his son, Jigme Wangchuck, ascended to the throne and became the second Druk Gyalpo. Initial fears that his succession to the throne might be challenged from within the royal family did not materialise, and the king continued the cautious modernisation policy of his father, and further centralised administration and authority. He also began to reform the tax system in order to reduce the burden for the peasantry. However, no major changes took place in the feudal structure of Bhutan's economy. The country remained largely isolated from the rest of the world. Thus, it was able to maintain its distinct and self-chosen path of development and cultural identity.

With the independence of India, the status of Bhutan, once again, called into question. The British had deliberately chosen to keep Bhutan's status ambiguous. While it was not formally part of British India, Bhutan was informally treated as a princely state. Even though the Government of India Act, introduced in 1935, had no jurisdiction over Bhutan, it took two years of negotiations after India's independence for India to recognise Bhutan's independence. The Treaty of Friendship between the Government of India and the Government of Bhutan was signed in 1949. India inherited the British prerogative over Bhutan's foreign policy, while it granted the kingdom independence and sovereignty on all internal matters.

The momentous changes that took place within and beyond the region following World War Two must have had a profound impact on the Bhutan king and the crown prince. Suddenly, the British, with whom Bhutan enjoyed limited but good relations and who had been somehow protective of Bhutan, were gone. To the south, a newly independent India took shape with all the horrors of the Partition. To the north, the newly-founded People's Republic of China quasi-annexed Tibet with the consent of India. Soon after Jigme Dorji Wangchuck ascended to the throne after his father's death in 1952, the new king must have realised that,, given the enormous changes and the growing instability in the region, Bhutan's survival as an independent state was once again at stake (Sinha 2001: 79). This led him to initiate reforms that were unprecedented in the 45 years of the Bhutanese monarchy.

Development and Modernisation of Monarchy

While the first two kings of Bhutan concentrated primarily on securing the power and legitimacy of the monarchy and started careful modernisation and development, sustaining at the same time the traditional foundations of society, it was the third Druk Gyalpo who “initiated key processes of democratic institutionalisation” (Wangchuk 2004: 838). Under his rule from 1952 to 1972, the system of government changed considerably. Jigme Dorji Wangchuck was “dedicated to reform and restructure [...] the existing political and economic system to allow the kingdom to adapt to new challenges from a rapidly changing world” (Mathou 1999: 614). Once again, like his grandfather, Jigme Dorji Wangchuck was not alone in his vision for Bhutan and was supported by a unique and important friendship. He visited then-Indian Prime Minister, Jawaharlal Nehru, in 1953 and again in 1956. In 1958, Nehru made a historic visit to Bhutan with his daughter, Indira, travelling on horseback for many days before he reached the new capital of Thimphu. The king “looked upon Nehru as more than a mentor” (Rahul 1997: 28), the “personal equation between them was unique” (Ibid.), and it was through this bond that the third Druk Gyalpo gained the necessary support (and probably also the courage) to embark on this important path of modernisation.

The pace of reforms under the third Dragon King accelerated considerably. In the economic sphere, he very soon abolished slavery and serfdom in 1956, and initiated extensive land reforms aimed at granting the newly-freed slaves their own land with which to make a living. He also abolished the payment of taxes in kind in 1954 and generally brought tax-paying into line. From the 1960s onwards, modernisation and development were further formalised in five-year-plans, an idea that certainly emanated from the good relationship between the king and Nehru. The first plans were almost completely financed by India. They focused primarily on the improvement of infrastructure, for example, building a network of major roads from north to south and east to west that were accessible throughout the year. These roads were also thought to link Bhutan closer to India in order to promote and enhance trade between the two countries, especially after Bhutan closed its borders with Tibet and withdrew its representatives from Lhasa following the events in 1959 and 1962. Also, Bhutan gradually moved away from international isolation beginning with its accession to the Colombo Plan in 1963 and became a member of the United Nations in 1971. Membership in international organisations was always encouraged and sponsored by India.

Political modernisation under the third king started with the beginning of his reign and even before social or economic development took hold in the country. In order to differentiate the political system, he first separated the judiciary and legislature from the executive. The High Court was created, but the king remained the highest appellate authority and nominated judges to the court. In 1953 the National Assembly (Tshogdu) was created. It consisted of 110 delegates and was enlarged to 150 delegates in 1960. One distinct feature of this first parliament was its tripartite design. As the Bhutanese tradition of consensus had to be translated into the changing political system, the three main sources of legitimacy of the political system, that is, the clergy (though not engaged in Bhutanese politics since the introduction of monarchy, but still an influential part of traditional Bhutanese society and culture), the bureaucracy (being both “the instrument of the monarchy in the development process and the incubator of the modern elite”) (Mathou 2000: 242), and the people were represented in the National Assembly. The king nominated 35 representatives from the bureaucracy – 10 members were chosen by the monastic bodies and 105 representatives were elected on the basis of consensus by the village heads and adult representatives of each household. While this mode of selection does not qualify as an election in the western sense, as suffrage was highly restricted and far from universal, it resembled strikingly well the overall principle guiding modernisation and development.

Change was initiated gradually in order to give the Bhutanese people the opportunity to adapt to the changes and to preserve the cultural and traditional foundations of society. The competencies of the legislative branch of government were constantly expanded while the consensual basis of politics was ensured by the requirement of a two-thirds majority to make decisions. However, the king had a veto on all acts and decisions made by the assembly until 1968, when he voluntarily relinquished this right. One of the first tasks for the newly-established National Assembly was to deliberate the draft of a new set of laws called Thrimshung Chonmo (Supreme Laws), which combined the pragmatism needed in governing a modern state with the traditional foundations as laid out in the first Shabdrung’s laws and regulations. This progressive body became the primary source in the process of codifying all other laws, technically moving the society and system away from adjudicating justice by precedence and custom towards a rule of law (Ibid.). The judiciary was reformed as well. What is even more astonishing is the introduction of a triennial vote of confidence in the king, an element absolutely unique to quasi-absolute monarchies. The differentiation and

empowerment of the executive led to the creation of the Royal Advisory Council (Lodoi Tshogde)⁵ in 1965, which had an advisory function to the king. Finally, in 1968, the Council of Ministers as a consultative body to the king was introduced.

While the king believed in the necessity of these bold reforms, especially when relations between India and China deteriorated and led to war in 1962, parts of the traditional elite perceived these developments as too fast and too far-reaching. The figurehead they identified to be the king's main ally in the modernisation process was the Prime Minister of the Royal Government, a position created in 1958 in order to have someone receive the Indian Prime Minister on an equal footing. Jigme Palden Dorji, brother-in-law to the king, was one of the most visible persons responsible for the reforms. "The old guard, therefore, decided to act by assassinating the man most closely identified with the new order" (Rahul 1997: 26). Rumours persist that this event was, in fact, part of a larger struggle between "the conservative traditionalist members of the royal court and the modernist and pro-Indian Dorji family" (Phuntsho 2013: 577). The chief of army was implicated in the assassination and publicly executed after a short and swift trial. Supporting the rumour of a rift between the royal family and the Dorjis is the fact that members of the latter left Bhutan for self-imposed exile. Finally, the political crisis culminated in an attempt on the king's life in Paro in 1965. A grenade was thrown at and narrowly missed the king, but the culprits behind the plot to assassinate the king were never arrested.

Setting the Stage for the Transition to Democracy

The process of ongoing development and modernisation in the economic and political sphere continued without interruption under the fourth king of Bhutan, Jigme Singye Wangchuck, who ascended to the throne in 1972 when he was only 17 years old, after the sudden and early death of his father, the third Druk Gyalpo. In order to assert his power, the king reintroduced his veto rights in the National Assembly and abolished the vote of confidence. In the succeeding years, the main pillars of his policy were the creation of a concept of national ideology to foster the nation's identity, a process of decentralisation and finally the

⁵ Like the National Assembly (NA), the Royal Advisory Council was a tripartite institution. Consisting of eight members, five being elected by the NA, two by the monastic bodies, and one nominated by the king, it was clearly design to ensure the tradition of consensus in the new polity.

devolution of his own powers to lead and guide the country on its last steps towards democratisation.

The vertical differentiation of Bhutan's polity is one of the major achievements of the fourth Dragon King and can be seen as the first (and second) step in carefully opening up the political system and eventually introducing democracy. Beginning in 1981, decentralisation in two stages provided for a better administrative capability and for more and genuine possibilities of participation for the people in the process of policy formulation. Also, it further strengthened modernisation and development of the largely rural areas outside the capital of Thimphu and the other few urban areas. In 1981, Bhutan was divided into 20 districts (Dzongkags) and District Development Committees were set up in each of them, devolving administrative responsibility from the central government to the local level. In 1991, further decentralisation was implemented by subdividing the districts into blocks (Gewogs) and again a Block Development Committee was set up for each of the 201 blocks. Through the process of decentralisation, the coordination of development was significantly improved as the Block and District Development Committees were provided with a substantial autonomy in distributing financial resources to modernisation projects (Mathou 2000: 244). The committees played a key role in the formulation of the five-year plans, as these were no longer drawn up by the central government, but put together from the individual assessments of the districts and blocks. Besides ensuring a better coordinated and more efficient modernisation, decentralisation also enabled the population to participate in the decision-making process.

At the same time, the late 1980s and early 1990s saw the escalation of an ethnic conflict⁶ between people of Nepali origin, who were predominantly Hindu immigrants in southern Bhutan, and the Buddhist majority in the country. The extent to which this conflict had a direct impact on the monarchy's decision to implement reforms, or was encouraged and enabled by them, is difficult to determine. The conflict can be seen to have originated with the Bhutanese government's realisation that large numbers of Nepali immigrants had poured

⁶ It is not the purpose of this paper to go into the highly controversial details of the conflict, nor does it aim to assign responsibility to any of the two sides, or to pass judgment with regard to the legal status of the Nepalese minority. All this has been done extensively by other authors. See for example: Dhakal, D N S and Christopher Strawn (1994), *Bhutan: A Movement in Exile* (Jaipur: Nirala Publications); Hutt, Michael J. (ed.), *Bhutan: Perspectives on Conflict and Dissent* (Gartmore, Stirlingshire: Kiscadale, 1994); Joseph, Mathew C (1999), *Ethnic Conflict in Bhutan* (New Delhi: Nirala Publications).

into Bhutan in the preceding decades⁷ and the measures implemented to tackle this issue. The developments in neighbouring Sikkim and the Indian State of West Bengal⁸ additionally served as a reminder of how fragile Bhutan's sovereignty and national unity were. The Nationality Law of Bhutan was substantially tightened, and an assertive "one people, one nation" policy was introduced, together with a traditional code of conduct and etiquette called *Driglam Namzha*. Finally, in 1988, a census was conducted to identify illegal immigrants and evict them from Bhutan. The result was that large numbers of Nepalese were found to be residing unlawfully in the country. This outcome sparked the violent conflict that led to the flight and eviction of approximately 100,000 people from Bhutan between 1989 and 1992 (Singh 2010: 87ff.). The refugees went to Nepal, where the Nepalese government and the United Nations High Commissioner for Refugees (UNHCR) set up camps for them. Several attempts to clarify their status and to enable their repatriation to Bhutan in the 1990s and early 2000s failed, resulting in a third-country resettling programme by the UNHCR. Between 2006 and 2016, more than 100,000 refugees were resettled mainly in the United States, Canada and Australia. While a political solution to the refugee crisis would certainly have been preferable, the resettlement programme successfully solved the humanitarian problem, while, at the same time, eliminating one of the main reasons for contempt by those doubting the sincerity and inclusiveness of Bhutan's transition to democracy in the first decade of the 21st century.

Only a few years after the conflict surrounding the Nepalese immigrants escalated and reached its climax, momentous changes in the political landscape of Bhutan took place. On 10 July 1998, King Jigme Singye Wangchuck devolved his executive powers, stepping down as head of government and reintroduced the principle of his own responsibility vis-à-vis

⁷ It is safe to say that most of the immigrants were economic refugees attracted by free education, free health care, highly subsidised agricultural inputs, and generous rural credit schemes. Cf Joseph, Mathew C (2004), 'National Identity in a Multi-Ethnic Context: The Experience of Bhutan', in B C Upreti (ed.), *Bhutan, Dilemma of Change in a Himalayan Kingdom* (New Delhi: Kalinga Publications), 74; and Kharat, Rajesh S. (2004), 'Stateless World of Bhutanese Refugees', in B C Upreti (ed.), *Bhutan, Dilemma of Change in a Himalayan Kingdom* (New Delhi: Kalinga Publications), 80, and Thinley, Jigme Y (1994), 'Bhutan: A Kingdom Besieged', in Michael J Hutt (ed.), *Bhutan: Perspectives on Conflict and Dissent* (Gartmore, Stirlingshire: Kiscadale), 9.

⁸ After decades of Nepalese immigration into Sikkim, the native population found itself in the minority and when tensions erupted its centuries-old Buddhist monarchy was doomed. In 1975, on the request of the Sikkimese Prime Minister to change the country's status regarding India, the Indian army moved into the capital of Gangtok. Shortly thereafter Sikkim became the 22nd state of the Indian Union. Meanwhile in West Bengal an assertive and violent Gorkhaland movement demanded its own state for the Nepalese population. These upheavals were primarily initiated by sections of the immigrant Nepalese population together with an emerging fear of a "Greater Nepal" (Cf. Evans 2010: 30; Joseph 2004: 71; Sinha 2001: 222f.).

parliament, which he had abolished back in 1972. The Council of Ministers had to step down, as new regulations foresaw the direct election of ministers by the representatives of the National Assembly. Additionally, the triennial vote of confidence in the king was reintroduced in order to legitimise the king's rule – the National Assembly could initiate a vote of no-confidence in the king at any time by a one-third majority, upon which he would have had to step down in favour of the crown prince or the next in the line of succession.

The reforms that followed the royal move in 1998 were aimed at bringing the administration and bureaucracy in line with democratic norms, providing for liberalisation in the political and social sphere, and finally leading to the drafting of the first written constitution in Bhutanese history.

In March 2005, the first draft of the new constitution was officially presented, after three years of work. The king commanded the drafting of the country's first constitution in 2001 and, for this purpose, a group of experts was set up. The group consisted of the Chief Justice of Bhutan, senior civil servants of important government agencies, members of the National Assembly, the elected members of the Royal Advisory Council, lawyers, elected members from all the 20 districts of Bhutan and two eminent persons from the Central Monastic Body. Over three years, the commission examined and analysed dozens of constitutions from all over the world, as well as traditional sources of law from Bhutan and the region. This process was unique in several ways. First, apart from the fundamental laws enacted in 1959, no previous document of such significance existed so that the constitution, to a large extent, could be drawn up from scratch. Unlike many other countries where judicial legacies in the form of prior constitutions exist and have to be taken into consideration, for practical or other reasons, in the Bhutanese case the drafting committee had an enormous amount of freedom in designing the new constitution. A second important aspect was the fact that the drafting process was completely free from politico-strategic considerations and the usual bargaining among the political actors involved. As the constitution was drafted before a noteworthy politicisation of the population and the elites took place, the considerations of the commission could be limited to purely technical aspects within the broad framework that the king had set for the content and the shape of the constitution. Finally, the drafting of the constitution was not the result of public demands for reform. It did not have to consider balancing necessary structural-constitutional reform versus “national agitation” (Rothermund 1962: 21).

fter the first draft was finished and presented to the public, members of the royal family and the king extensively toured the country, explaining the constitution to the people and discussing their concerns. As a result, suggestions and concerns were taken into consideration during the final drafting. In December the same year, the king announced that the first democratic elections at the national level would be held in 2008 and that he would then abdicate in favour of his son, the crown prince, much to the surprise of his people. From that moment on, he was bound by his word and to history as well, as the world would judge him on his ability to abide by his plans. In 2006, the Electoral Commission of Bhutan was inaugurated and it started to prepare for the general elections in 2008 through voter education, the promotion of political awareness and organising the conduct of the elections. It also held two mock elections in order to give the population a chance to familiarise itself with the procedures and the electronic voting machines.

On 14 December 2006, King Jigme Singye Wangchuck, the fourth Druk Gyalpo, surprisingly announced his immediate abdication. “It was the first time in world history that a monarch, who was initially vested with absolute powers, voluntarily reduced the scope of these powers and eventually abdicated with no other reason than his own dedication to political reforms” (Mathou 2008). His son, Jigme Khesar Namgyel Wangchuck, who holds a Master of Arts degree in political science from Oxford University, took over the official functions, but postponed his coronation until after the elections and the passing of the new constitution.

In February 2007, a new friendship treaty between Bhutan and India was signed, replacing the treaty of 1949 in which India had inherited all privileges of the British vis-à-vis Bhutan. The major change in the new treaty was the omission of the erstwhile provision that Bhutan had to consult with India on the conduct of foreign policy, thus providing full sovereignty over its foreign relations. On the other hand, the treaty also reflected the volatile security situation, following Bhutanese military operations against the United Liberation Front of Assam and Bodo insurgents that had sought refuge in southern Bhutan as well as the smouldering border dispute between Bhutan and China. Article 2 of the treaty stipulates that both governments “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.”

In June 2007, the ban on political parties was lifted to allow for their formation in time for the upcoming elections. No parties on the basis of race, religion or ethnicity were allowed. Only three parties registered, of which one was rejected in keeping with the restrictions mentioned. In December 2007, the first democratic elections to the newly established upper chamber of parliament took place though on a non-partisan basis. The turnout was 53.14 per cent and in several districts elections had to be postponed as there were no candidates. However, initial fears that democracy might be rejected outright by many Bhutanese proved groundless. The National Assembly elections were finally held on 24 March 2008 and contested by two parties – the People’s Democratic Party (PDP) and the Druk Phuensum Tshogpa (DPT). With 79.4 per cent polling, the turnout was very high considering the majority-based electoral system. The DPT was the clear winner of the election, gaining a total of 45 of the 47 seats in the National Assembly. Despite the overwhelming DPT victory (which was in no small part due to the distorting effect of the electoral system), the election was considered to have been free and fair, and according to international standards.⁹

The last formal step on Bhutan’s path to establish a democratic system of government was the passing and signing of the country’s first written constitution on 18 July 2008. One year after the monarchy’s centennial anniversary, Bhutan had been transformed into a constitutional monarchy providing for democratic standards de jure and constantly pursuing these standards de facto. On 6 November 2008, Jigme Khesar Namgyel Wangchuck received the Raven Crown from the hands of his father and officially became the fifth Druk Gyalpo of Bhutan. One of the most important and formative periods in Bhutanese history had, thereby, come to an end and another one had just begun.

Consolidating Democracy

With Bhutan’s transition to democracy, the role of the monarchy has changed in many aspects. While the young king remains a symbol of national unity and is seen as the guardian of the nation and deeply revered by his subjects, his role in politics has shifted from an active participant and institutional creator towards an arbiter of political disputes, a watchful

⁹ For further details, refer to the final report of the European Union’s Election Observation Mission to Bhutan available at http://eeas.europa.eu/archives/eueom/pdf/missions/eu__eom_bhutan_2008_final_report.pdf. Accessed on 27 November 2017.

observer of developments and a protector of his father's legacy. For most of the time, he has refrained from actively engaging in the political process even though the constitutional framework and its concept of 'crown-in-parliament' still equips him with considerable powers. However, in order to exercise the power of the institution of monarchy within the new constitutional framework, a reinterpretation of the king's role and function was necessary with regard to the political process. King Jigme Khesar Namgyel Wangchuck carefully chose to stay above, and removed from, day-to-day politics, making an effort to keep his footprints in the legislative process as subtle as possible. Instead, he sought and still seeks to let the institution of monarchy act as an arbiter between conflicting parties, "effectively assert[ing] itself as a principal institution to conduct constitutional checks" (Bothe 2015: 1349). The unfamiliar political system and the new constitution give frequent room for interpretation and precedence, resulting in several instances of political conflict and deadlock. Bhutan was able to overcome these disputes and differing interpretations through sometimes nuanced and sometimes more direct interventions from the king. The limited way in which the king has exercised his powers appears to be befitting his role as caretaker of democracy (regardless of whether this role is merely attributed or indeed his intention, or both), while, at the same time, it consolidates the institution's role and power within and beyond the political sphere by reassuring a continuously sceptical population that democracy's sometimes "messy" side-effects can be attenuated by the monarch¹⁰. By frequently touring all parts of the country, including the southern districts where large parts of the population are still of Nepalese origin and following Hinduism, the king reinforces his role as caretaker and symbol of national unity.

On the international stage, the king has, for most part, deferred the conduct of foreign policy and relations to the Prime Minister and members of the cabinet. He travels rarely outside the country and then mostly to Bhutan's neighbouring countries. However, one exception to this is probably Bhutan's relationship with its most important neighbour, India. Grand state visits take place at least once a year, which underlines the central role that India-Bhutan relations play in almost all aspects of foreign and domestic politics. Especially in the vital fields of development, trade and security, the king acts as the nation's chief diplomat and tries to

¹⁰ See Corbett et al (2017) and Bothe (2015) for nuanced analyses of the role of the monarchy in the transition to democracy and the new political system.

ensure that relations remain more than cordial despite controversies that sprout in the political arena from time to time.

As elections are a key, if not the most important, element of democracy, the consolidation and progress of democracy heavily depend on the conduct and quality of the elections. This is even more so, since free and fair elections require far more than the simple task of voting. For elections to be meaningful, voters need to have a choice between true alternatives. Alternatives, in turn, need the freedom to speak openly, organise, and recruit in order to differentiate themselves from each other and to compete. Since the founding elections that ended the immediate transition period, a second national election took place in 2013 and two local government elections were conducted in 2011 and 2016.

Elections to the National Council were scheduled for April 2013 and, during the run-up to the non-partisan election, a controversy developed over the question of sitting council members having to resign before they could contest the upcoming elections. Since the National Council is constitutionally supposed to be a continuous house, the resignation of the members was seen as problematic but, at the same time, necessary to ensure a level-playing field for all candidates. The debate is one fitting example of the difficulties that arise with an entirely new (and untested) political system and the room for interpretation provided by a new constitution and election act. In 2013, the Election Commission prevailed in its reading of the laws and regulations and council members had to resign before running for office again. For the upcoming elections to the National Council in early 2018, the council members benefit from the institutional learning process that marked the aftermath of the 2013 elections. They do not have to resign their seat first anymore.

On 23 April 2013, a total of 67 candidates (including 14 members running for re-election and five women) contested elections for the 20 seats in the National Council (despite an overall increase of 19 candidates compared to the first election, there were still two districts with only a single candidate). Voter turnout, at 45.2 per cent, was lower than for the previous election. No women candidates were elected, and only six of the 14 former Council members were re-elected.

With National Assembly elections scheduled for mid-2013, three new political parties were officially registered by the Election Commission in January 2013 – the Bhutan Kuen-Nyam Party (BKP), Druk Chirwang Tshogpa (DCT) and Druk Nyamrup Tshogpa (DNT). Unlike the first democratic election to the National Assembly, the elections of 2013 were thus conducted in two rounds, as stipulated by the Constitution and the Election Act.¹¹ The field of contestants for the primary round of National Assembly elections was reduced to four parties after the BKP was disqualified from the election in May 2013 following a ruling by the Election Commission on the grounds that the BKP was unable to field candidates in two constituencies.¹²

The first round of elections was held on 31 May 2013. The voter turnout, at 55.27 per cent, was higher than during the National Council elections, but lower than during the first election in 2008. While it was the national votes cast for each party that determined which parties would move into the second, decisive round of elections, the constituency results were an interesting indicator on how the second round would play out. The ruling DPT gained a total of 44.5 per cent of the votes and at least a relative majority in 33 of the 47 constituencies. The opposition party, the PDP, won roughly the same vote share (32.5 per cent) as in 2008 but was able to take the majority in 12 constituencies. The newly formed DNT gained a respectable 17.1 per cent of the vote share and carried two constituencies, while the DCT came in last with only 5.9 per cent of the votes. However, while the DPT was quite confident of winning the second round of elections, analysis showed that a total of 30 constituencies had an opposition vote share (PDP, DNT and DCT combined) of more than 50 per cent, hinting at a desire for a change in government.

The second round of elections saw a substantial rise in voter turnout to 66.1 per cent. The DPT only made marginal gains in total votes and vote share, while the PDP nearly doubled

¹¹ Bhutan's electoral system, like so many other aspects of its polity, is quite unique in that it stipulates a two-round majority voting system. While this mode of election is common for the selection of the chief executive all over the world, that is, in presidential systems, there are only few cases in which a two-round system for assembly elections applies (most notably in France). Unlike in these few cases however, regulations in Bhutan provide for the second round of elections to be contested by the two strongest parties from the primary round. This system is geared towards ensuring not only a 50 per cent +x majority support for each winning candidate, but also that only two parties can enter the National Assembly in order to provide for a clear separation between the government and opposition and their respective responsibilities.

¹² A regulation that was circumvented by the other parties by simply putting forward names for all constituencies prior to the primary round, while simultaneously searching for real and suitable candidates up until the registration deadline for the second round of elections.

its total votes. The result, 45.1 per cent of votes and 15 seats for the DPT and 54.9 per cent and 32 seats for the PDP, was a resounding defeat for the government and a powerful mandate to govern for the erstwhile small opposition.

A democratic and peaceful turnover of power is said to be a key indicator of democratic consolidation and democratic commitment of the political opponents.¹³ Democracy in Bhutan passed this test, though not entirely with flying colours. On the one hand it is remarkable that an erstwhile marginal opposition won a clear victory in the elections. On the other hand, the DPT's reaction to their electoral defeat leaves at least some doubts whether all political actors have in fact internalised the "rules of the game".¹⁴

The local government elections of 2011 and 2016 are yet another example of the consolidating and maturing of Bhutanese democracy. Prior to the 2011 elections, issues concerning the constitutionality of sections within laws, the compatibility between different acts of law and the authority and competence of the constitutional bodies involved (that is, the government, parliament and the Election Commission), as well as controversies regarding the legislative process led to repeated postponements of the elections.¹⁵ However, such learning processes are an important part of democratic consolidation as they force the new and untested institutions and political actors to engage in a process of deliberation and interpretation. Though not without prior controversies (this time about the restructuring and delimitation of constituencies), the local government elections of 2016 were conducted much more smoothly and more efficiently. Despite a number of difficulties, both elections can be viewed as a huge success for democracy in Bhutan, which has now safely reached the local levels of governance. They are also a reassuring testimony of the professionalism and capacity of Bhutan's Election Commission, which will continue to play a vital role in the democratic progress of the nation. The commission has to be impartial; it must have the necessary authority to enforce all rules and regulations concerned with the electoral process; it must have the capacity and resources to ensure the proper conduct of free and fair elections,

¹³ Cf Schedler 2001: 73.

¹⁴ The DPT members elected threatened to boycott the parliament and not take on their role as opposition. Only when the king intervened by reminding and warning the DPT members to adhere to the rules of a democratic process was the crisis resolved. For more information and a detailed analysis of the elections, see Gallenkamp 2013.

¹⁵ Refer to Gallenkamp 2011 for details about the problems and their solutions that evolved around the holding of the 2011 elections.

while at the same time making crucial decisions (for example, the registration of new parties) throughout all stages of the electoral process.

Gross National Happiness as the Motor of Development

Democracy in Bhutan has come in unprecedented ways. As in prior decades, the evolution of a modern state has followed its very own and unique rules in Bhutan, which, to no small part, is due to the country's farsighted and determined kings. While an overly romantic view of the politico-institutional developments effected by the Dragon Kings is not entirely appropriate, these developments should not be completely disregarded as selfish as well.

The political reforms and innovations, especially under the rule of the last and current king, have to be seen within the broader context of Bhutan's overarching development concept of Gross National Happiness (GNH).¹⁶ GNH is probably Bhutan's most famous idea, policy and concept. It is also meant to be an umbrella under which the people, rural and urban, politicians and bureaucrats, educated or not, young and old, come together to pursue the ideal of human well-being. The concept of GNH has "provided a coherent political basis to the regime" (Mathou 2008: 7) on which policy decisions can be based. It resembles a modern adaptation of Buddhist tradition, as it is "inspired by traditional principles of conciliation, pragmatism, and compassion" (Mathou 1999: 617). By and large, GNH is a cornerstone in the effort to create a coherent national identity. With its reference to environmental protection and good governance combined with the preservation of tradition and socio-economic development, GNH provides an interesting modernisation concept that can address the problems of changing societies in a globalised world far more adequately than prevailing concepts (Thinley 2001). For Bhutan, GNH is the formulation of the monarchy's commitment and efforts to gradually change the society, economy, and polity, without risking disruptive effects on the inner peace and stability of its people (Dessallien 2005: 46ff.). With the support of international scientists, the concept was further developed and defined in the 2000s and into its current form from a highly complex and effective indicator and alternative

¹⁶ GNH measures progress and shortcomings along four broad pillars (Good Governance, Sustainable Socio-economic Development, Preservation and Promotion of Culture, Environmental Conservation) in nine major domains (Living Standards, Education, Health, Environment, Community Vitality, Time-use, Psychological well-being, Good Governance, Cultural resilience and promotion).

concept to measure development. The ‘professionalisation’ of GNH has helped to elevate the concept from a purely idealistic symbol with which all developments can be justified towards a standard against which future developments and their impacts can be tested. As a holistic approach to development, it equates development with well-being and seeks to identify shortcomings in a broad range of issues that influence well-being. So far, three major surveys have been conducted (the most recent in 2015) and their findings directly influence government policies and direct the overall strategies of Bhutan’s five-year plans. The concept is also used as a policy screening tool whenever new legislation or regulations are passed, in order to determine their impact on the domains of GNH. With the democratic transition in 2008, GNH was also enshrined in Article 9(2) of the new constitution, which states that “the State shall strive to promote those conditions that will enable the pursuit of Gross National Happiness”. The progress (or lack thereof) of democratic consolidation should always be viewed through the prism of GNH, enabling observers to better understand (political) development in Bhutan.

Challenges Ahead

For Bhutan to continue successfully on its path towards democratic consolidation, it will need to address a number of challenges.

With regard to the electoral process and the proper functioning of democratic governance, the upcoming National Assembly elections in 2018 will be important. It would be helpful, if the losing parties in these elections accept the results and look at their own mistakes for their failure instead of accusing their political opponents of foul play or even considering ‘leaving’ the democratic process altogether. Such an approach would further help strengthen the still young parties in terms of professionalising their operations and in framing and wording their own agendas.

Additionally, the way in which patterns and modes of cooperation between the unsuccessful parties from the first round of elections with the contenders of the second round evolve will be important in terms of consolidating a meaningful multi-party system that could balance the two-party-condensation of the electoral system.

The recruitment of sufficient political personnel (not only in numbers but also in terms of gender equality) to run for office will also be a challenge. The number of women candidates who run for national and local offices is very low and their chances of being elected appear to be even slimmer. Likewise, the smaller parties struggle to recruit enough candidates for all of Bhutan's 47 constituencies, which is a precondition for actually contesting the primary round of elections. While improvements were visible in the 2016 local government elections, the problem appears to be even greater at the sub-national level. Vacant constituencies and offices and races with only a single candidate still point to a certain level of political apathy within the population.

Bhutan's economic dependency on India (Cf. Guillaumont 2017: 3) is yet another challenge that directly impacts the prospects for further development and consolidation. When India, shortly before the general election in 2013, suddenly withdrew its subsidies on kerosene and liquefied petroleum gas and revised power tariffs and excise duty refunds, a political earthquake disrupted the election campaign. Fuel prices in Bhutan skyrocketed and confronted politicians and citizens alike with the realisation of just how economically vulnerable their small, landlocked country was. India is Bhutan's largest trading partner, accounting for more than 80 per cent of all imports and almost 90 per cent (including electricity) of the country's exports. Due to its geographic location and development, Bhutan has to import far more goods than it exports, creating a heavy trade deficit (almost three-quarters of which is through trade with India) (Department of Revenue and Customs 2016: i-vii).

The danger of India's strategic exercise of economic pressure as leverage, as well as the dependence on a healthy Indian economy, has to be mitigated. Bhutan has to become more economically independent and self-sufficient in order to prevent political instability. A key component in the strategy to increase economic and financial self-sufficiency and to decrease dependency is the generation of hydroelectricity, Bhutan's most important and, by far, most substantial revenue-generating industry. There are large projects under way in Bhutan to construct dams and power stations, but the current government has been accused by the opposition of being unable to ensure meaningful progress towards the completion of these

projects. In addition, these projects (as many past infrastructure projects) have been heavily dependent on Indian investments.

Finally, security and territorial integrity have very recently been the focus of attention, when Chinese military incursions into Bhutanese territory led to a prolonged stand-off of Indian and Chinese forces on Bhutanese soil. The still unresolved border dispute between Bhutan and China also has the potential to considerably strain the important relations with India, because the territory that China claims is of strategical importance to India due to its proximity to the Siliguri Corridor. The fact that it remains unclear whether Indian forces deployed to counter the Chinese unilaterally or in agreement with the Bhutanese government, testifies not only to Bhutan's precarious situation vis-à-vis its Chinese neighbour (with whom no official diplomatic relations exist), but also to the dilemma it faces with regard to India (to which it is bound by treaty and necessity). The fact that the whole stand-off was almost absent from the political debate and media in Bhutan also shows that certain sensitive topics appear to be located outside the democratic process.

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