

International Relations Class 13

29th January, 2024 at 9:00 AM

INTRODUCTION (09:16 AM)

- A Brief Overview Of The Previous Class.

INDO-BHUTAN RELATIONS (09:23 AM)

Why is Bhutan important for India?

- India and Bhutan share a unique and proven bilateral relationship characterized by utmost trust, goodwill, and mutual understanding.

Location:

- Shares borders with four Indian states: Assam, Arunachal Pradesh, West Bengal, and Sikkim.
- Landlocked, making India crucial for access and trade.

Economic Significance:

- India is Bhutan's largest trading partner.
- Tourism.
- Bhutan exports electricity, minerals, and other products to India.
- India provides financial and development assistance to Bhutan.

Strategic Importance:

- **Security concerns:**
- **Proximity to Siliguri corridor.**
- **"Chicken's neck":** Bhutan's location protects a narrow land corridor connecting Northeast India to the rest of the country.
- In 2003 **Operation All Clear** was conducted wherein the king of Bhutan personally led an army along with the Indian army to throw out militants from Bhutan's jungle.
- **Buffer to China:** Bhutan is the only South Asian country apart from India not to be part of BRI and still does not have any diplomatic mission with China.
- Bhutan acts as a buffer zone, mitigating regional security threats.
- Chinese on the road to Bhutan: China is pushing Bhutan to establish formal diplomatic relations with it.
- Bhutan has endorsed 3 forward-looking initiatives of China under President Xi- GSI, GDI, and GCI.
- Increasing economic cooperation between China and Bhutan in the following areas:
 - Infrastructural development, tourism, agriculture.
- The 2 countries have agreed to establish a sister city agreement between Xining (China) and Thimpu (Bhutan) in 2020.
- Increasing p 2 p ties in areas of education and tourism- (in 2019 an agreement on tourism cooperation has also been signed).
- Assistance during the COVID-19 Pandemic by China under the Health Silk initiative.
- **Confluence of Neighbourhood First policy and Act East policy:**
- **Connectivity:**
- Bhutan plays a key role in India's "Neighbourhood First" and "Act East" policies, promoting regional cooperation and connectivity.

Overall:

- Bhutan's strategic location, economic dependence on India, and shared security concerns make it a vital partner for India.
- The close relationship ensures stability and regional cooperation in the Himalayas.

HISTORICAL TIES (09:55 AM)

- 1910--- Bhutan became a protectorate of British India
- 1947--- The new Indian Government recognized Bhutan as an independent country.
- 1949--- Indo-Bhutan Treaty of Peace and Friendship of 1949
- The Treaty provides for, among other things, perpetual peace and friendship, free trade and commerce and equal justice to each other's citizens.
- Article 2 of the treaty critically gave India a role in guiding Bhutan's foreign policy. Hence, some changes in the treaty were made in 2007.
- 1950---China's annexation of Tibet
- 1950's---Significant increase in India's economic, military, and development aid to Bhutan.
- 2007---Revised Indo-Bhutan Treaty of Peace and Friendship 2007—
- India should try as much as possible to remain out of Bhutan's internal matters.
- The safety of the Border from China is a concern for both nations.
- Bhutan can import arms as long as Indian interests are not harmed and there is no re-export of the weapons.
- Includes the issue of 'national treatment' and equal privileges for citizens on each other's soil.
- 1978----The two offices of special representatives were upgraded to full-fledged embassies.
- 2014---Prime Minister Narendra Modi's first foreign visit to Bhutan.
- January 21, 2021--- India sent free doses of the Covid-19 vaccine to Bhutan.
- 16th September 2022----In a positive response to requests from the Bhutanese government, India made special trade concessions to export wheat and sugar to the country.
- 28-30 April 2022---External Affairs Minister (EAM), Dr. S. Jaishankar paid an official visit to Bangladesh and Bhutan.

Why in the News?

- April 3-5, 2023----The King of Bhutan, Jigme Khesar Namgyel Wangchuck visited India.

Key takeaways:**1)India's Support to Bhutan:**

- Additional Standby Credit Facility (SCF) for five years.
- Assistance in digital infrastructure with the establishment of the Third International Internet Gateway for Bhutan.
- Integration of Bhutan's Druk Research & Education Network (DrukREN) with India's National Knowledge Network (cooperation in e-Learning).

2)Hydropower cooperation:

- Discussion on Hydroelectric Power Plants in Bhutan like Mangdechhu, Chhukha, Basochhu, Punatsangchhu-I, Sankosh project etc.

3)Security cooperation:

- Established the first integrated check post at Jaigaon (West Bengal, India) and Phuntsholing (Bhutan).

4)Connectivity:

- Expedited Kokrajhar (Assam)- Gelephu rail link and supported Gelephu airport construction for investment attraction.
- June 16, 2023
- Siliguri in northern West Bengal has a natural advantage for accelerating trade with neighboring countries, namely Bangladesh and Bhutan.
- Given this, at a recently concluded BIMSTEC business conclave in Kolkata, businessmen from the area argued about pushing for the development of a Bhutan-Siliguri-Bangladesh corridor for accelerating trade among the nations.
- It was further stated that improving road connectivity in the Northern part of West Bengal, which links the three countries – Bhutan, Bangladesh, and Nepal, will help in the improvement of trade volume and also generate employment in the region.

Why in the News?

1) 09 January 2024:

- The People's Democratic Party (PDP) and Tshering Tobgay are celebrating the victory of the runoff elections in Bhutan on January 9.
- Tobgay earlier served as the prime minister from the term of 2013 to 2018. The prime minister is seen as pro-India.

2) 03-10 November 2023:

- Visit of His Majesty, The King of Bhutan to India
- The Bhutan King's visit to India comes against the backdrop of new momentum in boundary talks between Bhutan and China.
- In his interaction with His Majesty, the Prime Minister reaffirmed India's abiding commitment to its unique ties of friendship and cooperation with Bhutan and reiterated continued and full support to the socio-economic development in Bhutan based on the priorities of the Royal Government and as per the vision of His Majesty.
- The Bhutanese side thanked GoI for the timely release of development assistance to ensure the smooth and uninterrupted conclusion of crucial projects under the 12th Five Year Plan (2018-2023)
- To take the exemplary bilateral partnership forward, the Indian side reiterated its commitment to step up support for Bhutan's 13th Five Year
- Plan, which was welcomed by the Bhutanese side.
- Hydro-power cooperation has been an important pillar of the India-Bhutan bilateral economic partnership and it has been a productive partnership for both countries.
- The two sides welcomed the export of surplus power by the Basochhu hydropower project through the Indian Energy Exchange beginning October 2023 paving the way for
- Access to another energy market.
- The two sides expressed satisfaction with the progress in the construction of the 1020 MW Punatsangchhu-II hydropower project and looked forward to its early commissioning in 2024.
- They noted with satisfaction the progress made towards the speedy conclusion of the Punatsangchhu-I hydropower project.
- The two sides reiterated the importance of cooperation in the hydropower sector and their commitment to advancing it further.
- It was agreed to extend the existing India-Bhutan energy partnership in hydro to non-hydro renewables, such as solar as well as green initiatives for hydrogen and e-mobility.
- The Indian side assured necessary technical and financial support for projects in these areas.
- In terms of new areas of partnership, which now encompasses Startups, Space, and STEM education, both sides
- Welcomed the progress made in the space sector cooperation, including the launch of the first satellite jointly developed by India and Bhutan and the inauguration of the satellite's ground earth station in Thimphu this year.
- The two sides expressed satisfaction with the increased collaboration in the field of education, with emphasis on STEM disciplines.
- The Indian side welcomed Bhutan's decision to join the International Big Cat Alliance (IBCA).

3) 23rd October 2023:

- Bhutan and China held their 25th round of boundary talks as Bhutan's Foreign Minister Tandi Dorji met with Chinese Foreign Minister Wang Yi
- in Beijing. Bhutan under Prime Minister Lotay Tshering is hoping for border talks with China and the possibility of completing the demarcation of the boundary between both countries.
- This means a possible exchange agreement between land in Bhutan's North that is under Chinese control, with Bhutan's Doklam area. PM Tshering will hand over the charge to a caretaker government in November 2023 ahead of general elections due by January-end 2024.
- The swap arrangement is of particular concern to India due to its proximity to India's **Siliguri corridor or "chicken's neck"** that connects to the Northeastern States.
- India and China were involved in a stand-off in Doklam near the India-China-Bhutan trijunction in 2017.
- Also, China expressed the hope that the two countries would establish diplomatic relations, something Bhutan has held out on thus far, as it does not have ties with any UN Security Council Permanent Member (P-5) country.
- Bhutan and China are "inching" towards the completion of a 3-step roadmap that will completely demarcate their boundary, including marking territory along the Doklam plateau.
- **The "3-Step Roadmap"** signed between Bhutan and China in October 2021 comprises first agreeing to the demarcation of the border in talks on the table, after which the two sides would visit the sites along the demarcated line on the ground, before finally and formally demarcating the boundary between them.
- The Boundary Talks between Bhutan and China began in 1984, and they held the 24th round in 2016.
- However, these have been stalled since 2016, especially after the 2017 Doklam incident between the Indian and Chinese armies, which eventually disengaged from the trijunction area after a tense standoff lasting three months.

Question: The growing relations between Bhutan and China have serious implications for India. In light of this concern, discuss how India should strategically respond.

- The recent 25th round of boundary talks between China and Bhutan has raised serious concerns for India keeping into mind the geostrategic significance of Bhutan for India.
- **The implications for India could be understood in the following ways: (10:20 AM)**
- **The strategic implications:**
- Any probable land swap between China and Bhutan involving the Dhoklam plateau will bring China close to our strategically important Siliguri corridor, a vital link of connectivity between mainland India and NE India.
- It might also create security concerns Keeping in mind a close Chinese presence in NE.
- India might lose its leverage over Bhutan as a buffer state between India and China.
- China being close to our Eastern borders might offer a two-front war scenario for India.
- One at the western sector Vis a Vis Pakistan, and the second at the Eastern Sector Vis a Vis China.

ECONOMIC IMPLICATIONS (10:32 AM)

- Bhutan is the largest trading partner and also imports the majority of Bhutan's hydroelectricity
- The closeness between Bhutan and China due to the Boundary Agreement might reduce Bhutan's dependence on India in terms of trade and energy export.

Diplomatic implications:

- With rising convergence between Bhutan and China India might lose its most trusted and loyal partner in the South Asian region.
- The Indo Bhutan treaty which is a bedrock of our relationship still contains aspects on which Bhutan has reservations.
- This might provide another ground for the shift of Bhutan towards China.

Implications in terms of connectivity and development initiatives:

- The probable boundary agreement might draw China and Bhutan closer which could lead to India losing its status as the biggest development partner to Bhutan.
- Bhutan has already endorsed China's GDI, GSI, and GCI and this land agreement may create grounds for Bhutan to participate in China's BRI as well.
- Regional Implications: Bhutan China's closeness might have implications on regional organizations like SAARC, BIMSTEC, and forums like BBIN, all being India-centric.

HOW INDIA SHOULD RESPOND (10:55 AM)

- **In the wake of the above implications India should respond strategically in the following ways:**
- India should try to understand the concerns of Bhutan with India and the reasons for going close to China.
- India should accordingly settle those concerns and cement the vacuum created between India and Bhutan.
- India should continue collaborating with Bhutan through soft diplomacy to build confidence and reduce the trust deficit.
- India should try to strengthen its bilateral relations with Bhutan and continue developmental assistance taking forward the non-reciprocity elements under the Gujral doctrine.
- Since Bhutan is guided by the idea of hydro-led prosperity, concerns between India and Bhutan in this sector should be resolved.
- One such assurance has already been given by India during the recent visit of the King of Bhutan to India.
- India should strengthen regional organizations like BIMSTEC or Forums like BBIN which can appear to be a win-win situation for both India and Bhutan.
- India should carry forward the idea of non-interference in the internal matters of Bhutan under the Gujral doctrine.

WHY INDO-BHUTAN RELATION SPECIAL IN NATURE (11:09 AM)

- The relationship is unique because as per the Indo-Bhutan treaty, neither of the countries will allow their territory to be used for activities harmful to each other.
- The existence of the Indo-Bhutan treaty provides national treatment to their subjects on each other's soil.
- Existence of free trade and commerce.
- Bhutan is free to import arms and other war materials as and when required from and through India.
- Uniqueness also lies since India gives loans for hydroelectricity projects in Bhutan.
- India has been providing budgetary support to Bhutan. For example, supports its 12th 5-year plan (2018-23) and promises for the next 13th 5-year plan.

AREAS OF COOPERATION (11:20 AM):

- **Hydropower collaboration:**

- Has never been a zero-sum game.
- This means in terms of Hydropower cooperation there is a win-win situation for both India and Bhutan.

Advantages to Bhutan:

- Electricity for domestic purposes from India-sponsored HEPs.
- Generation of revenue from surplus electricity exported to India.

Advantage to India:

- Most of the businesses in WB rely on electricity imported from Bhutan.
- For managing border infra in the nearby Siliguri corridor electricity from Bhutan becomes important.
- Electricity could be used for the overall development of NE states.
- The electricity trade creates a strong vantage point for deeper Indo- Bhutan ties.

Challenges within Hydropower collaboration:

- There is great politics working behind this area of collaboration which has emerged as one of the key challenges between Indo Bhutan relations.
- There is a growing belief in Bhutan that India buys surplus power at a cheaper rate and thus India aided hydropower projects are largely self-driven.
- India's shift towards green options within renewable energy (solar, wind, etc) is creating concern in Bhutan due to the immense profits it gets out of these hydroelectric projects.

India-Bhutan Military Relations:

- 2000 strong Indian Military Training Team (IMTRAT) is permanently based in western Bhutan.
- India cooperates with the Royal Bhutan Army in matters of anti-insurgency and counter-terrorism.
- Air protection is provided by the Eastern Air Command of the Indian Air Force.

India-Bhutan cultural ties:

- Buddhism appears as a connecting link.
- The India-Bhutan Foundation, established in 2003, aims to enhance people-to-people exchanges in the cultural field.

Developmental projects:

- India's Border Road Organisation has built the majority of roads in Bhutan under the project 'DANTAK'.

Why Bhutan is Achilles Heel:

Location :

- There is an increased presence of China in the Siliguri corridor through the nearby Chumbi Valley.
- Chinese intrusive activity in Chumbi Valley:
- Chumbi Valley lies in the tri-junction of India Bhutan and China.
- It is about 50 km from the Siliguri corridor which is why important for India.

Proximity to Dhoklam plateau:

- Dhoklam is an area comprising a plateau and valley surrounded by Chumbi Valley under TAR, Bhutan Haa Valley, and Sikkim in India.
- The Dhoklam plateau is disputable between China and Bhutan and very close to Nathu la Pas.
- Since 1988 onwards agreements were made between China and Bhutan on the issue of Dhoklam.
- However, in 2017 China attempted to build roads in this region, and military presence was seen as a violation of this agreement.
- Due to the probable closeness of China's military to our Siliguri corridor India invoked Article 2 of the Indo-Bhutan Treaty 2007 and came into direct confrontation with China.
- However, in 2017, India and China mutually agreed to speedy disengagement of this region.
- This act of China is considered as an act of Salami slicing strategy.

CHALLENGES (11:45 AM):**Instances of Indian interference:**

- India Bhutan treaty of 2007 has a provision under Art 2 which requires Bhutan to seek India's guidance in its foreign policy.
- **Many in Bhutan** criticise it as a constraint on Bhutan; 's foreign policy independence.
- Security Concerns.
- China's Factor.

Way forward:

- India apart from carrying neighbourhood first policy should also carry forward the elements of non-interference and development projects without elements of reciprocity within the **Gujral doctrine** with Bhutan to decrease the trust deficit.
- India should rationalize the electricity crisis thereby reducing Bhutan's concerns of underpricing.
- India should assure Bhutan that the transition towards green energy will indeed take time and at the same time hydropower prospects can not be abandoned completely keeping in mind the booming energy demand of the rising Indian population.
- India at the same time should publish the benefits that Bhutan gains from Indian-aided developmental projects.
- As far as security threats are concerned both countries should work together to achieve mutual development.
- The safety of Borders from China is a common concern for both India and China.
- Thus, any negotiations or border talks with China should involve both the stakeholders India and Bhutan.
- Indo-Bhutan ties are based upon pillars of mutual benefit cooperation and shared cultural values.
- Both are natural partners with genuine all-weather friendship.
- Compared with other bilateral relations Indo Bhutan ties are more cordial and relatively trouble-free which makes their relationship unique and special.

(THE TOPIC FOR THE NEXT CLASS: INDO-AFGHANISTAN RELATIONS)