# **IPCS ISSUE BRIEF**



# Between China, India and the Refugees Understanding Bhutan's National Security Scenario

## Marian Gallenkamp

Research Scholar, University of Heidelberg and Former Intern, IPCS

There are few countries in the world, whose bare existence is more surprising than Bhutan's, given the recent political developments in the Asian region. Landlocked and trapped by geography, roughly 700,000 people live on 39,000 square km tugged between Asia's two giants - India and China. Bhutan not only withstood numerous attempts to conquer by the Tibetans and Mongols, but also managed to evade colonization and the resultant incorporation into the British Raj, despite two wars against the British. Eventually, the treaty of Punakha, signed in 1910, formally secured Bhutanese sovereignty vis-avis the British in exchange for their guidance in external affairs. This provision was also adopted in the friendship treaty between newly independent India and Bhutan in 1949. In 1962, Bhutan luckily escaped Chinese hostilities and aggressions during the Sino-Indian war that was fought on both sides of its border. Finally, towards the end of the last century, Bhutan eluded Sikkim's fate, though it applied disputable policies to safeguard its independence.

While Bhutan successfully secured its independence and sovereignty in the 20th century, new threats to its national security have emerged. Bhutan's strategic importance as a buffer between India and China, its complicated geography and limited resources leave the government without much room for manoeuvre. But a careful assertion of its national interest and cherishing its close ties with India, may help Bhutan in resolving or dealing with the emerging threats.

1

## RESOLVING THE BORDER DISPUTE WITH CHINA BHUTAN'S PARADOX

Bhutan's border dispute with China can be traced

back to the late 1950s. While the earlier claims by China over Bhutan or parts of it, can be easily dismissed as being historically wrong and ill-founded, emerging controversies over the actual the demarcation of the boundary can be attributed to the raising assertiveness of Chinese control over Tibet culminating in the violent crackdown of the Tibetan uprising in 1959 and the occupation of eight Bhutanese enclaves in Tibet. Similar to the situation with which India was confronted, newly published Chinese maps suddenly displayed large portions of Bhutanese territory as belonging to China. Having no formal diplomatic relations with the PRC, Bhutan soon decided to close its borders with Tibet and its diplomatic mission in Lhasa. However, during the hostilities between India and China in 1962, the latter decided not to send troops into Bhutan to assert its claims over the disputed territories.

Until the 1980s, the Sino-Bhutanese border question was discussed within the broader scope of Sino-Indian border talks. Though China pushed for direct bilateral talks with Bhutan, denouncing India's control over Bhutanese external affairs as yet another sign of its aspired hegemony in the region, it was not till 1984 that the first round of direct bilateral negotiations took place. So far 19 rounds of talks have been held, the last one being in January 2010, in which substantial progress regarding the disputed territories was made. During negotiations both parties were able to narrow down the areas in question form 1,128 sq.km to only 269 sq.km.

In 1998, Bhutan and China signed an agreement on the Maintenance of Peace and Tranquility along the Sino-Bhutanese Border Areas. Being the first ever bilateral treaty signed by the two countries, it stipulates that relations shall be guided on the basis of the 'Five Principles of Peaceful Co-Existence', and that

Institute of Peace and Conflict Studies, New Delhi developing an alternative framework for peace and security in the region 'prior to the ultimate solution of the boundary issues [...] the status quo of the boundary prior to March 1959 should be upheld, and [neither side should] resort to unilateral action to alter the status quo of the border'. While the Chinese are well known for the soothing rhetoric, their actions speak a different language.

Briefing the National Assembly in late 2009, Secretary of International Boundaries Dasho Pema Wangchuk reported that Chinese troops repeatedly crossed the border into Bhutan during recent years, advancing to the RBA outpost at Lharigang 21 times in 2008 and 17 times in 2009. Additionally, Tibetan herdsmen still trespass onto Bhutanese pasture lands, as well as collecting medical herbs and lumbering timber. The usual Chinese response to Bhutanese protests is lukewarm, stating that due to the ill-defined nature of the border they cannot stop them.

pressure on the Bhutanese Exerting further government, China, in 2004, started the construction of a road from Langmarpo stream towards Zuri ridge, within the border area. After several protests, construction was stopped only to be started again by extending the road to Phuteogang ridge in 2009. Confronting the Bhutanese government with such a fait-accompli and repeatedly showing utter disregard for the 1998 agreement by sending soldiers into Bhutanese territory, this strategy is clearly meant to push Thimpu towards accepting the package deal solution.

Like in previous negotiations with other countries, China prefers the package deal solution, settling the complete border at once instead of agreeing to sector wise understandings. The Chinese government proposed to concede to Bhutanese claims in the central northern sector, comprising a total of 495 sq. km in Pasamlung and Jakarlung valleys, located in Wangdue Phodrang district, in exchange for 269 sq. km of disputed territory in the western sector,

For strategic reasons China wants the areas in the western sector. Mounting pressure by incursions and road construction in these border areas clearly show that Beijing is losing its patience and will leave the Bhutanese government without much room to manoeuvre. comprising Doklam, Charithang, Sinchulumpa, and Dramana pasture lands. Initially China tied this deal to the condition that formal diplomatic relations should be established between the two countries. However, this condition has been deliberately ignored during numerous discussions in the Bhutanese National Assembly.

As the negotiations are in a final stage now, it is unlikely that major adjustments to Chinese claims can be made. For strategic reasons China wants the areas in the western sector. Mounting pressure by incursions and road construction in these border areas clearly show that Beijing is losing its patience and will leave the Bhutanese government without much room to manoeuvre in this regard. Apart from minor adjustments in the precise claim lines, Thimpu will have to accept the Chinese deal, the earlier the better. Raising public awareness to the problem, as well as the recent democratic changes in the country will only complicate a settlement in the future. Bhutan's new constitution requires a threefourth majority by a joint sitting of parliament in order to alter its international territorial boundary. Although differences regarding the Chinese claims already exist amongst parliamentarians, the government would be advised to avoid the subject of becoming a campaign issue in 2013, using the present cohesion in the National Assembly to settle the conflict.

However, while there is no other option regarding the dispute, Bhutan should refrain from border deepening ties with China beyond a necessary Considering China's attempts minimum. to strengthen its influence abroad by using aid and investment as policy tools in other developing countries, it is safe to assume that it would also try to do so in Bhutan. Even if that would enhance economic development, Chinese presence in Bhutan might ultimately undermine its unique cultural heritage and its overall policy goal of Gross National Happiness, which is precisely not about blindly boosting economic development, but anchoring sustainable development within society and ensuring the people's wellbeing in more than just economic terms. Evidently, this is an absolutely unfamiliar approach to development for Chinese politicians and investors and it is questionable whether they would be able to abide by it.

Though the re-negotiation of borders has been a focal point of Chinese foreign policy towards all its neighbours, one can assume that in the case of Bhutan this was only China's second objective. The ease by which the disputed areas were substantially narrowed down and the actual areas that China truly wants both point in this direction. Beijing's primary objective is likely is gain diplomatic and strategic advantage over India.

#### 

# DEEPENING TIES WITH NEW DELHI DISPELLING INDIAN CONCERNS AND GAINING MUTUAL SECURITY

The implications of an agreement between Bhutan and China would be substantial for India. The border conflict between India and China would be the last to be resolved by Beijing. This might result in mounting diplomatic pressure on India to finally come to terms with the PRC on the issue. It is also possible that Beijing could become increasingly impatient, trying to apply not only diplomatic but also physical pressure on India by asserting its positions along the border.

Either way, the Indian government would be faced with a difficult situation. On the other hand, an agreement between China and Bhutan would result in yet another Chinese attempt to strategically corner India. The areas in question, which China is so eager to obtain, are adjacent the important Chumbi valley and the border between India and China in Sikkim would become even longer. The territorial gains for China would also be troubling for India because of their proximity to India's vital Siliguri corridor.

Clearly, an agreement between Bhutan and China would leave India with a strategic disadvantage. Therefore, the Bhutanese government should do everything in its power to help India counter this imbalance. Official agreements and probably contingency plans should be set up between the two governments, granting India a strategic access to Bhutan, should there be a situation of hostilities between India and China.

Though Bhutan should continue its silent and tactful diplomacy towards China in the international arena, India will remain Bhutan's most important friend and partner. The figures speak for themselves: Bhutan is the largest recipient of Indian development aid, and India accounts for a total of 79 % of Bhutanese imports and 95 % of its exports. Simply put, Bhutan could probably not exist, let alone function, without India on its side.

Though Bhutan should continue its silent and tactful diplomacy towards China in the international arena, India will remain Bhutan's most important friend and partner.

Apart from the economic dimension, India also equips and trains the Bhutanese military and maintains a military training mission (IMTRAT). The synergies of this cooperation became clearly visible in the 2003 'Operation All Clear' in which a previously completely untested Royal Bhutanese Army was able to flush out the ULFA, NDFB, and KLO militants from their camps situated in Southern Bhutan, with providing logistics, transportation, India and intelligence. While the operation was an astonishing success for Bhutanese security forces, the thread to both, India and Bhutan, emanating from the insurgents did not disappear.

Since 2003 security forces of both countries have been working closer and stepping up their efforts to secure the Indo-Bhutanese border more effectively in an attempt to deny the militants to regroup in Bhutan. In 2004 the Sashastra Seema Bal (SSB) was officially tasked with securing the Indo-Bhutanese border in Sikkim, West Bengal, Assam, and Arunachal Pradesh, setting up 130 border outposts to prevent infiltration. Bhutan on its part took stern action against those suspected of aiding the militants, sentencing more than 100 people to prison in 2004.

Further, the plans to restructure the Bhutanese security forces by reducing the Royal Bhutan Army to 8,000 men and therefore building up a militia force are clearly aimed at providing for better border security. The advantage of setting up these militias is apparent: Local militias supposedly have a better knowledge of the operational areas and might be more useful in intelligence gathering than regular military. After all, Bhutan can still dispose over its Royal Bodyguards, a special force within the military, designated to protect the royal family but also trained in COIN strategies. However, given its lack of aerial reconnaissance and very limited resources (its defence budget is app. 1% of GDP) more assistance from India (equipment, training, logistics, and intelligence) will be needed.

It appears as if a regrouping of Indian militants in the vast forests of Bhutan's southern districts could be prevented so far, although every once in a while reports claim that ULFA, NDFB, or KLO have set up new camps in Bhutan. The royal government vehemently rejects such claims and there is no valid information as to this regard. But as a matter of fact, insurgents are at least crossing the border into Bhutan from time to time, which becomes evident from increasing reports of Bodo militants attacking and robbing Bhutanese houses especially in Sarpang district.

Though there is no imminent danger from Indian insurgents, apart from sporadic burglaries, other developments connected with these groups are threatening Bhutan's national security. Reports indicate that there exists a cross-border-nexus between Indian insurgent groups and anti-national outfits in Bhutan and Nepal. ULFA and Bodo militants have established ties to organizations like the Communist Party of Bhutan, the Bhutan Tiger Force and the Revolutionary Youth of Bhutan, providing them with training and weapons.

Especially the CPB has been active in Bhutan during recent years, being responsible for numerous terrorist attacks on Bhutanese soil. Since 2008 there has been a violent series of IED attacks on security forces, civilians, buildings and infrastructure, leaving 4 people dead and app. a dozen wounded. These groups mainly have their recruiting grounds in the refugee camps on the Nepalese border and amongst the ethnic Nepalese community in southern Bhutan.

## III PURSUING UNITY IN DIVERSITY THE CASE OF NEPALEE REFUGEES

Without going into the historical background of the refugee problem in Bhutan and without reiterating both sides' same old positions on the subject, finding a way to cope with the remainders of the refugee problem and the ethnic Nepalese minority in Bhutan will be crucial not only to its national security but also to the very essence of its young democracy. Now that the third-country-settlement solution has already started with some 30,000 people resettled so far, the number of peoples in the camps will decrease steadily and the humanitarian problem might be solved soon.

However, the real danger comes from a high degree

of politicization within the camps. Banned opposition parties like the BNDP and BPP and anti-national militants have long used the plight of those people, who were evicted from or left Bhutan in the early 1990s. Reports indicate that some of these groups attack or intimidate people in the camps who are willing to resettle under the aegis of the UNDP plan. While in the future, a maturing Bhutanese democracy should be capable of accommodating currently banned opposition parties as long as they pledge to uphold the constitution and laws, Bhutan has to do everything possible to counter the insurgent movements.

The best way of doing so is to fully integrate the Nepalese minority in Bhutan into the political system and the civil society, in order to take away the grounds on which the minorities' grievances are exploited by the insurgents and used against the state. The country's first democratic elections in 2008 have already done so: turnout was equally high throughout the country and representatives from the Nepalese community have been elected to the National Assembly. The government is constantly trying to extend public services and to provide for public goods in all regions equally.

Bhutan should continue with the verification process to identify those 'refugees' who are eligible for repatriation. Unifying its entire people under some form of nationalism that leaves enough space for individual and communal freedoms is a constant challenge which is faced by all democracies and by Bhutan in particular. However, Bhutan does not have to look far to find an example.

India, the world's largest democracy has constantly struggled with, but at the same time has always been able to achieve 'unity in diversity' and it should use its friendly relations with Bhutan to take a more proactive role in promoting this and other essential democratic values in its neighbour state.



# INSTITUTE OF PEACE AND CONFLICT STUDIES

B-7/3, Safdarjung Enclave, New Delhi, India, 110029 Tel: 91-11-4100 1900