



# Sovereignty and sensitivity

Posted at: 20/08/2018

## **Given concerns over Indian influence, New Delhi must exercise caution in the run-up to Bhutan's elections**

- In the larger scheme of things, highway markers — the reflective stickers on railings that guide traffic on Bhutan's steep mountain roads — should not be a big issue.
- But when the Border Roads Organisation, which helps build Bhutanese roads under **Project Dantak**, decided in July to make those markers in shades of the Indian tricolour, it raised red flags among the Bhutanese on social media.
- Citizens were worried that this was an attempt by India to impose its flag on their countryside.
- The incident was a blip in India-Bhutan relations, but it is a clear indicator of heightened sensitivities in the Himalayan kingdom as it heads to its third general election.

The National Assembly of Bhutan was dissolved and an interim government was appointed this month ahead of the election, which will be completed by October-end, marking 10 years of democracy in Bhutan.

## **Sovereignty and self-sufficiency**

- The Manmohan Singh-led United Progressive Alliance government's decision to cut cooking gas subsidy just before the 2013 elections in Bhutan has often been shown as proof of Indian interference, especially by the DPT party that lost that election.
- The government would be best advised to keep high-profile visits at an arms length from the election process, especially given that there will be several such visits after the National Assembly is chosen.

## **Revisiting policies and issues**

- The ensuing months may also be a useful interlude to revise India's Bhutan policy and address several issues that have come up in the past few years — for example, the hydropower projects where delays in constructing and commissioning in Bhutan by Indian companies have led to the country's burgeoning national debt.
- Although the government agreed to raise tariffs for the original hydropower plant in Chukha (by about 30 paisa per unit) in February this year, other tariffs will need to be renegotiated too.
- In addition, India's power-surplus status and the advent of other renewable energies like wind and solar power will make it more difficult for Bhutan to ensure that its hydropower sector becomes profitable.
- And unless India finds ways to help, it will be accused of the same sort of "debt-trapping" that China is accused of today.

- India also needs to focus on policing cross-border trade better.
- The goods and services tax still hurts Bhutanese exporters, and demonetisation has left lasting scars on the banking system.

### **The China question**

The biggest issue between India and Bhutan will remain how to deal with China.

- The Doklam crisis has brought home many realities for the Bhutanese establishment.
- The first is that Doklam, which has long been discussed as part of a possible “package solution” to the Bhutan-China border dispute, could become a point of India-China conflagration, with Bhutan becoming a hapless spectator in the middle — again.
- Bhutan too has decided that there is little point in avoiding engagement with China. China’s Vice Foreign Minister Kong Xuanyou’s July visit to Thimphu was an outcome of this stance.

As former Foreign Secretary Jagat S. Mehta wrote in his book, *Negotiating for India: Resolving Problems Through Diplomacy*: “The running anxiety during the 1960s for Bhutan was to steer its external relations with China by giving neither provocation nor the impression of getting into a bear hug of dependence with India. Both could jeopardise [Bhutan’s] autonomy.”

[The Hindu](#)

