



UNDERSTANDING BHUTAN

India's Interests

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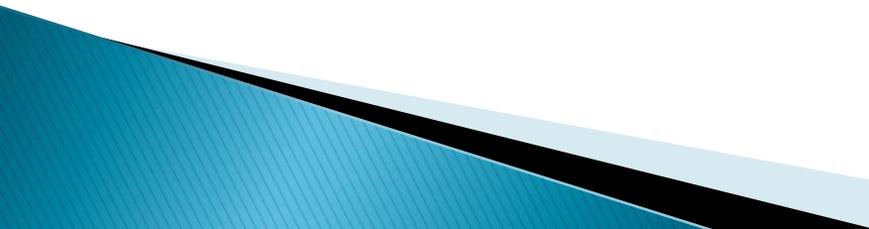
Topographical Map of Bhutan



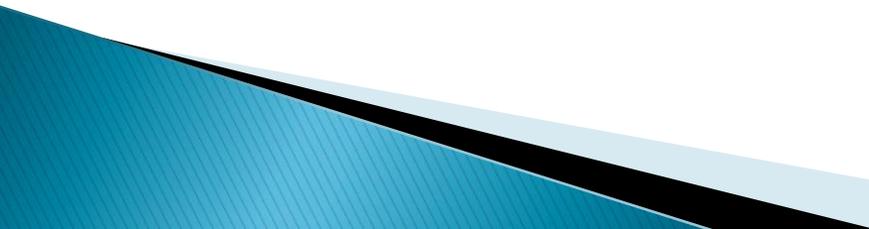
BHUTAN: Basic Facts

- ▶ Located in Eastern Himalayas, Landlocked LDC
- ▶ Population: 6,71,083
- ▶ Area: 38,394 sq kms 72.5 under forest cover
- ▶ Borders : China 470 kms along with Tibet
- ▶ Indian Border 605 kms
- ▶ Religion: Buddhism, 75 % Buddhist population
 - Almost 25 % Hindu Nepali Population
- ▶ GDP per capita income: \$ 1,400
- ▶ Hydroelectricity Potentials: 30000 MW

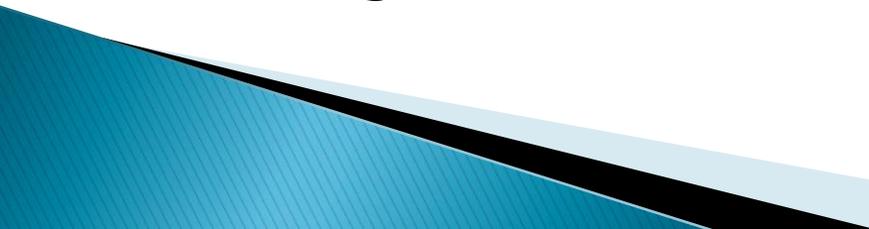
Domestic Issues

- ▶ Constrained by socio-economic factors
 - ▶ Dependent upon India for economic assistance
 - ▶ Pro-democratic movement and issue of Bhutanese refugees
 - ▶ To protect the core ethnic identity and culture
 - ▶ Environmental degradation and climate change
 - ▶ To sustain the democracy along with Monarchy
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Relations with India

- ▶ Guided by Indo–Bhutan Treaty of 1949 and later revised in February 2007
 - ▶ Strong economic and cultural Links
 - ▶ Exporting Hydroelectricity
 - ▶ Development Assistance
 - ▶ Strategic/Security related issues
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Key Issues and Concerns of Bhutan

- ▶ Indo–Bhutan Treaty of 1949 became bone of contention
 - ▶ Access to Third states through Indian Territory for trade purpose
 - ▶ Bhutan– China Boundary Talks
 - ▶ India's role in South Asia and issue of Bhutanese refugees
 - ▶ Needs Support for to tackle terrorism and insurgencies in NE India
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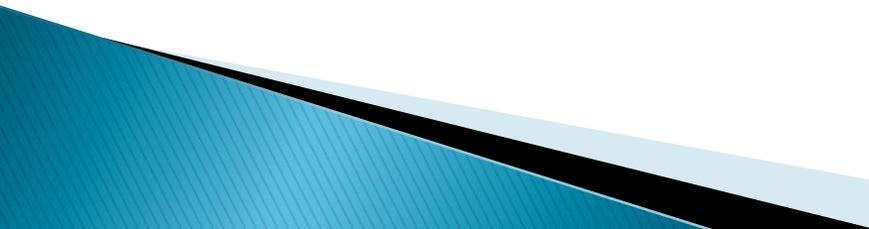
India's National Interest in Bhutan:

- ▶ Provides natural barrier in the Himalayas
 - ▶ Access to natural and hydrological resources
 - ▶ Free Trade and easily available market
 - ▶ Politically stable Bhutan provides peace and order in its border states, NE India
 - ▶ In the form of strong supporter/sympathiser in international forums
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Chukha Hydro Project: Symbol of Indo-Bhutan Friendship



How Should India Respond?

- ▶ Maintain 'Non-reciprocal' relations with spirit of Beneficial Bilateralism
 - ▶ Develop and inculcate confidence among Bhutanese people about its friendly gestures
 - ▶ Provide an access for Transit and Trade with other SAARC nations
 - ▶ Respect and support Bhutan to protect its national pride and culture.
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Traditional Bhutanese Cultural festival