

India–Bhutan Relations a model of Stable relations

India and Bhutan share one of the most stable, trusted, and time-tested partnerships in South Asia. Unlike India's ties with some other neighbors, the India–Bhutan relationship has consistently remained cordial, cooperative, and forward-looking. This stability is especially significant given Bhutan's political transition, China's growing footprint in the Himalayas, and shifting geopolitics in South Asia. Prime Minister Narendra Modi's recent visit to Bhutan once again highlighted the depth, maturity, and strategic value of this partnership.



A Relationship Marked by Exceptional Stability

India–Bhutan relations are often described as unique because they are built on mutual trust, shared civilizational bonds, and respect for each other's sovereignty. While India has witnessed fluctuating relations with Nepal, Maldives, and Sri Lanka in recent years, Bhutan remains an exception – the bilateral relationship has never been marked by hostility or mistrust.

This stability stems from,

1. India's consistent developmental partnership with Bhutan since the 1960s
2. The Bhutanese monarchy's conscious policy of maintaining strong ties with India
3. Shared Buddhist cultural heritage

This foundation has allowed the two countries to weather political changes, including Bhutan's major constitutional shift in 2008.

Bhutan's Democratic Transition and India's Steady Support

Bhutan adopted parliamentary democracy in 2008. Many observers feared that, as with Nepal, democratic politics might open the space for anti-India sentiments.

However, India–Bhutan ties remained strong, thanks to –

1. The proactive role of King Jigme Singye Wangchuck (K4), who initiated democratic reforms
2. Cross-party political consensus in Bhutan favouring close ties with India
3. Continued economic interdependence and mutual respect

This demonstrates the resilience of the relationship, unaffected by domestic political changes.

The 2007 Treaty Revision – A Modern Framework

A major milestone in bilateral ties was the 2007 revision of the Indo–Bhutan Friendship Treaty, replacing the 1949 treaty.

Key changes included

1. Removal of the clause requiring Bhutan to be "guided" by India in foreign policy
2. Addition of a clause emphasizing "mutual respect for sovereignty and territorial integrity"
3. Agreement that neither country's territory will be used for activities harmful to the other

This modernization enhanced Bhutan's strategic autonomy while maintaining the essence of partnership. It also increased Bhutan's confidence internationally and demonstrated India's willingness to engage on equal terms with a smaller neighbor.

Development Cooperation – Hydropower as the Backbone

Hydropower cooperation is the defining pillar of India–Bhutan economic ties. India has helped Bhutan develop some of its most important hydropower projects, such as –

1. Chukha
2. Kurichhu
3. Tala

P. L. RAJ UPSC MAINS Q & A – DAY 39

4. Mangdechhu
5. Punatsangchhu I and II

Electricity generated in Bhutan is purchased by India, providing crucial revenue to Bhutan. Hydropower accounts for a major share of Bhutan's GDP and export earnings, making India the cornerstone of Bhutan's economic development. Beyond hydropower, India supports Bhutan in education, health, infrastructure, digital connectivity, and capacity building.

Modi's Visit – Cultural, Strategic, and Developmental Engagements

Prime Minister Modi's latest visit showcased both soft power diplomacy and hard infrastructure support.

Cultural and civilizational dimension – Modi was the guest of honor at K4's 70th birthday celebrations. He inaugurated the Kalachakra Empowerment ceremony, strengthening Buddhist cultural ties. He attended a prayer ceremony held by the King in memory of the Red Fort blast victims, symbolizing shared values.

Economic and developmental engagements

1. Inaugurated the 1,020 MW Punatsangchhu-II hydroelectric project.
2. Announced ₹4,000 crore in assistance for new Bhutanese energy initiatives.
3. Signed agreements in digital cooperation, including Phase-II of the Unified Payments System (UPI).
4. Supported Bhutan's ambitious Gelephu Mindfulness City, a futuristic urban hub envisioned as an economic gateway.
5. Announced an immigration check-post in Assam to facilitate cross-border movement and investment.

The visit strengthened the multi-dimensional nature of the partnership – cultural, political, economic, and digital.

China's Growing Presence in Bhutan – A Strategic Worry

India's engagement with Bhutan must be viewed in the backdrop of China's increasing attempts to build influence in the Himalayan kingdom.

Areas of concern include

1. China's longstanding territorial claims on Bhutan, especially near Doklam
 2. Efforts to negotiate a boundary settlement with Bhutan
 3. Increased cultural and diplomatic signalling from China
 4. Bhutan hosting Chinese New Year celebrations and adjusting stance on sensitive Tibetan issues
- Although Bhutan is being pragmatic, these developments raise strategic alarms for India, especially given the 2017 Doklam standoff close to the Siliguri Corridor, India's vulnerable "Chicken's Neck". Thus, Modi's visit signifies renewed Indian commitment to close engagement and reassurance.

Diplomatic Significance of the Visit

The visit plays several critical roles –

- 1. Strategic reassurance** – India signals that Bhutan is a priority partner in the Himalayan region.
- 2. Economic partnership** – Strengthening hydropower and future urban development ensures long-term developmental linkage.
- 3. Countering China** – Deepening engagement reduces Bhutan's perceived need to lean towards China.
- 4. Cultural diplomacy** – Shared Buddhist traditions are used as a source of trust-building.
- 5. Future-oriented cooperation** – Through digital technologies, green energy, and cross-border connectivity.

Conclusion

India-Bhutan relations represent a rare example of enduring goodwill, mutual trust, and policy continuity in South Asia. The relationship has evolved from one of asymmetry to one of mutual respect and strategic cooperation, especially since the 2007 treaty revision. Bhutan's smooth transition to democracy, without impacting ties with India, further reflects the maturity of both partners. Prime Minister Modi's visit reinforces the political, economic, and cultural pillars of this partnership, while also

P. L. RAJ UPSC MAINS Q & A – DAY 39

addressing new geopolitical challenges posed by China's expanding presence in the region. As the Himalayas become a theatre of great-power competition, India-Bhutan cooperation will continue to be central to regional stability, development, and strategic balance.

Main Practice Question

1. "Critically examine how India-Bhutan relations have remained one of India's most stable neighborhood partnerships. In what ways does PM Modi's recent visit reinforce strategic, developmental, and cultural dimensions amid China's growing presence?"

Answer Guidelines

1. Introduction (30–40 words) – Briefly define India-Bhutan relations as a unique, stable, trust-based partnership in South Asia. Mention recent developments such as PM Modi's visit and evolving regional geopolitics.

2. Body

1. Why India-Bhutan Is India's Most Stable Neighborhood Partnership (50–60 words)

1. Deep civilizational and Buddhist cultural ties.
2. Mutually respectful diplomacy—no major anti-India political currents.
3. Bhutan's democratic transition (2008) did not cause friction.
4. 2007 Treaty revision strengthened sovereignty and modernized the relationship.

2. Strategic and Developmental Foundations (50–60 words)

1. India's long-term role in Bhutan's development – hydropower (Chukha, Tala, Mangdechhu, Punatsangchhu-II).
2. India as Bhutan's largest trade partner, development partner, and security ally.
3. Coordination on border security and Doklam concerns.

3. Significance of PM Modi's Visit (60–70 words)

Cultural – Kalachakra ceremony; presence at K4's 70th birthday.

Economic –

1. Inauguration of Punatsangchhu-II Hydropower Project.
2. ₹4,000 crore for new energy initiatives.
3. Support for Gelephu Mindfulness City

Connectivity & Digital –

1. Phase-II of UPI integration.
2. New immigration check-post in Assam.

The visit reasserts India's support as China deepens outreach to Bhutan.

4. China Factor and Strategic Implications (40–50 words)

1. China's claims over Doklam and other Bhutanese areas.
2. Growing cultural presence and negotiation push.
3. Bhutan's balancing act increases the need for India's proactive diplomacy.

3. Conclusion (20–30 words)

India-Bhutan ties exemplify stable, mutually respectful neighborhood diplomacy. PM Modi's visit strengthens cultural trust, economic integration, and strategic alignment—crucial in a shifting Himalayan geopolitical landscape.