**Original Article** 

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# De-Hyphenating India-Bhutan Relations From China-Bhutan Relations: Its Importance And Strategies For Future Engagement

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How to cite this article: Silvy Chongneihoi Khongsai (2024).De-Hyphenating India-Bhutan Relations From China-Bhutan Relations: Its Importance And Strategies For Future Engagement. *Library Progress International*, 44(3), 4691-4697.

#### Abstract

India and Bhutan share a unique relationship marked by historical ties, cultural affinity, and strategic partnerships that have evolved over centuries due to their geographical proximity. However, the evolving dynamics in the region, particularly the growing influence of China in Bhutan, necessitate a re-evaluation of the India-Bhutan relationship. This article explores the concept of "de-hyphenating" India's bilateral relations with Bhutan from China's relations with Bhutan, examining the implications and strategies for future engagement. It argues that a distinct and independent approach to India's Bhutan policy can strengthen bilateral ties and contribute to regional stability. It also aims to underscore the importance of India's engagement with Bhutan driven by intrinsic factors and mutual interests, and why it must not be a mere reactive to China's actions. De-hyphenation can help preserve the sovereignty and strategic autonomy of both India and Bhutan, allowing for a more balanced and multifaceted relationship.

**Keywords:** De-hyphenation, bilateral relations, sovereignty, strategic interest, stability.

#### Introduction

De-hyphenation in international relations refers to the strategy of dealing with two countries independently, free from comparison and juxtapositioning. This decoupling approach aims to manage bilateral relationships based on their merits and specific issues rather than viewing their relationship through the lens of a third country. This approach has taken centre stage in handling bilateral ties in International Relationships. De-hyphenation is a positive-sum game that falsifies IR's popular zero-sum game theory. In the words of Ashok K. Behuria, a Senior Fellow cum Coordinator of the South Asia Centre at Manohar Parrikar-Institute for Defence Studies and Analysis, "De-hyphenation in International Politics means dealing with two countries, having an adversarial relationship between them independently. This would mean building a relationship with one, ignoring the complexities of its relations with the other. If a third country is too conscious of the adversarial relations between two such countries, locked in enduring hostility, it will likely face foreign policy challenges in conducting a smooth relationship with both. Therefore, in such a case, a declaratory policy of de-hyphenation creates the required space for manoeuvre for the third country by lowering expectations of partisanship from it in the other two countries....". Since 2017, India has adopted a de-hyphenation policy regarding Israel and Palestine. The United States has also followed a de-hyphenation policy concerning its relationship with India and Pakistan. It signifies that the U.S. relationship with India stands independently, unaffected by its relations with Pakistan, and has benefited India-U.S. relations significantly.

However, the concept of de-hyphenation in this article will focus on the de-hyphenation of the hyphenated relationship, i.e. India-Bhutan from China-Bhutan. It refers to treating India's bilateral relationship with Bhutan independently of China's relations with Bhutan. This article emphasises viewing the India-Bhutan relationship on its own merits, unaffected by the issues or concerns of China-Bhutan relations. It will allow Bhutan to be involved with China on its terms without being seen as aligning with one country over the other. However, China's increasing influence in the region and its growing interactions with Bhutan have introduced new geopolitical dynamics significant for regional stability.

## **Historical Context**

## • Background of India-Bhutan Relations:

India and Bhutan share a unique age-old relationship characterized by long historical ties and cultural connections, strengthened by shared religious and social linkages. Buddhism, originating from India, also travelled to Bhutan serves as a significant cultural and spiritual bond between the two nations. The cultural connections also get manifested in various aspects of daily life, including language affinities, festivals, and traditions. One such festival where people from both

countries come together to celebrate is the Gomphu Kora Festival. During the festival, devotees from Bhutan and the neighbouring Indian state of Arunachal Pradesh gather to pay homage at Gomphu Kora, a sacred site in Eastern Bhutan, Trashi Yangtse. As part of the Cultural Wing of the Indian Embassy, the Nehru-Wangchuck Cultural Centre (NWCC) was inaugurated on September 21, 2010.<sup>2</sup>

The strong historical bond shared between the two has been carried forward to date. The diverse and multifaceted developmental cooperation between India and Bhutan stands as a testament to it. Some of the key developmental projects between the two countries are the 720 MW Mangdechhu Hydroelectric Power Project, the two Punatsangchhu Hydroelectric Power Project, the Digital Drukyul Flagship Program, the Health Flagship Program, the Education Flagship Program, the E-Library Project, the NKN - Drukren Connect Project, the introduction of RuPay Cards in Bhutan, the Build Bhutan Project, and the Mother and Child Hospital at Mongar. One noteworthy achievement is that the Institution of Civil Engineers (ICE), United Kingdom, awarded the prestigious 'Brunel Medal' in 2020 to the Mangdechhu Project, recognizing excellence in the civil engineering industry.<sup>3</sup> The list would go on if we were to enumerate all areas of cooperation and initiatives that have been taken up between the two countries. These shared cultural elements between the two countries have fostered a deep sense of kinship and mutual respect for each other.

With the appointment of the Resident Representative of India in Thimphu, a formal diplomatic relationship was established between India and Bhutan only by 1968. Before this, the relationship was looked after by the Indian Political Officer in Sikkim. However, the basic framework for managing the bilateral relationship was the Treaty of Friendship, signed in August 1949. This treaty laid the foundation for a special and mutually beneficial relationship, focusing on lasting peace and friendship between the two countries. It provided for non-interference in each other's internal affairs while engaging both nations to cooperate closely on issues of mutual interest. Over the years, the treaty has evolved to reflect the changing dynamics and aspirations of both countries. A significant update was made in 2007; the treaty was revised to allow Bhutan greater autonomy in its foreign policy and military matters while developing a deeper friendship and cooperation.<sup>4</sup>

At present, India-Bhutan relations are characterized by robust economic and developmental partnership. India remains Bhutan's largest trading partner and a key source of investment.<sup>5</sup> Imports from India represented 87 per cent of the total import value, with or without trade in electricity. Exports to India comprised 90 per cent of the total exports, including electricity, and 77 per cent of the total exports excluded electricity.<sup>6</sup> Furthermore, India has been instrumental in shaping Bhutan's socio-economic transformation through various infrastructure projects, educational exchanges, and capacity-building initiatives. The India-Bhutan relationship is a testament to the strength of historical ties and cultural connections, continually reinforced by the spirit of friendship and cooperation embodied in the Treaty of Friendship 2007.

#### • China-Bhutan Relations Overview:

Historically, the interaction between Bhutan and China has been through Tibet. However, China's annexation of Tibet in 1950 and the subsequent uprising in Tibet instilled a sense of fear in Bhutan, leading it to close its northern border. To date, there has been no official diplomatic relationship between China and Bhutan despite sharing a contiguous boundary of about 470 kilometres. Bhutan's border with China remains largely undefined, with unresolved disputes over some segments of the frontier. The Bhutan-China contested border areas primarily involve the Pasamlung and the Jamkarlung valleys in the North and the Doklam region in the west. Bhutan is keen to settle these boundary issues with China in a peaceful and diplomatic manner. Eventually, China and Bhutan initiated direct bilateral discussions to address their border issues. The first round of talks between the two nations took place in Beijing in 1984, marking the beginning of a series of diplomatic efforts to resolve their border disputes. They have intensified their dialogue on boundary talks since 2016, and there have been twenty-five rounds of talks from 1984 to October 2023. Yet, a final agreement has not been reached between the two countries.<sup>7</sup>

Beijing's expansion in northern Bhutan began three decades ago with a single hut for Tibetan herders. However, new villages have since emerged in the area. Chinese settlements within Bhutan's territory were first detected in 2016. China has constructed a network of roads connecting at least four rapidly growing villages and buildings resembling a military installation. Experts fear China may gain a military advantage over India by holding this area rather than merely using it to pressure Bhutan regarding the Doklam region.<sup>8</sup>

The negotiations on the disputed areas nearly reached a breakthrough in 1996 when Beijing offered to concede 495 square kilometres of its claimed land in Pasamlung and Jakarlung in exchange for the 269 square kilometres at Doklam and the nearby areas of Sinchulung, Dramana, and Shakhatoe. However, the deal failed when India convinced Bhutan of its security concerns. Control of the Doklam plateau would give China a tactically advantageous location, strengthening its military presence and gaining a strategic edge against India in the region.

## The Triangular Dynamics and the Competing Geopolitical Goals

In the recent past, China has had a growing influence in South Asia, reshaping the geopolitical landscape of the region. China has applied financial diplomacy and generously invested in the strategic infrastructure of most South Asian nations. Its financial help is infamous as unsustainable as it creates an ever-greening debt for the debtor. It also continues to militarise its border adjoining India and Bhutan, controls multiple airports and seaports in Sri Lanka and holds an island in the Maldives.

Taking up a case in the region, the triangular relationship between Bhutan, China, and India is multifaceted and more complex than it may seem. The conflict of nations' strategic interests has become the overriding concern, superseding

other issues. For India, Bhutan acts as a crucial defensive buffer against China, and its strategic focus is on maintaining Bhutan's sovereignty and preventing Chinese encroachment on its northern borders. India is apprehensive of China's attractive financial incentives that might captivate Bhutan like other South Asian countries. It is regarded that China's influence on Bhutan will pose a significant danger to India's security, especially to its fragile and narrow Siliguri Corridor that connects mainland India with the North-Eastern states.

As for China, it wants to assert its territorial claims and expand its regional influence in South Asia using both soft power (economic allurements) and hard power (military strength and coercion). China is accused of using its financial diplomacy to lure poorer countries so they remain indebted to China when they cannot repay. With Bhutan, China has made territorial claims over three major areas within Bhutan's territory. It uses these areas as a bargaining tool to gain the strategic Doklam region. It is part of its larger strategy to secure its southwestern borders and counter Indian influence in South Asia. China is stepping up its reach with Bhutan. It has engaged Bhutan directly in border talks and is working on establishing formal diplomatic ties with Bhutan.

The aggregation of strategic interest, historical relationships, and persistent border tensions have sculpted the India-Bhutan-China triangle dynamics. Consequently, Bhutan's role as a small but strategically significant player between two major powers highlights the delicate balance it must maintain in its foreign policy and national security. Bhutan's cautious approach towards its relationship with China is because of its strategic and economic ties with India. Bhutan may want to unshackle the need to be concerned about India's view and perspective; however, the 'India factor' for Bhutan is very much real and inhibits its ability to act entirely independently. The extensive and accessible border of Bhutan with India simplifies trade and goods transportation between the two, favouring and benefitting India over China. While the mountainous and hostile terrain along the Bhutan-China border makes trade with China more challenging for Bhutan. One significant instance of the clashes of strategic interest in the region was the 2017 Doklam military standoff that drew international attention. The India-China face-off in Doklam, situated on Bhutanese territory, highlighted the delicate balance of power and interests among the triangular dynamics of India, China, and Bhutan. While Bhutan looks for a peaceful resolution to the dispute without hurting both sentiments, the situation requires a subtle approach in India's policy toward Bhutan, independent of the India-China dynamic. Doklam's standoff could have been averted with the policy of delinking any third party in a bilateral relationship.

## De-hyphenating the Relationships: The Rationale

De-hyphenating India-Bhutan relations from China-Bhutan relations requires recognizing the unique bilateral bond between India and Bhutan, independent of Bhutan's relationship with China. This concept is important in the context of South Asian geopolitics, where Bhutan's crucial position and longstanding connections with India make it a crucial actor. Lately in Bhutan, there has been growing concern among the new generation that India has been overbearing and controlling with Bhutan. India has been constantly criticized for having a big brotherly attitude that devalues Bhutan's sovereignty. For India to advocate a sustainable and healthy relationship, it must corroborate Bhutan's sovereignty by unshackling India-Bhutan Ties from China's Influence. This would allow Bhutan to pursue its foreign policy independently, which could enhance its global standing in the international arena. A thriving Bhutan is one essential constituent for maintaining balance and harmony in the region.

Additionally, decoupling India's relationship with Bhutan from Bhutan-China ties will encourage both nations to concentrate on their bilateral matters without the added complexity. It will facilitate more targeted and better cooperation in major areas such as trade, infrastructure development, security, and cultural exchange, allowing them to tap into new opportunities that can further enhance their partnership. India can also escape from the limitations of a triangular dynamic, where every interaction between Bhutan and China is perceived as having a direct impact on India and vice versa. The delinking can reduce unnecessary tensions and enable India to concentrate on its larger strategic objectives, unbothered by the complexities of a three-way diplomatic balancing act.

The 2017 Doklam military standoff is one such example that underlines the importance of de-hyphenation in the bilateral ties. If adopted, the de-hyphenation approach would have prevented military confrontation by honouring Bhutan's sovereignty and autonomy in its engagement with any nation, including China, based on its own interests. It will enable India to shift from reactive to proactive, and have the liberty to handle its relationship with Bhutan without the China factor. Decoupling their relationships, India can prioritize its bilateral ties with Bhutan, untethered from the complexities of the China-Bhutan dynamic to promote a more collaborative and self-directed partnership. It would also serve Bhutan interest to maintain a neutral and balanced stance in its relationships with India and China, avoiding undue influence from either side.

#### **Constraining Influences:**

While de-hyphenation in the relationship is desirable and necessary, its implementation may be hampered by various challenges and constraints. Some of the issues that might limit its proper application are highlighted below.

Limited economic diversification: Bhutan's economic base is relatively small and undiversified due to various structural and geographic obstacles. State-owned enterprises are a vital component of Bhutan's economy, contributing 50 per cent of tax revenue, with hydropower being the dominant source, accounting for 85 per cent of this amount, highlighting a high level of dependence on this single industry. Bhutan's economic stability is primarily linked to hydropower projects as it contributes substantially to its GDP, government revenue, and export earnings. Moreover, with a sizeable portion of the generated hydropower being exported to India, Bhutan heavily relies on India for its economic well-being.

The partnership between India and Bhutan in the hydropower sector commenced in 1961 with the execution of the Jaldhaka agreement. A series of Inter-Governmental Agreements on Hydropower cooperation have been signed to facilitate joint venture partnerships between public sector undertakings of both nations. With substantial funding from India, the country has become the leading financier and a major stakeholder in these projects. <sup>12</sup> As such, the significant dependence of Bhutan on India for hydropower project partnership is a concern that might influence Bhutan ability to pursue an independent policy and decision-making.

Infrastructure limitations: Indian assistance has played a significant role in developing Bhutan's infrastructure, such as roads and connectivity, health and medical infrastructure, and creating a strong interdependence. There are various reasons for Bhutan's reliance on India for infrastructure development, which can be traced to several significant factors. With its limited domestic resources, Bhutan relies heavily on India's financial support to fund large-scale infrastructure projects. Technical expertise is another domain in which Bhutan requires India's support and collaboration. India has contributed technical expertise and skilled labour for infrastructure projects in Bhutan. The inaugural national highway of Bhutan, measuring 174 kilometres in length, was developed with the cooperation and support of the Indian government.<sup>13</sup> The Border Roads Organisation (BRO) has been playing an important role in constructing and maintaining roads in Bhutan, especially in areas with limited local capacity. As a landlocked nation, Bhutan also relies heavily on India for vital trade routes and access to ports. Most of its imports and exports are routed through India, consolidating India's role as a critical partner in Bhutan's economic infrastructure. Bhutan's dependence on external funding and technical assistance, primarily from India, exposes it to potential risks. Any change in India or other donor countries' political or economic atmosphere can jeopardize the continuity of support, making current and future infrastructure initiatives vulnerable. In 2013, on the eve of Bhutan's general election, India cut off subsidies on Kerosene and cooking fuel meant for Bhutan; this was not well received among the people of Bhutan. Critics surmised that it was to penalize the then PM of Bhutan for holding talks with China.14

*Diplomatic capacity limitation*: Bhutan has a relatively small diplomatic presence, with limited embassies and missions abroad to a few nations. Bhutan has embassies in only six countries: India, Bangladesh, Thailand, Belgium, Australia and Kuwait. Bhutan adopts a careful and selective approach to diplomacy; this restricts its ability to maintain extensive diplomatic relations globally. She carefully chooses to cultivate relationships with strategic partners, strongly emphasizing India. This targeted approach is because of the country's limited resources and the necessity to focus on alliances that yield the most significant benefits for its national interests.

Moreover, establishing and sustaining diplomatic missions and engaging in international activities requires significant financial and human resources, which Bhutan must judiciously allocate due to its constrained budget. Bhutan's strategic location, wedged between India and China, also demands a diplomatic approach marked by prudence and subtlety. This tricky geopolitical balancing act restricts Bhutan's ability to engage freely with multiple nations, as it must carefully navigate its relationships to prevent diplomatic fallout and maintain a stable equilibrium.

Regional dynamics: The longstanding rivalry between India and China, marked by border disputes and competing regional ambitions, creates a challenging environment for Bhutan. As mentioned earlier, the 2017 Doklam incident within Bhutan's territory revealed the intensity of the India-China rivalry and its far-reaching consequences for Bhutan, displaying the nation's susceptibility to the geopolitical tensions unfolding around it. Moreover, Bhutan's established reliance on India across various domains of regional dynamics impedes the country's ability to formulate and implement independent policies. Bhutan's longstanding historical connections and existing security arrangements with India make it challenging for Bhutan to foster an equally robust relationship with China without potentially jeopardizing its ties with India. This strong alignment with India limits Bhutan's diplomatic mobility with China, making it challenging to intensify engagement with China, such as establishing full diplomatic relations or resolving border issues disregarding India.

In essence, the rivalry between India and China, associated with the complex regional security landscape, has substantial limitations on Bhutan's capacity to conduct its bilateral relations with both nations autonomously. Therefore, Bhutan must tread carefully and navigate these delicate dynamics to safeguard its sovereignty and national security.

**Domestic politics**: Like other nations, Bhutan's internal politics have considerably influenced its foreign policy. The interplay of domestic factors, including the *monarch's role* and *political parties' inclination*, decisively influences how Bhutan manages its relationships with its two powerful neighbours.

The Bhutan monarchy's influence on foreign policy is a stabilizing force, prioritizing continuity and caution, particularly in Bhutan's relationship with India. The role of the Monarch is crucial as it must balance external pressures with internal political stability. The third King of Bhutan ended the self-isolation policy and opened the country to the outside world, thereby increasing its global connection. <sup>16</sup> Following the advent of parliamentary democracy in 2008, Bhutan's political landscape has undergone remarkable transformation, giving rise to a multiparty system representing diverse population segments. As a result, these political parties increasingly shaped the country's domestic policies and agenda, affecting its foreign policy decisions. Political parties respond to the electorate's various concerns, including economic development, national security, and cultural preservation. Depending on the political climate, parties may advocate for closer ties with India to ensure continued economic support and security, or they might push for a more independent foreign policy that includes improving relations with China to reduce over-reliance on India.

However, as Bhutan experienced a generational shift, there was a change in perceptions towards the country's relationships with India and China. This shift is reflected in the increasing calls for a more expansive and inclusive foreign policy approach, moving beyond the traditional limited engagement to a more open-door strategy. The youths are increasingly unhappy with the country's over-reliance on India because of the limited scope for opportunities and growth. With rising inequality, youth unemployment issue, and significant external debt, many are questioning the effectiveness of India's "loans and grants" development model. Even among leaders, there is a growing recognition that Bhutan needs to shift its focus from aid-driven development to investment-driven growth. Bhutanese students have voiced criticism against India, accusing it of being 'a jealous big brother' that stifles their country's efforts to engage with China. They argue that Bhutan must assert its independence in foreign policy matters, resolve the longstanding border dispute, and establish normal diplomatic relations with China, free from Indian influence.<sup>17</sup>

#### **Implications of De-hyphenation**

#### • For India

De-hyphenating the bilateral relationship between India, China, and Bhutan, meaning treating each relationship independently rather than linking them, could potentially offer several strategic advantages for India. First, it will reduce perceived competition and increase diplomatic effectiveness. When India engages with Bhutan without its actions seen as a mere response to Chinese influence, it will help minimize the perception that Bhutan is merely a pawn in a larger geopolitical struggle. This approach will allow Bhutan to feel more secure in its relationship with India without the pressure of having to choose sides or balance competing powers. Moreover, India's diplomatic efforts can be more effective when they are not seen through the lens of India-China competition. For example, India can engage in economic projects, cultural exchanges, and security cooperation with Bhutan that are explicitly tailored to Bhutan's needs without the distraction or tension of being perceived as reacting to Chinese moves. Second, India can build a more symmetrical and collaborative relationship by prioritizing mutual benefits and respecting Bhutan's sovereignty. This strategy would reassure Bhutan that India values its freedom to make independent foreign policy choices, fostering a deeper sense of trust and cooperation in their diplomatic engagement. Third, India can avoid unnecessary escalation in the region by not positioning itself as countering China in Bhutan. This would reduce the risk of provoking China or pushing Bhutan into uncomfortable diplomatic positions, thereby maintaining a peaceful and cooperative regional environment. Fourth, India can strengthen its influence in Bhutan through soft power initiatives like cultural exchanges, education, and people-topeople connections, which are more effective when not seen as a mere geopolitical tactic.

Similarly, India's development assistance in areas like infrastructure, healthcare, and education will be more impactful when perceived as genuine support. By avoiding the perception of a China-India rivalry, India can build deeper ties with Bhutan, placing itself as a trusted partner in Bhutan's development rather than a power with ulterior motives. This delinking of the relationship approach will foster greater trust, cooperation, and a more sustainable relationship.

#### For Bhutan:

De-hyphenation of the relationship among India, China, and Bhutan could considerably help Bhutan in finding its own path amid the complexities of regional politics. For a small nation like Bhutan, nestled between two big countries, carving out an independent and peaceful existence is not just about politics—it is about preserving its unique culture, values, and way of life.

Imagine a country that cherishes its natural beauty, its traditions, and the happiness of its people above all else. With its focus on Gross National Happiness, Bhutan strives to ensure its people's well-being. Bhutan follows high value and low impact policy on tourism in its strive to maintain its carbon negative status. It charges a hefty tourist fee on a tourist visiting the country.

De-hyphenating its relationships with India and China will allow Bhutan to engage with each neighbour independently, ensuring that its decisions are made in the best interests of its people. This approach could bring about a sense of security and stability, knowing that Bhutan can navigate its diplomatic waters without being forced to choose sides or compromise its values. It means Bhutan can pursue economic opportunities with China to improve the livelihoods of its people, while still maintaining its long-standing friendship with India. It is about giving Bhutan the freedom to stand tall and strong on its own terms, making decisions that align with its vision for the future.

In the long run, de-hyphenation could empower Bhutan to continue being a beacon of peace, harmony, and sustainable development in the region, fostering relationships based on mutual respect and understanding. This approach will benefit Bhutan and contribute to a more stable and cooperative South Asia.

### **Strategies for Future Engagement**

To effectively de-hyphenate the relationships among India, China, and Bhutan, various strategic approaches can be adopted for future engagement. These strategies must be carefully balanced to protect each other's sovereignty and regional stability. Here are some of the suggested strategies for future engagement:

Strengthening Diplomatic Channels: To strengthen ties and diplomatic channels, Bhutan should establish and maintain strong, independent diplomatic channels with India and China. By engaging in regular bilateral dialogues, Bhutan can address concerns, build trust, and seek cooperative opportunities without the influence of the other party. Appointing special envoys for India and China can help manage relations separately and ensure dedicated attention to each

relationship. Establishing diplomatic rapport and having special envoys with China may seem like tall wishes for Bhutan at this juncture; however, it will be feasible when the stalemate in border talks ends positively.

**Promoting Diverse Economic Cooperation:** Apart from its current collaboration and partnership with India, Bhutan can explore economic partnerships with China to diversify its trade and investment portfolio. This could include developing infrastructure projects or expanding markets for Bhutanese goods in China and other countries to enhance Bhutan's economic resilience. According to the 2021-22 data available on the webpage of the Embassy of India, Bhutan's overall trade with India accounts for about 80 per cent, favouring India with the balance of trade. <sup>18</sup> This data shows Bhutan's heavy reliance on India, which is unhealthy and risky. As a result, this may create room for doubt and mistrust, as India may be perceived as taking Bhutan for granted due to its limited alternatives.

Ensuring Security and Sovereignty: As the saying goes, "Good fences make good neighbours" Bhutan and China must emphasize the border talks to elevate their ties further. Bhutan should continue to engage China directly in resolving border disputes without external influence. A clear and mutually agreed upon border can help reduce tensions and enhance Bhutan's security. China should also consider and respect Bhutan's stance on border issues without factoring its strategic interest against India. Respecting one's territorial integrity is a prerequisite to having healthy and flourishing bilateral relations.

Cultivating Cultural and People-to-People Ties: Bhutan has a close cultural affinity with both India and China. Buddhism played a significant role in cultural affinity and connecting people as it was widely popular among the people of India, Bhutan, and Tibet (now the Autonomous Region of China) in earlier times. Building goodwill and mutual understanding through cultural exchange programs can promote healthy and promising relationships among the three nations. This could include academic exchanges, tourism, and collaborative cultural projects. By fostering educational partnerships, Bhutan can provide its youth with diverse perspectives and valuable skills.

**Regional Cooperation and Multilateralism:** Active participation in regional organizations is one way of having a greater reach and influence for a nation. Likewise, Bhutan actively participating in regional organizations like SAARC, BIMSTEC, and the SCO, where both India and China are members would be beneficial. Its engagement can help Bhutan advocate for regional peace and stability while maintaining its independent stance. Bhutan can also engage with other international partners to build a broader support base and reduce its over-reliance on any single neighbour. It will enhance its status and bargaining power in the international arena.

Maintaining a Neutral and Peaceful Stance: As Bhutan walks the tightrope diplomacy between India and China, Bhutan can maintain a non-aligned foreign policy that prioritizes peace and cooperation over alignment with any major power. This stance can help Bhutan avoid being dragged into geopolitical conflicts between India and China. As said, maintaining aloofness from India will only be possible for Bhutan if it lowers its heavy reliance on India in various fields and diversifies its limited options. By positioning itself as a neutral mediator, Bhutan can contribute to regional stability, offering a platform for dialogue between India and China on areas of common interest.

**Developing Internal Capacities:** In line with the above point, Bhutan should continue strengthening its governance and institutional capacities to handle complex international relations independently. This includes training diplomats, improving negotiation skills, and building a deeper understanding of international law and norms. It must invest vigorously in developing its human resources and capacity-building program. Moreover, Bhutan can remain economically viable while maintaining its strategic autonomy by developing infrastructure that enhances connectivity with neighbours. A country's infrastructure is crucial for its growth and progress. It is the physical and organizational structure that enables business transactions to run smoothly.

#### Conclusion

The bilateral ties between India and Bhutan may seem asymmetric and having an unequal footing based on the size of their area and diplomatic power. However, all sovereign nations, big or small, are entitled to the authority to look after their own internal and external affairs without any third-party intervention. Accordingly, Bhutan, being a sovereign, must conduct its affairs in its own interest, free from external interference.

In summary, de-hyphenating the bilateral relationships between India and China will have significant opportunities for all three nations involved. This approach will benefit India by facilitating more effective diplomacy and fostering mutual trust and cooperation with Bhutan while reducing the risk of regional tensions with China. On the other, the approach would give Bhutan the freedom to engage with its neighbours on its own terms, ensuring diplomatic decisions align with its values and priorities, such as sustainability and Gross National Happiness. Dy-hyphenation will yield the most when all three countries adopt nuanced strategies that respect each other's sovereignty while promoting cooperation in areas like trade, culture, and diplomacy. Ultimately, this approach will contribute to a more stable and collaborative South Asia, where relationships are built on mutual respect and shared interests.

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