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BHUTAN'S STRATEGIC IMPORTANCE TO INDIA

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ORGANISED BY CENJOWS
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Executive Summary

This report documents the lecture delivered by Deputy Director General Brig K Ranjeev Singh of the Centre for Joint Warfare Studies (CENJOWS) on Bhutan's strategic importance to India amid emerging regional challenges, particularly China's growing influence. The lecture placed Bhutan alongside Nepal and Bangladesh in India's neighbourhood, traced the evolution of India–Bhutan ties from the treaty relationships of the British period through the 1949 Treaty of Friendship, and assessed the present state of security, economic and cultural cooperation.

Bhutan was presented as maintaining a consistently strong and trustworthy relationship with India, supported by extensive military cooperation, financial aid and shared cultural and religious traditions. The speaker also identified a set of vulnerabilities: a young and fragile democracy, economic dependence on India, limited military modernisation, growing external influences, and China's incremental territorial assertions, of which the 2017 Doklam standoff remains the most visible example.

The speaker's central argument was that India should move beyond viewing Bhutan merely as a buffer state and pursue deeper integration through enhanced military support, infrastructure development, cultural and educational exchanges, and vigilant monitoring of public sentiment. These measures are intended to secure India's strategic interests and to prevent Bhutan from shifting towards Chinese influence in the coming decades.

Strategic Importance of Bhutan

The lecture opened by underlining that Bhutan's strategic value for India far exceeds what its size and population would suggest. Lying between India and China, Bhutan serves as a critical buffer state. The speaker cautioned, however, that Bhutan is not merely a contested space: it has its own aspirations for strategic autonomy, and understanding its role requires viewing it not only from India's perspective but with due

recognition of that autonomy. The evolving dynamics between India and China make such an understanding even more essential.

Historical and Geopolitical Context

The speaker situated Bhutan within a wider group of neighbours, Nepal and Bangladesh, that share deep historical, cultural and economic bonds with India and whose relationships with India have evolved since independence. India's borders with these three countries together extend to approximately 6,500 kilometres. Nepal and Bhutan have long been regarded as buffer states in relation to China.

The speaker then mapped the level of trust India has enjoyed with each of the three countries since independence. Nepal's trust in India has fluctuated, shaped by its economic dependence and by its balancing between India and China, whose growing role has added to the variation. Bangladesh's relationship with India peaked after 1971 but has declined in recent years owing to political changes. Bhutan, by contrast, has maintained a stable and growing relationship of trust since independence, which reinforces its role as a buffer state.

Bhutan: Geography, Polity and Economy

Bhutan is a small, landlocked country comparable in size to Haryana, with a population of around 800,000. It shares borders with Indian states including Sikkim, Arunachal Pradesh and West Bengal, and with China. It transitioned from a monarchy to a constitutional monarchy in 2008, and its economy and population density are comparable to those of some Indian states, which underscores its unique position.

Bhutan's economy is driven by hydropower, tourism, agriculture and, more recently, bitcoin mining. Hydropower is the major source of revenue, and India has invested in these projects. Tourism is deliberately controlled because of limited infrastructure. India is Bhutan's largest trading partner, accounting for about 80 per cent of its trade. Cultural and religious ties are equally strong: the two countries share Buddhist sects, and Bhutan's religious leadership has Indian lineage.

India–Bhutan Relations and Security Cooperation

The relationship traces back to treaties signed during British rule and was placed on a new footing after independence, most notably by the Treaty of Friendship of 1949.

The visit of India's Prime Minister to Bhutan in 1958, which involved a difficult journey, marked a significant milestone and initiated efforts at modernisation and connectivity. India has since funded Bhutan's five-year plans and infrastructure development, and its financial assistance accounts for nearly 40 per cent of the Ministry of External Affairs' aid budget.

On security, India maintains a military training team in Bhutan, located at Haa Valley, in support of the Royal Bhutan Army (RBA). The RBA has approximately 8,000 personnel and is supplemented by paramilitary forces and reserves. India supplies most of Bhutan's military equipment and training, which reinforces Bhutan's security and stability as a buffer state against China.

Border Disputes and Chinese Influence

Bhutan has three major border disputes with China, at Doklam, Jakarlung and Pasamlung. The speaker noted that China has raised these boundary questions with Bhutan itself rather than with India in the Bhutan context.

The 2017 Doklam standoff illustrates the security risks involved. It arose from Chinese attempts to construct a road near the India–Bhutan–China tri-junction and led to a 73-day military standoff. The speaker characterised China's approach as one of "salami slicing", that is, the incremental assertion of territorial claims, which complicates border security and poses continuing challenges to the security interests of both Bhutan and India.

Challenges in India–Bhutan Relations

The speaker identified several interlinked challenges that could erode India's position over time. Bhutan's democracy is new and fragile, with the monarchy continuing to play a central role, and the country remains heavily dependent on Indian aid while its military modernisation is limited. External influences from countries such as Thailand and Australia are also growing.

Generational change adds a further dimension. Youth (Gen Z) attitudes towards China differ from those of older generations, and there is growing dissatisfaction among young Bhutanese exposed to foreign cultures and education. Social media penetration of 87 per cent compounds the difficulty, since it creates risks of misinformation and

manipulation and makes information control and influence hard to manage, with potential consequences for Bhutan's orientation towards India.

Recommendations for Strengthening Ties

The speaker recommended that India abandon the notion of Bhutan as merely a buffer state and increase its footprint through deeper integration, with greater Indian presence in, and engagement with, Bhutan. Strengthening Bhutan's military capability was seen as crucial, particularly through enhanced military training and intelligence capabilities.

On the economic side, improving infrastructure, air connectivity and economic opportunities would help reduce Bhutan's dependence on aid. The speaker also urged India to deepen cultural, religious, educational and health ties to reinforce the bilateral relationship. Finally, monitoring and engaging with Bhutan's youth and wider public sentiment was described as essential to countering Chinese influence.

Conclusion

The lecture presented Bhutan as a steadfast and trusted partner whose alignment with India nonetheless cannot be taken for granted over the coming decades. Bhutan's strategic autonomy, its fragile democracy, its generational shift in attitudes, and China's persistent territorial pressure together call for a more active and integrated Indian approach. In the speaker's assessment, securing India's interests in Bhutan will depend on strengthening its military, economic and societal foundations, and on treating Bhutan as a partner rather than a buffer.