

Indian Prime Minister Narendra Modi's Visit to Bhutan: View from Nepal

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Indian Prime Minister Narendra recently concluded his first foreign visit to Bhutan. During this visit, India focused on "B2B" or "Bharat to Bhutan" diplomacy, which is important not for Bhutan alone, but for all of India's neighbours.

Through this visit, India has tried to give message that the neighbours are overwhelmingly important in its foreign policy and that it wants to rise as a global power along with them all. It was for this reason that Modi invited all the heads of government/state of SAARC region in his swearing in ceremony as Prime Minister of India.

During his two-day visit to Thimpu, Narendra Modi observed that Bhutan was able to focus on Gross National Happiness (GNP) as an alternative to Gross Domestic Product (GDP) because it had a neighbor like India. In his emotional outburst, he also added that India and Bhutan were made for each other – Bharat for Bhutan and Bhutan for Bharat (B for B).

It was in fitness with the amicable relations with Bhutan that Prime Minister Modi laid foundation stone for the development of 600 MW Kholongchu hydroelectric power station, a joint venture between India and Bhutan. This project is a part of an energy cooperation plan to feed the demand for power in Bhutan and also in India. Apart from this, Modi opened up a Supreme Court building constructed by India. He also doubled the amount of scholarships to the advantage of Bhutanese students. In addition, he made commitment to construct a digital library, which is intended to provide access to Bhutanese youth to two million books and periodicals.

As being time trusted friend, India has been supporting Bhutan's development initiatives since 1970s. India alone accounts for 20 per cent for Bhutan's five-year planning budget. Over the years, India helped Bhutan to develop Chukha Hydropower Project (336 MW), which is the

main source of power supply for West Bengal, Bihar, Jharkhand, Orissa and Sikkim states of India. In 2005-2006, Chukha Project alone contributed over 30 per cent of Bhutan's revenue. In addition, India supported Bhutan to develop Tala Hydropower Project (1020 MW) and Kurichhu hydro project (60 MW). Most importantly, India and Bhutan have reiterated their commitment to produce 10,000 MW of hydropower in joint venture by 2020 for which India is likely to commit on the implementation for 12 new hydro-power projects in Bhutan.

Bhutan is almost the size of Switzerland. Surrounded by India in the south, east and west and by China in the north, Bhutan's population is 750,000. The country shares 470 kilometers of border with China; while with India it has 605 kilometers of border. The country has successfully balanced modernity with traditions and it replaced absolute monarchy to parliamentary democracy in 2008.

However, Modi's visit to Bhutan is not solely guided by economic interests. Bhutan counts heavily in India's strategic calculation. Therefore, India might not be very happy to see that countries outside the region have influence over there. With this respect, India and Bhutan reiterated that their territories would not be used in the interest of the countries inimical to each other. Such a commitment is important in view of Chinese efforts to woo Thimpu in the recent years. It is not a secret that China has been trying to reduce India's influence in Bhutan by establishing full-fledged diplomatic relations, which is worrying India.

But more than this India is concerned for the way China wants to resolve its border dispute with Bhutan. Bhutan has dispute on 4,500 square kilometers of land with China in its northern and western parts. If the country does not handle China properly, it is likely to lose that part which is almost 10 per cent of the total area of the country.

To the surprise of India, in 2012 Bhutan is reported to have even agreed to China's offer to exchange 495 square kilometers of area of Pasamlung and Jakarlung valleys in Bhutan's north for Sinchulumpa Dramana and Shaktoe with a total area of 269 kilometers in west. This deal could have proved detrimental to India's strategic interest as China was likely to have access to the most sensitive chicken neck belt of India. Such an outcome was the result of meeting between Bhutan's first elected Prime Minister Jigmi Y Thinley and Chinese Premier Wen Jiabo on June 21, 2012 in Rio de Janeiro. However, this deal was aborted following the humiliating defeat of Thinley and his party in 2013 General elections in Bhutan.

Obviously, Prime Minister Modi's visit to Bhutan seems to be guided by different considerations. Firstly, India wants still stronger ties with Bhutan for which it wants to extend further support for the development of hydro-power to the mutual advantage of the two countries. Secondly, India wants to check the growing Chinese influence in Bhutan. India might like to see that the Chinese claim over Bhutanese territory is thwarted. Without India's support, it might not be possible for Bhutan to deal with China on a proper footing. Thirdly, India also wants give a message that it is capable enough to protect the interests of its neighbours in every possible way.

Indian Prime Minister Modi chose Bhutan rather than Nepal as first destination in foreign visit despite the fact that India has closer relations with Nepal on several fronts. Even in the hydropower sector, there is greater prospect for cooperation between the two countries. But the

fact is that Indian projects have operational difficulties in Nepal. Work on all such important projects as Mahakali (6,000 MW), Upper Karnali (900 MW), Marsyangdi II (600 MW), Arun III (900 MW) and Tamakoshi III (650 MW) have been stalled for a long time. No government in Nepal in the past could make any breakthrough in implementing hydropower projects in cooperation with India despite the fact that Nepal has potentiality to harness 83 thousand MW of hydropower.

It is a shame that until today Nepal has not been able to produce more than 600 MW of hydropower, though it has over a hundred-year old history in this sector. Even a tiny country Bhutan produces quite a huge of power and outsmarts Nepal in power deal with India. Bhutan is prospering mainly due to the revenue generated from hydropower, while Nepal's economy is paralyzed mainly due to the lack of adequate supply of power.

Learning lesson from Bhutan's development efforts, Nepal should not remain behind in hydropower production as it is the secret of its economic growth. Never ever could Nepal emerge as economic power without the development of this sector. But the irony is that Nepal's hydropower cannot be harnessed on a large scale without India's cooperation and when the matter of cooperation between the two countries comes into the picture there is a distrust on the part of a few politically-biased people in Nepal towards India. It is up to Nepal to choose if it wants to remain in dark and miss the bus of development or emerge as centre of economic power house in South Asian region by harnessing its water resources. Possibility is that Modi would make his visit to Nepal in early August and given his clout he could help resolve the hurdles in water deal between the two countries. In the meantime, Nepal should make sufficient exercise to see that it benefits from cooperation with India in hydropower, tourism and other potential sectors. As being a development man, Modi is a hope for Nepal too like that of Bhutan in matter related to the development of the country.

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