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## Bhutan: Shades of ‘Shangri-La’ in a Haven of ‘Happiness’

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### Abstract

*Bhutan conjures up in the mind’s eye idyllic images of a ‘Shangri-La’. In line with this fairy tale perception, it has sought to propagate the concept of Gross National Happiness as a serious index for measuring development. However, there is today a realization in that country that idea-label needs to be matched by performance. Changes are afoot in its politics, economics, and international relations. Cautious reforms on these fronts including modernizing initiatives are rapidly rendering this tiny Kingdom into ‘everywhere else’. So, while ‘Shangri-La’ does not exist in reality, myths continue to remain a driver of human destiny, as the example of Bhutan amply demonstrates.*

### Introduction

The idea of ‘Shangri-La’ is owed to a fiction authored by a British writer James Hilton in the early 1930s. In the book titled ‘The Lost Horizon’, Hilton describes an exotic mythical utopia in the Himalayan mountains of Asia, where harmony and happiness reigned supreme<sup>2</sup>. The novel inspired a longing for such an earthly paradise, which appeared far too distant from reality in a world that had recently experienced what was one of the bloodiest conflicts in the

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<sup>2</sup> As was to be expected, Hollywood eventually converted the novel into a popular movie that became a box-office hit.

First Great War and was hurtling inexorably towards the Second, with Nazism and Fascism digging their claws into many a European society. The concept of such a peaceful haven continued to linger into our own times, which had also seen a huge number of wars, both cold and hot.

It is to the credit to the rulers of Bhutan, who took advantage of these nostalgic sentiments, and crafted the concept of 'gross national happiness'. This was done as a brand for their tiny Kingdom, of 46,500 sq km and 900,000 people (though estimates vary, depending on sources!), which nestles near the 'roof of the world' between two mighty neighbours India and China. Indeed, in 2006 *Business Week* rated the Kingdom as, first, the 'happiest' country in Asia and, second, eighth happiest in the world<sup>3</sup>. Bhutan's leaders were consequently left with a clear and palpable challenge: to retain their position at the peak in the first, and improve on their 'pecking-order' in the second. They appear to have decided to meet it in real earnest and with great enthusiasm.

### **Gross National Happiness Defined**

The term 'Gross National Happiness' (GNH) was coined by King Jigme Singye Wangchuk, the present monarch's father, in 1972. It was he who had opened up Bhutan, till then a secluded State heavily reliant on India for its protection and security by a Treaty signed in 1949. Initially viewed as a casual remark, the GNH ringed genuine in terms of an aspiration to combine the country's unique culture of Buddhist values with the goals of socio-economic development. This royal-speak, however off-the-cuff, was carried forward by the Centre for Bhutan Studies which, with a modicum of external intellectual assistance, converted it into a sophisticated instrument of social survey to measure well-being. It implied a holistic approach towards progress based on both economic and non-economic factors.

The concept of GNH was based on four pillars: good governance, sustainable socio-economic development, cultural preservation, and environmental conservation. These were further classified into a number of domains to reflect the totality of its range. These included psychological well-being, health, education, time use, cultural diversity, resilience, and living standards. A GNH Index was developed from 33 indicators, categorized under these domains, based upon a robust multi-dimensional methodology known as the Alkire-Foster method<sup>4</sup>. This was now serious business. The Bhutanese leadership wished to ensure that not just Bhutan but also the world took note. Prime Minister Jigme Thinley, who had once served as Ambassador to the United Nations in Geneva, wisely perceived in it a useful tool to raise Bhutan's international profile, and became an ardent advocate<sup>5</sup>.

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<sup>3</sup> Issue of 10 November 2006.

<sup>4</sup> See, Bhutan GNH Index. <http://www.grossnationalhappiness.com/articles/> Retrieved on 30 April 2012.

<sup>5</sup> [www.youtube.com/watch?v=g23-dNpttUU](http://www.youtube.com/watch?v=g23-dNpttUU), 16 February 2010. Retrieved on 30 April 2012.

## **Happiness at the UN**

It was decided both the word, and the happiness, must be spread globally. What better forum was there to begin to do this than in the General Assembly of the United Nations, the ‘Parliament of Man’ itself<sup>6</sup>? In the meantime some positive political developments within Bhutan had attracted favourable global attention. In 2006 the then King Jigme Singye Wangchuk abdicated in favour of his son Jigme Khesar Namgyel who was crowned in 2008. By then elections had been held in the Upper and lower houses of Parliament, giving Thinley’s Druk Phuensum Tshongpa (DPT) a resounding majority, making him Prime Minister. A ‘Himalayan Spring’ had quietly but starkly been effected in those mountain ranges.

So the time was now ripe for spreading some of this happiness around the world. It was decided to test the waters for an appropriate resolution at the United Nations. It would be a ‘non-binding’ one that would render happiness a ‘development indicator’. Initially there was some understandable scepticism, given the fact that the stoic UN diplomats often tend to be irreconcilably pragmatic. There was still too much of an idealistic aura around the concept. But with a bit of a helping hand from India, with which Bhutan always coordinates foreign policy initiatives ( a small price for India to pay to humour a trusty and perennial ally!), the draft resolution collected as many as 66 cosponsors, a remarkable number by all counts, including the more worldly UK representatives. As a result the resolution was enthusiastically adopted in 2011. Ambassador Lhatu Wangchuk of Bhutan, in a somewhat simplified Aristotelian fashion, argued that wars and disputes do not indicate happiness or otherwise, and are caused by egos and interests of leaders, stressing the importance of ‘dreams, sleeping time, and time with families’, points that, like motherhood, aroused no negative opposition from any quarters<sup>7</sup>. Having a g flagship resolution of this kind under its belt was no mean achievement for tiny Bhutan’s burgeoning multilateralism.

## **Less Happy Backyard**

But alas, there was less happiness in parts of its own backyard. In the late 1980s, a “one nation, one people” campaign, leading to a “Bhutanization’ programme, resulted in a large number of people of Nepali origin, known as ‘Lhotshampas’ fleeing Bhutan. Originally, the refugees numbering well over 100,000 were housed in seven camps in eastern Nepal. But due to UN High Commissioner for Refugees (UNHCR) consolidation programme, only two of

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<sup>6</sup> Borrowed originally from a rambling verse by the English poet, Alfred Lord Tennyson, by the historian, Paul Kennedy, as a title for his masterful tome on the United Nations: Paul Kennedy, *The Parliament of Man: The Past, Present and Future of the United Nations* (New York: Random House, 2006).

<sup>7</sup> See, Barbara Plett, ‘Bhutan spreads happiness to UN’, BBC News World, 21 July 2011.

the original seven are expected to remain open by the end of 2012<sup>8</sup>. By now more than 43,500 of them have been resettled, including 37,000 in the United States. According to one analyst, Bill Frelick, the continued refusal by Bhutan to allow any of them to return home, could look like the ‘gloss’ of Bhutan’s ‘peaceable image’ is being used to ‘escape international scrutiny and censure’<sup>9</sup>.

The expected result was a bitter taste in the mouth in terms of Bhutan-Nepal bilateral relations. Formally the two countries established diplomatic relations in 1983, presumably prompted by the enthusiasm created by the Bangladesh-led initiative to establish the South Asian Association for Regional Cooperation (SAARC) that took formal shape in 1985 and was joined by both kingdoms of Bhutan and Nepal<sup>10</sup>. In this piece Lok Raj Baral refers to the ‘worst- case scenario’ apprehension of the Bhutanese authorities of the division of that Kingdom into Nepali and non-Nepali states, but argues that it does not weigh the security concerns, not just of Nepal, but importantly of India, implying that the latter would not endorse it. Be that as it may, there has not been much improvement in the Bhutan-Nepal bilateral relations since. Writing more recently, Prof Narayan Sharma of the Kathmandu School of Law has lamented: “Bhutan-Nepal relationship has never witnessed any vibrancy, and despite being neighbours there has remained no mutual intercourse worth the name between the two”<sup>11</sup>. The altered domestic situation in both countries and their increasing multilateral engagements may provide a resolution to the refugee issue, and end such travails.

### **Between the Elephant and the Dragon**

Bhutan’s geostrategic location has expectedly attracted the attention of both India and China. Metaphorically, therefore, the ‘Druk’, or the mythical animal that symbolizes Bhutan, is caught between two others, the elephant and the dragon. Bhutan has tended to follow what the Scandinavian analyst Erling Bjøl, while describing Finland’s relations with the Soviet Union, had called the ‘pilot-fish behaviour’, that is ‘keeping close to the shark to avoid being eaten’<sup>12</sup>. As long as India was the only major protagonist to relate to, this could be done more easily. For instance, much like what was done between Finland and the Soviet Union, there

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<sup>8</sup> UNHCR, Bhutan: 2012 regional Operations Profile-South Asia. <http://www.unhcr.org/cgi-bin/texis/vtx/page?page=49e487646>. Retrieved on 1 May 2012.

<sup>9</sup> ‘For Bhutan’s refugees, there’s no place like home’, *Global Post*, 30 March 2011. <http://www.hrw.org/news/2011/03/30/bhutan-s-refugees-there-s-no-place-home>. Retrieved on 1 May 2012.

<sup>10</sup> Lok Raj Baral, ‘Bilateralism under the Shadow: The Problems of Refugees in Nepal-Bhutan Relations’, *Contributions to Nepalese Studies* Vol.20, No.2 (July 1993).

<sup>11</sup> ‘Bhutanese Refugee Situation: An Assessment of Nepal-Bhutan Bilateralism’ .Kathmandu School of Law, Bharatpur, 2009. [www.ksl.edu.np](http://www.ksl.edu.np).

<sup>12</sup> Erling Bjøl, ‘The small states in International Politics’ in August Scou and Arne Olav (eds.) *Small States in International Relations* ( Stockholm: Almqvist and Wiksell , 1971) p.33.

was the 1949 Indo-Bhutan Friendship Treaty whose Article 2 stipulated that Bhutan be “guided by the advice of the government of India in its external relations”.<sup>13</sup>

Soon China entered the scene and sphere, as a major player, and also as a major adversary of India. They fought a border war in 1962. The fate that befell Tibet vis-à-vis China, and Sikkim vis-à-vis India, was of not inconsiderable concern to the Bhutanese. Global politics began to alter and the once-secluded States found it necessary to play roles in the international arena designed to enhance their own protection and sense of security. Incrementally, slowly but surely, they began to assert their independence and sovereignty. Wisely India played along. The 1949 Treaty was renegotiated in 2007. *Both* countries now agreed to “reaffirm their respect for each other’s independence, sovereignty and territorial integrity”, though India’s acknowledgment of this with regard to the smaller and weaker neighbour was much more important. India became Bhutan’s largest trading partner. Its energy-hungry economy bought back the hydroelectric power funded by it in Bhutan. Bhutan cooperated with Indian troops in flushing out insurgents of North Eastern Indian origin. Small wonder that one of India’s former Ambassadors to Thimpu should announce with unrestrained gleeful alliteration that Indo-Bhutanese relations were “healthy, happy, smooth and harmonious”.

With China the developments have been more problematic. Bhutan and China have no diplomatic relations. However this does not mean they have had no diplomatic interactions. Since 1971 Bhutan has been a member of the United Nations, as also China. Their diplomats have continued to see each other in both key UN headquarters, in Geneva and New York. In the past Bhutan had trading ties with Tibet, which largely ceased in recent decades. In fact the borders between Bhutan and Tibet closed with the influx of some Tibetan refugees into Bhutan in the 1960s<sup>14</sup>. In 1998 Bhutan and China signed an Agreement on Peace and Tranquillity on the Bhutan-China Border. However, since then the 470 km border has not been free from troubles. There have been allegations of Chinese intrusions.

The suspicion, however, at least in India, is that these alleged intrusions have more to do with India than with Bhutan itself, though it has been denied by the former Indian Army Chief, General Deepak Kapur. This line of thinking may be substantiated by the fact that India has relocated some troops from Jammu and Kashmir to the Sino-Indian-Bhutanese border. Logically such diversion of Indian capabilities should benefit China. Understandably, Bhutan’s relationship with China may have a mathematical correlation with its ties with

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<sup>13</sup> This quote, and some other relevant ones, as well as information, have been gleaned from: Jyoti Malhotra, ‘Indo-Bhutan relations age better with time’, live Mint.com, Wall Street Journal, 25 April 2008. <http://www.Livemint.com/2008/04/24232542/IndiaBhutan-relations-age-bet.html> Retrieved on 1 May 2012.

<sup>14</sup> Data in respect of Sino-Bhutanese relations have been cited from, Mohan Balaji, ‘In Bhutan, China and India collide’, Asia Times, 12 January 2008. <http://www.atimes.com/atimes/China/JA12Ad02.html>. Retrieved on 1 May 2012.

India. When the latter strengthens, the former will weaken, and vice versa. As Bhutan matures into an active international actor, as it is showing signs of doing, its leadership will need to be aware of such axioms in the interplay of international relations. In the view of a close observer of Bhutan, Caroline Brassard, the keen interest of the current young King in politics and international relations, and his outward outlook, are likely to influence a positive attitude towards China, albeit in a manner that is cautiously cultivated<sup>15</sup>.

## Conclusion

Bhutan provides a good example of the fact that even if the primary interests of a small state is limited to domestic well being and good relations with immediate neighbours, sheer necessity will require it to play roles that have global ramifications. Bhutan might have merely wanted “happiness” for its citizens. Then this expanded to a desire to try to set global norms by propagating the concept of GNH through the UN resolution in order to design for itself a peaceable profile. It was hoped that this would better equip Bhutan to define its ‘one nation, one people’ ideal of citizens more sharply, and tackle the consequent refugee problem with Nepal more effectively. Its peaceful domestic reforms and democratic transition heightened its positive international profile, rendering its role on the global matrix more welcome and acceptable. To buttress its sense of sovereignty it needed to reduce its total reliance on India, which it sought to do through its membership of the UN, the Non Aligned Movement and SAARC. This raised the possibility of a better understanding, or at least a reduction of tensions, with China.

The challenges that Bhutan faces are legion. With a GDP (2011 estimates) of US \$1.488 bn and a per capita income of only \$ 2,121, it is still in the UN list of the world’s Least Developed Countries (LDCs). The UNDP Human Development Index of 2007 placed it at 132<sup>nd</sup> position, among the UN membership of 192 (then). But despite the tiny economy, and also its tiny international linkages, Bhutan is increasingly ‘becoming more like everywhere else’<sup>16</sup>. While the main exports still go to India, Hong Kong and Bangladesh, and imports come from India, Japan and Sweden, Bhutan is making efforts to diversify. It has diplomatic relations with 21 countries and with the European Union. It has embassies in India, Bangladesh, Kuwait and Thailand, and two UN Missions, one each in Geneva and New York. Some thinking is on the cards about opening up with Singapore, going further east. So current endeavours are concentrated on the need, not to rely solely on expanding the philosophy of ‘happiness’, but also to give it some concrete content. The reality is that ‘The Lost Horizon’

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<sup>15</sup> Caroline Brassard, ‘Bhutan: Cautiously Cultivated Positive Perception,’ in S. D. Muni and Tan Tai Yong (eds.) *A Resurgent China: South Asian Perspectives* (Routledge: New Delhi, 2012) pp73-91.

<sup>16</sup> *The Economist* 16 December 2004. <http://www.economist.com/node/3445119>. Retrieved on 2 May 2012.

is still a work of fiction, and sadly, 'Shangri-La' like Santa Claus does not really exist. However, myths, as always, remain a powerful force as drivers of human destiny.

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