
BHUTAN IN 1994

Will the Ethnic Conflict Be Resolved?

_____ A. C. Sinha

Bhutan, the last Shangri-la of the vanishing Lamaist Buddhist polities in the Himalayas, was considered less than a decade ago as the ideal locale in which the Sri Lankan government and the country's rebel Tamils might negotiate a solution to their violent ethnic conflict. Within a couple of years, however, Bhutan itself had turned into another theater of ethnic strife, this one pitting the dominant Buddhist communities in northern Bhutan against an immigrant Nepali Hindu community in the southern third of the kingdom. The situation quickly became a stalemate; in 1994 it continued to be the most significant political issue in the country, although it tends to be treated as a problem of law and order.

If one reads the proceedings of Bhutan's Tshongdu (national assembly) and speeches by its members, one rarely finds a forward-looking statement that rises above populism and xenophobia, nor has there been an honest effort to identify issues affecting the body politic. However, it is handicapped in providing a forum for dissenting voices, and structural reforms in the style of representation are badly needed. Visitors to Bhutan are told that political reforms are on the king's agenda but that he is unsure about the timing of their introduction and his subjects' response.

Apart from the Tshongdu, most of the national fora are located in Thimphu, the capital. District development councils (DYT) continue to operate out of district headquarters, but under the benign gaze of the bureaucracy, and the village groups appear to suffer from development fatigue. But in what seems to be a step in the right direction, villages have been grouped into blocks (*geong*) for developmental purposes, and it is said that the most important development during 1994 was "democratization" at the block and village levels. This means that villagers and the *guos* and *mandals* (heads of

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village councils) are now deciding their development priorities without the *dzongda* (district commissioner). It has reached the point, according to reports, that bureaucrats are now resigning their posts and contesting elections to the Tshongdu. Southern Bhutan, however, is totally paralyzed structurally, and development priorities have been adversely affected, if not shelved.

The Economy and Ethnicity

The government declared the 1993–94 financial year a success in terms of its statistical achievements. The total outlay for the year was Nu 4.2 billion (32 Nu = US\$1), a 13% increase over the projected figure. The government claimed it had collected internal revenue of Nu 1.59 billion against the current expenditure of Nu 1.606 billion, a deficit of just Nu 17 million. This means that the royal government has achieved its goal of self-reliance by meeting most of its current expenditures from internal revenue. Bhutan spends 30% of its annual budget on social welfare programs, mainly in rural areas. Education and health services are free, while most other services are heavily subsidized by the state. Rural taxes amount to just 0.3% and income taxes on business only 3% of total revenues. Bhutan has a hard currency reserve of more than US\$100 million.

The finance minister, however, is candid in acknowledging that there are dark clouds hovering over the national economy. While project and program implementation has been satisfactory, development activity—particularly in southern districts—has been hampered by frequent riots and acts of terrorism by Nepalese dissidents. Similarly, progress in trade and industry continued to be disrupted, as all major commercial and industrial centers are located in southern Bhutan. The government thus has had to engage a large number of security personnel to protect industries, service facilities, and forests, as well as people's lives.

The controversial claim that Bhutan has about 600,000 bona fide subjects has helped the country achieve another miracle. The Human Development Report issued by the United Nations Development Program (UNDP) had listed Bhutan among the least developed of its 173 member countries. But by adjusting the claimed population figure, per capita income, literacy, and life expectancy, Bhutan's ranking went up from 162 to somewhere around 130. Bhutan, however, is one of the few countries in which statistics do tell lies. In reality, the social development undertaken is far more significant than the achievement rates indicate.

By tradition, Bhutan is a Buddhist Dukpa monarchy; it is also a country in which predominantly Hindu Nepalese immigrants have been living for nearly a century as subsistence farmers in the southern foothills. In other words, this Lamaist kingdom has a sizable immigrant population strategically located in a frontier zone over which the center may not have complete control. The

tirely another matter that Bhutan did not have jails in the past; the few serious criminals were simply put into a dungeon or left in an open village square shackled to a heavy log. Visitors are frequently reminded that the UNHCR provides what is regarded as lavish treatment in the refugee camps compared to the harsh realities of a mountain farmer's life.

Dissident violence has continued against the loyal Lhatshampas, especially those with official status. In some of their villages, the loyal Nepalese cannot spend nights in their own homes. Up to mid-August, Sarpang District alone reported as many as 440 terrorist crimes—murder, kidnapping, rape, assault, and damage to property—against Lhatshampas. One could see barren paddy fields, deserted villages, and crumbling houses all over southern Bhutan, and the loyal Lhatshampas not only fear violence alleged to come from their former neighbors in the refugee camps but they are losing faith in the Bhutanese system as a whole. Although the king, the royal family, and a number of higher officials have been sympathetic to the Lhatshampas who stayed, many Dukpas do not hide their pleasure at the plight of the Nepalese.

People are being attacked by terrorists from across the India-Bhutan border to create a situation in the south in which the loyal Lhatshampas flee, leaving the economy totally paralyzed. For the Bhutanese, the ethnic conflict represents a problem of law and order, and left to themselves they would handle it in their own way. In the deserters' viewpoint, the real issues facing the kingdom are not illegal immigration, anti-national activity, or terrorism as claimed by the government, but rather the establishment of political pluralism, democracy, and protection for human rights, and on these the two sides do not see eye to eye.

During the negotiations with Nepal, the Bhutanese elite had a chance to appraise their counterparts and develop a working relationship; the fall of the G. P. Koirala government and its defeat in the November elections confused the picture. The new Communist Party government, as faction-ridden as the Nepali Congress, was equally inexperienced in governing, much less experienced in interethnic and international relations, and untested in dealing with interstate affairs. The emergence of a new Nepalese administration meant difficult and protracted negotiations for the Bhutanese and new hope for the dissenting Lhatshampas. Both the royalist Bhutanese and the populist ethnic Nepalese have their distinct ideological positions that determine their overall strategies. Both have distinct ethnic ideologies as well: a unique, theocratic Lamaist Drugpa social system among the former and a pluralistic class and conflict-based stratification among the latter. Which side in Bhutan's continuing ethnic conflict is likely to win is anybody's guess. The stalemate seems certain to continue for some time, prolonging the human suffering.