

Chinese inroads into Bhutan: Diplomatic gimmick or strategic reality?

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THE past few months have been an exciting phase in Bhutan's foreign policy. Some political analysts are questioning Bhutan's resistance to establishing diplomatic ties with China, while others have asserted publicly that Bhutan-China relations are inevitable and would become a diplomatic reality in the years to come. Amidst these competing voices, Bhutan, for its part, has officially maintained silence over the issue. An obvious pointer to this was the way Bhutan chose silence in the wake of media reports in China and India about the interaction on developing Sino-Bhutan relations between the Chinese Premier Wen Jiabao and Bhutanese Prime Minister Jigme Thinley at the sidelines of the Rio+20 summit. Significantly, the official mouth piece of Bhutan, The Kuensel, totally ignored the issue. However, a popular daily, The Bhutanese, mentioned categorically, on the basis of a Press Release issued by the Prime Minister's office, that the "local Chinese media had misreported that Bhutan and China will establish diplomatic ties."

Even as the dust was settling on this episode, a controversy about certain tenders being qualified to procure Chinese buses brought the China factor to the fore. According to a media source, in July 2012, a tender was given to Global Traders and Gangjung (GT), which is a supplier of Chinese vehicles. Significantly, the company's owner is the Bhutanese Prime Minister's son-in-law. While there has been some controversy about the transparency of the tendering process, the mandated authority, Bhutan Post Corporation Limited (BPCL), has publicly stated in a clarification letter that TATA city buses imported from India by Samden Vehicles (SV) had started giving problems in their first year of operation. Though SV has challenged the final decision of BPCL, the episode is however symbolic of Bhutan's interest in Chinese goods and also speaks of China's influence on various stakeholders in Bhutan's domestic politics. However, this is not the first time that such linkages have come out in the public domain.

In 2010, the fifth National Assembly debate in Bhutan had noted that China had already offered to invest in projects related to health and education services. Some scholars have even written about the growing domestic interest in Bhutan to engage with China. Caroline Brassard, for instance, has mentioned the growing pressure put by the private sector, including the Bhutan Chambers of Commerce, on the government to resolve the boundary dispute. It can be said that the undercurrent for this pressure is to facilitate the aim of establishing economic relations with China. This became evident during the author's interaction with the Vice President of Bhutan Chambers of Commerce and Industry who argued that a limited transactional status with China would benefit the Bhutanese economy since at present all the goods imported from China have to pass through the Calcutta port, which adds to the transactional issues and thus

increases the costs of imported Chinese goods. Further, while local shopkeepers in Thimpu publicly deny that Chinese goods are being smuggled into Bhutan, it was found that Chinese goods are already filtering in through the North-Western borders in an informal (illegal) manner. Thus, while the interest to engage with China is very much present in Bhutan, the caveat of an unsettled boundary dispute remains.

Tsering Tobgay, the opposition leader in Bhutan and President of the People's Democratic Party believes that the demarcation of the boundary is a precondition for establishing diplomatic and economic ties with China. Tobgay, who represents the Haa constituency, argues that for Bhutan, demarcation of the boundary is akin to gaining a respectful place in the international comity. He also believes that the demarcation of the



boundary is a precondition for a peaceful neighbourhood since, in the absence of a settled boundary, Bhutan could become a potential flashpoint for the two nuclear Asian powers India and China.

Some of these sentiments were recently reiterated by Fu Ying, the Vice Foreign Minister of China. During his visit to Bhutan for the 20th round of the Sino-Bhutan boundary talks, the Chinese minister stated:

"We (China) are willing to work with Bhutan towards early establishment of diplomatic relations. The border dispute between the two countries does not cover a wide area. The two sides should speed up border talks in the spirit of mutual understanding and accommodation, with a view to arriving at a fair and reasonable and mutually acceptable solution. This will contribute to peace and stability in our border areas. We are ready to encourage Chinese businesses to expand their exports to Bhutan and welcome more people-to-people exchanges and tourism, which will

help increase the mutual knowledge and friendship between our two people. We believe that Bhutan is well-placed to grasp the opportunity of the development of China and India and benefit from the great historical renaissance of Asia. Maximizing these opportunities will help Bhutan open up a new era of development."

Instructive as this statement is about the keen interest in China to engage Bhutan, it also in many ways reveals the confidence and the readiness of the Chinese to settle the boundary dispute with Bhutan.

While Bhutan-China relations are a matter of bilateral concern and should not be filtered through the Indian prism, the nature of the boundary dispute perhaps needs elaboration. This is because a settled boundary dispute is a precondition for facilitating diplomatic ties between China and Bhutan. The very fact that the boundary talks have been prolonged for almost four decades speaks a lot about the nature and the tradeoffs embedded in the dispute. If the dispute were to be settled along the lines of the package deal proposed by the Chinese, China could move further South thus occupying the Doklam plateau and attain strategic leverage and an offensive advantage over the Chumbi Valley. This, in the long term, could make the Siliguri corridor the choke point that connects mainland India to its North East vulnerable.

The question of Sino-Bhutan diplomatic relations, which is essentially linked to a settled boundary line, thus becomes a matter of strategic choice for Bhutan. The question to be asked therefore is whether Bhutan is prepared to make the strategic bargain. It would not be an exaggeration to state that with huge Indian investments in Bhutan's economy, such a choice could be difficult at least until 2020 primarily due to the nature of hydel cooperation between India and Bhutan. If China seeks to replace India, is Bhutan ready to be flooded with Chinese goods, more so when its industrial belt essentially lies in the South. Some experts claim that China has interests in the timber resources of Bhutan. Will Bhutan be ready to make a 'green' sacrifice, given that preservation of natural resources has been a policy priority for Bhutan.

These are some tough questions which Bhutan's policy makers will have to address. The question of Bhutan engaging China thus needs to be addressed at two levels. First, what will be the nature of a settled boundary dispute and is there a perceived middle way to resolve it? Second, what will be the nature and magnitude of Bhutan's economic engagement with China and how will this equation impact upon Bhutan's interaction with India? Addressing these two questions and finding a balance are essential before anything definitive can be said about the inevitability of Bhutan-China diplomatic relations.

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Japan must explain historical facts

EDITORIAL DESK, THE YOMIURI SHIMBUN

SIXTY-SEVEN years have passed since then. August 16 marks the anniversary of the end of World War II for Japan. This is a day to remember the war dead who laid the foundation for Japan's postwar prosperity.

But almost as if to coincide with this day, South Korean President Lee Myung Bak brazenly visited the Takeshima islands in Shimane Prefecture without any hesitation. We consider his visit extremely regrettable.

Why did South Korea make such an outrageous move at this particular time?

Lee flaunted Seoul's effective control of the islets over which Japan and South Korea remain locked in a standoff over territorial rights. He also referred to the issue of the so-called wartime comfort women. He asserted that Japan has failed to show sincerity on the issue, although it has been raised during a summit meeting with the Japanese prime minister.

Anti-Japan feeling whipped up

It is generally believed that Lee, who has seen his influence wane as his term as president draws to a close, was attempting to show his "achievement" as the first South Korean head of state to visit the Takeshima islands.

Deep-rooted anti-Japan sentiment remains in South Korea, which was once under Japan's colonial rule. Lee's actions also can be perceived as populism designed to tap that national sentiment.

During the London Olympics, a South Korean soccer player held up a paper sign reading "Dokdo is our land" while celebrating his team's win over Japan in the third-place playoff. The Takeshima islands are called Dokdo in South Korea. The player's act was blatantly a political activity at a games venue, which is prohibited by the Olympic Charter.

There is no doubt that Lee's recent actions have recklessly whipped up nationalism among the South Korean people.

Japan-South Korea relations, which appear to be sound, are actually fragile and could suddenly collapse when issues of historical perceptions become politicized. Both sides must make efforts to overcome differences in their perceptions of history and build a constructive relationship.

Meanwhile, South Korea has hosted a summit meeting of the Group of 20 major economies as well as the Nuclear Security Summit. The post of UN secretary general is held by a South Korean. That nation has produced many world-class companies, such as Samsung and Hyundai Motor Co., that rival Japanese companies.

Lee himself said Japan no longer wields the international influence it once did. It should be noted that Seoul apparently is attaching less importance to some aspects of its relations with Japan as a result of confidence bred by South Korea's rapid economic growth.

Japan intends to file a suit on the Takeshima issue with the International Court of Justice. At the same time, we believe the government should strongly urge Seoul to refrain from making further efforts to impose its illegal occupation of the islands.

Territorial dispute with Russia

A territorial dispute is also causing friction in Japan's relations with Russia.

In November 2010, then Russian President Dmitry Medvedev visited Kunashiri--one of the four islands off Hokkaido claimed by Japan but which have been held by Russia since the end of World War II. In July this year, Medvedev, this time as prime minister, conducted an inspection tour of the same island.

Moscow probably wants to demonstrate to people at home and overseas that Russia acquired the islands--the northern territories of Japan--as a result of the war and has been promoting development projects there on its own.

Moreover, in view of the fact that Russia's oil and natural gas development projects in Sakhalin in the Russian Far East have been proceeding steadily, Moscow apparently is telling Tokyo it will no longer need Japan's assistance in developing the four islands.

In fact, South Korean firms have taken part in development projects on Etorofu and Shikotan islands. If the situation continues like this, the "Russification" of the northern territories will only advance further.

On the other hand, bolstering Japan-Russia relations will be indispensable in countering China, which has been increasing its presence through its growing economic and military might.

The government must rework its strategy for resolving the territorial dispute with Moscow from many angles.

Historical claims made by South Korea and Russia are being heard over the world. The Japanese government should handle these territorial issues with a stronger sense of urgency.

A cenotaph for the comfort women was installed at a public library in a small town near New York City in 2010. An inscription on the plaque reads: "In memory of the more than 200,000 women and girls who were abducted by the armed forces of the government of Imperial Japan."

Korean-Americans have been promoting the movement to build such cenotaphs in various parts of the United States. The movement is apparently aimed at generating pressure on Japan from the United States.

The comfort women issue became more prominent following a statement by then Chief Cabinet Secretary Yohei Kono in 1993.

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Regime change, geopolitics and Syrian lesson

SULTAN MOHAMMED ZAKARIA

THE crisis in Syria has unfolded in March 2011 with having its own roots. People have discontents with government's action and came out to street while the government reacted in a way that most dictators do. We have, however, two versions of accounts of the event. It is almost impossible to independently verify the array of information that comes from both sides international media is struggling with its ebbing credibility for quite some time, while the Syrian government media is naturally hiding information to save President Assad. Nevertheless, nobody has a reason to believe government's story that only 'terrorists' are to blame for all the misfortune the Syrians are facing on the street.

Syria has its sectarian tensions for long time; it has tribal issues as well as a four-decades-old dynastic regime. The Syrian economy is no better off. All these are enough to justify the resentment of Syrian people, their movements against the regime and their demand to bring about change. Syrian regime has failed to reconcile with the opposition instead it kicked off the madness, started indiscriminate killing of and torture on its own people. Now if that is the hotbed of a possible mass upsurge, the movement then could be hijacked by some Western and Arab countries driven by their own narrow political agenda rather than the core interest of Syrians.

Syria has been the key country in all the Middle East conflicts since the first Arab-Israel war in 1948. From 1948 to Lebanese civil war, Syria remains the key regional player. Syrian strong strategic alliance with Iran and Lebanese Hizbullah militia, a powerful Shiite movement, has not only irritated Israel and the West, but also some Sunni countries, mainly the Turkey, Saudi Arabia, Qatar and Jordan. When political tension was simmering in Syria, these countries sought to exploit the situation to undermine the Shiite Assad regime and started funding and arming the Sunni opposition groups. The US and other major Western powers tacitly allowed such a move and provided hard cash and communication equipments to the rebels. They left no stone unturned to impose Libyan-style no-fly zone over Syrian sky and for military campaign under UN cover which has been turned down at UN Security Council by the Russians and Chinese.

Now when most Syrians would be happy to see a better political system at home, I doubt if they would want to see their country falls in the hands of Wahabi extremists and Al Qaeda elements. The New York Times newspaper (on 24 July, 2012) and Time Magazine (on 26

July) reported that these terror elements are already gaining foothold, operating inside Syria side-by-side with the rebels, taking a deadly role in the conflict. That creates a risk that Syria could turn into the hotbed of militant extremists if Assad falls. If that happens, Sunni regimes led by Saudis (who themselves are extremely undemocratic) will bear the most burden. What costs the Syrians' aspiration to a healthy democratic political transition is these regional power-playing. Turning the political activists into armed rebels overnight has diminished the possibility of any democratic Syria in the foreseeable future (as we have seen in Iraq, Afghanistan and Libya). Instead, the conflict is impregnating the social and tribal hatred (as happened in Libya), sectarianism (as happened in Iraq), and a political vacuum for the decades to come. An armed rebellion, mostly guided by the external interests, to oust a domestic regime is more than the worst solution for a



nation than amalgamating a dictator. President Assad would be gone in any case either through this arms fighting or in a natural course; but, in the changing geopolitical circumstance, the Syrians will be in no better position without Assad. With Assad, they have a few years extension of bad rules, but without Assad there is a greater possibility of absolute chaos in Syrian society.

On the other side of the conflict, Syrian crisis will take a dramatic turn if the West opts for a Libyan-style military campaign. Any such move could be a disaster given the nature of the conflict. Russians, Iranians and their other proxies and allies in the region could turn the game ever difficult.

While everybody is trying to score in Syria, the Syrian people are losing everything. Some Syrians become the victims of the game fighting with each other, and many others are fleeing the scene, taking

refuge elsewhere. Russians are too concerned about the fate of their Naval base in Tartus and the lucrative market of their arms (remember, in the post-Gaddafi Libya alone, Russians have incurred \$5 billion direct economic loss \$4 billion arms deal and \$1 billion railway contract scrapped by the post-Gaddafi regime), Iranians are concerned for losing one of its best allies in the regional power game. Americans, on the other hand, cannot wait for Assad to go to grab the next big market for their arms as well to eliminate the last bastion of anti-Israel regime around the Jewish state. The Saudi, Qatar, Jordan and Turkey driven by their Sunni-brotherhood (rather than Muslim brotherhood) zeal are waiting for a post-Alawaites regime to shift the balance of regional politics, while Israel would be ever happy to see another of its fierce foe down without costing it a single bullet. Everyone in the conflict is trying to score at the cost of the Syrians' blood.

What remains for the Syrians, even if President Assad goes? The long protracted civil war? Syria, Libya, Afghanistan should be the best lesson for any nationalist groups or parties of a third world country seeking political transformation not to be caught in the middle of external interests that will eventually lead them to self-destruction. It will be worse to suggest that Mr Assad should stay, but it will be the worst to suggest the opposition groups to wage a war against its own people with the arms and funds that are tagged with vicious interests of rogue foreign elements. It's an opportunity cost that the Syrians have to choose. Apparently, some Syrians are going with the worst choice.

Regime change did not bode well for the Iraqis; the ouster of Taliban regime in Afghanistan has only contributed to the protracted civil war and establishment of the second most corrupt regime in the world (Transparency International 2011). Post-Gaddafi Libya is fraught with sectarian and ethnic tensions and risking rather worse. If we look at the last three regime-change efforts, forcibly with guns, neither one did help the people of the respective country. Neither democracy is prospering nor have the citizenry been benefitted from the changes. The only beneficiaries of these bloody events are the multinational oil and gas contractors and arms dealers. If winning such contracts was the only objective of NATO air campaign in Libya and killing thousands of innocent Iraqis, now is the time we should rethink the world order because the order is in disorder, allowing profit mongers to determine the fate of the millions.

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