

Selected Works of Jawaharlal Nehru

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(a) From S. Dutt: Bhutan Treaty Revision¹

[Refer to items 120 and 123]

Ministry of External Affairs

Subject: Interpretation of Article 2 (flagged 2) of the Treaty between India and Bhutan Prime Minister may kindly see the notes below from Shri Jaipal and Shri K.L. Mehta. The Maharaja of Bhutan is bound to raise the question of interpretation of Article 2 during his forthcoming visit to Delhi. In this context Prime Minister will recall Shri Jigmie Dorji's letter (flagged L) of September 1959 to him and his reply (flagged P). Article 2 is an exact reproduction of a similar article in the Treaty between Bhutan and Britain of 1910 and this Treaty, as Shri Jaipal's note shows, was interpreted by the British to mean that "Bhutan will not enter into any agreement with the authorities of the foreign States without the consent of the British Government". Even otherwise, "guidance" has no meaning if Bhutan is merely to consult us but is free to take whatever decision she likes.

2. The question, however, not merely one of interpretation of an article in the Treaty. Obviously, the Bhutan authorities are determined to take advantage of our present difficulties with China to secure for themselves

¹ Note, 3 February 1961. NMML, S. Dutt Papers, Subjects File No. 47

untrammelled right to conduct their external relations without regard to the wishes of the Government of India. Supposing, however, we were to adhere to our own interpretation and say that Bhutan is bound to accept our advice, two alternative courses are likely to be adopted by Bhutan: either they can ask for arbitration on the interpretation of article 2 in accordance with the procedure laid down in article 9, or, as an extreme measure they can denounce the Treaty.

3. To take the second alternative first: Although article 10 lays down that the Treaty shall continue in perpetuity unless terminated or modified by mutual consent, world public opinion would not understand our attitude if we were to take the stand that Bhutan could not denounce the Treaty despite its limitations on her sovereignty. Elsewhere in the world, countries smaller than Bhutan are throwing off colonial rule and becoming sovereign independent nations. How could we convince world public opinion of the rightness of our stand if we merely stated that Bhutan has no right at any time to terminate a Treaty which imposes a limitation on her sovereign status? On the other hand, any such stand by us would not create a good impression, if ultimately the matter were to go to arbitration. The mere fact of resort to arbitration would sour the relations between India and Bhutan and would certainly create a psychological barrier, if nothing more, between the two countries. This would be very unfortunate.

4. Yet another alternative is open to us. That would be to say that we have no intention to prevent Bhutan from establishing diplomatic relations with other countries. Indeed, we would be prepared to consider specific requests from Bhutan. What, however, we would insist on in terms of the Treaty would be that Bhutan will not only consult us in advance but will also accept our advice. On our part we are prepared to give the assurance that we have

no intention of preventing diplomatic contact between Bhutan and other countries.

Shri Apa Pant says that if we give such an assurance, Bhutan will bind herself not to exercise her right for 10 or 15 years. I would not attach any value to an assurance to that effect given by Bhutan. We must clearly recognise the fact, however, unpleasant it may be for us, that Bhutan is interested in securing an interpretation of Article 2 of the Treaty in a manner which would give her an unfettered right to take her own decision in regard to external relations, even though for the sake of form, she would be willing to consult India. And, indeed, even if she gives an assurance at present that she would not establish diplomatic contact with other countries for 15 years, there is nothing to prevent her from revising her opinion a year or two later. If we are unable to prevent her having her way in regard to an important clause in a Treaty between the two countries, how can we tie her to an assurance of a much more limited character?

5. The risk of our agreeing to an interpretation or reaching an agreement in the manner described in the preceding paragraph is that China will take it as a triumph of her stand on the question of relations between India and Bhutan.

What is more, she will tell Bhutan that because of her pressure on India Bhutan has been able to shake off India's control. It would also weaken, with retrospective effect, the stand which our officials took in discussions with the Chinese officials on our right to discuss Bhutan's border with China.

6. On the whole, it occurs to me that the best course would be not to agree to any definite interpretation at this stage, or seek to dispose of this

question during the forthcoming talks, but to start discussions and keep them going.

Each side can give its own interpretation and the talks should be kept at a general level on the lines of PM's letter referred to in the opening paragraph of this note. The Maharaja can be told that these discussions will be continued through the normal channel.

(b) From S. Dutt: Development and Treaty Revision for Bhutan?²

[Refer to items 120 and 123]

Prime Minister will be interested to see the notes from page 2 doubling our aid to Bhutan. We are meeting Bhutan's demands for development aid and I broadly agree that we might request the Planning Commission to earmark another Rs. 5 crores during the Third Five-Year Plan. I should be surprised if Bhutan would be able to absorb even this amount of aid. This brings us to another problem.

The Prime Minister of Bhutan has been talking loosely about applying to foreign countries for economic aid. Last year we were told that Bhutan desired to apply for aid under the U.S. PL 480. I doubt whether the implications of aid under this Law are understood by Shri Jigme Dorji or his advisers. Bhutan surely does not need any foodgrains from the USA. All that she is interested in is the American money. Later it transpired that Bhutan wished to have a share of the rupee funds earned by the U.S. in India under PL 480 arrangements. We then informed the Government of Bhutan that we will be agreeable to provide the money required for

² Note, 4 February 1961. NMML, S. Dutt Papers, Subjects File No. 47.

Bhutan's development and, for that purpose, it was not necessary to apply specifically for a grant from the PL 480 rupee funds. We did not point out that in any case these funds were not available for expenditure outside India.

2. It is possible that the Maharaja of Bhutan will raise the question of foreign economic trade during his talk with the P.M. If he does not, it will be not because of Bhutan's urgent need for aid from countries other than India. This will be one way of establishing Bhutan's right to deal with foreign countries. Indirectly, therefore, this will involve the interpretation of Article 2 of Indo-Bhutan Treaty. I suggest that if this question is raised by the Maharaja, Prime Minister might take the line that Bhutan is not in a position to absorb a large amount of development aid. She lacks organisation, trained personnel and a definite development plan. Prime Minister might remind the Maharaja of the general assistance we have already given and our intention to provide more aid during the Third Five-Year Plan. The question therefore, of asking for aid from other countries should not arise for some time to come.

48. (c) From S. Dutt: Bhutan Treaty Revision³

[Refer to items 120 and 123]

The Maharaja of Bhutan will be calling on the Prime Minister at 4.30 p.m. today in the Ministry of External Affairs. I gather from Shri Apa Pant that

³ Note, 10 February 1961. NMML, S. Dutt Papers, Subjects File No. 47.

the Maharaja's intention is to have another private talk with the Prime Minister.

2. Shri Apa Pant tells me that the Maharaja had a talk with him after his second talk with the Prime Minister. The Maharaja has the feeling that the Government of India are distrusting Bhutan and are somewhat afraid that Bhutan might establish diplomatic relations with foreign countries without consulting the Government of India; and that Bhutan also might try to settle the border dispute with China in direct negotiation.

3. The Maharaja was unhappy about this. He regards India as Bhutan's best friend and has no intention of doing anything without consulting the Government of India. Nevertheless Bhutan feels that as a sovereign country she has the right to establish diplomatic relations with other countries. She has no intention of doing so in the immediate future nor does she intend to cause any embarrassment to India in her quarrels with China. Once the misunderstanding about the treaty is clarified, the other matters concerning Defence, development etc. can be easily settled. The Maharaja repeatedly mentioned his complete trust in the Prime Minister. The Maharaja does not know anybody else in India who will understand Bhutan's problems and the relations between India and Bhutan.

4. Shri Apa Pant feels that the Maharaja will be satisfied if the Prime Minister could write a letter summarising the record of discussions. The Prime Minister might take either of the two following course. He might say that under the terms of the Treaty Bhutan has to be guided by India in regard to her relations with other foreign countries and this guidance will mean that she is to accept the advice of India. At the same time, the Government of India recognises the aspiration of Bhutan to have full control

over her foreign relations and if Bhutan wants to establish diplomatic relations with other countries, Government of India would not stand in the way. For this purpose the two Governments might discuss how the terms of the Treaty should be suitably adjusted or modified.

Prime Minister's advice, however, will be, for a variety of reasons, including the border dispute between Bhutan and China, that the present will be an unsuitable time for establishing diplomatic relations with other countries. The Government of India would, however, be willing to sponsor Bhutan for membership of international bodies like the Universal Postal Union or the WHO.

The second course would be to accept Bhutan's interpretation of Article 2 of the Treaty but to advise the Maharaja not to establish diplomatic relations with other countries, more particularly so long as the dispute with China remains unsettled. The Prime Minister might add that nothing should be done which would encourage China in her quarrels with India and for that purpose Bhutan should not seek to discuss the border dispute with China direct.

5. Undoubtedly, if some assurance could be formally given to the Maharaja about the right of Bhutan to establish diplomatic relations with other countries, he will be satisfied and for the time being come closer to India. The question, therefore, is one of whether in our long term interest we should give him satisfaction on the point on which he is so keen, or should not bind ourselves definitely at this stage. I have already explained to PM in a separate note the pros and cons of either course of action.

If, however, PM decides to write to the Maharaja with a view to satisfying him, I would still think that we should concede the right of Bhutan to establish diplomatic relations and insist on our interpretation of Article 2 of the Treaty.

This would mean that the Treaty will have to be modified. To accept Bhutan's interpretation of Article 2 of the Treaty would amount to our accepting defeat at the hands of the Chinese. China has been taking the line that the Government of India has no right to discuss Bhutan's frontier with China and we should not take any step which will justify the Chinese stand. On the other hand, if the Prime Minister explains to the Maharaja that we accept the right of Bhutan to establish diplomatic relations with foreign countries, whatever the interpretation of the Treaty, that our advice would be not to establish diplomatic relations until the dispute with China remains unsettled and that Bhutan should tell China that the border discussion should take place with India, that would not weaken our stand vis-a-vis China.

6. Prime Minister might like to consult some of his senior colleagues before taking a final decision.

7. I place below a brief record of what the Prime Minister told me yesterday.