Nepal and Bhutan : Two Identical Small States with Different
Strategies in South Asian Sub System

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Letter of Recommendation

I certify that this dissertation entitled "Nepal and Bhutan: Two Identical Small States with Different Strategies in South Asian Sub System" has been prepared by Ramesh Kumar Raj under my supervision. I hereby recommend this dissertation for final examination by the research committee at the Department of International Relations and Diplomacy, Faculty of Humanities and Social Sciences, Tribhuvan University in the fulfillment of the requirements for MIRD 526 Thesis for the Master's Degree in International Relations and Diplomacy.

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Declaration

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Abstract

Small states are not all the same in terms of their weight in the international system; some have a lot of influence, while others don't. Some small states are significant because of their geopolitical and strategic positions in the international system, particularly among or between great powers. Bhutan and Nepal are two identical small state; landlocked, developing and weak economies, mountainous terrain, and located between India and China. However, the strategies pursued by these identical states in the South Asian Sub System exhibits many differences while few similarities. During the pre-colonial period, Bhutan's strategic choice limited to self-imposed isolationism while Nepal's defensive balancing attribute turning to bandwagoning with the then British India which continued till colonial period. In the post-colonial period, the two Himalayan countries adopted the strategies of alliance with India in response to the threat perceived by China's aggression in the north and expansion of communism. Later, Nepal's strategy shifted to counterbalance India's hegemonic traits by its soft balancing which increased in subsequent years taking advantage of the external balancer role of China. However, Bhutan's strategy focused on strengthening its alliance with India ignoring China's growing balancer role in the region. These two strategic choices; Alliance and Balancing of Bhutan and Nepal respectively are major different strategies adopted by these two identical states in the same geo-political environment. Moreover, the differences in strategic choices are the act of Neutrality by Nepal and norm entrepreneurship by Bhutan. The similar strategic choices of Nepal and Bhutan are multilateralism and diversification of relations but Nepal has relatively pursued the strategy quite earlier (1955 onwards) and on a massive scale while Bhutan adopted it later (the 1970s onwards) and on a small scale. The strategic choices of Nepal seem to have acquired dynamism and changes in response to the geopolitical environment responding to China's engagement in countering India's hegemonic traits while Bhutan has relatively acquired static behavior of supporting hegemonic traits of India and ignoring the balancer role of China in the region.

Keywords- Small states, Nepal, Bhutan, Strategies

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List of Abbreviations and Acronyms

ADB   Asian Development Fund
BBIN   Bangladesh Bhutan Indian and Nepal Initiative
BIPPA   Bilateral Investment Promotion and Protection Agreement
BIMSTEC   Bay of Bengal Initiative for multisectoral technical and Economic Cooperation
BRI   Belt and Road Initiative
CPEC   China-Pakistan Economic Corridor
FDI   Foreign Direct Investment
GNH   Gross National Happiness
IBRD   International Bank of Reconstruction and Development
ICWA   Indian Council of World Affairs
IMF   International Monetary Fund
IOR   Indian Ocean Region
ISL   International Shipping Line
LDC   Least Development Countries
LLDC   Least Landlocked Development Countries
NAM   Non-Alignment Movement
PLE   Policy of Limited Engagement
SAARC   South Asian Association for Regional Cooperation
SAPTA   South Asian Preferential Agreement
SCO   Shanghai Cooperation Organization
TEC   Trade and Energy Corridor
UNCTAD   United Nations Conference on Trade and Development
USD   United States Dollar
USSR   Union of Soviet Socialist Republic
UNO   United Nations Organization
WB   World Bank
WTO   World Trade Organization
UNPKO   United Nations Peace keeping Organization
ZOP   Zone of Peace

CHAPTER ONE –INTRODUCTION

1.1 Background

The structural theories of realism account to describe the international system and behaviors of the states largely concerned to powerful states. The structural theories are hegemonic and balance of power which largely focuses on describing behavior and orientation of powerful states that determines or overrule the entire international system. But throughout history from the concert of Europe to the cold war there has been engagement of smaller states as well, if not determining the international system at least to influencing the international system through various strategies.

Small states are not all the same in terms of their weight in the international system; some having a lot of influence, while others don't. What distinguish small states from large ones is primarily geopolitical considerations. Some small states are significant because of their geopolitical and strategic positions in the international system, particularly among or between great powers. Geographic location and other tangible factors, as well as less tangible psychological and ideological concerns, are all included in the term "position". Regardless of their level of influence in the international system, small states generally share some characteristics and goals, such as survival, autonomy, and prestige. Small states face inherent vulnerability and existential threats, and to address this, they typically employ a variety of strategies in complying with great powers. The application of those strategies varies depending on the structure of the international system and the preference to gain the most benefit from that structure, whether for survival, autonomy, or other vested interests. Small states generally have no viable alternative to bandwagoning to deal with great powers in a hegemonic international system. Small states can only survive in such a system, so they engage in less maneuvering or make concessions for autonomy. There is always a field for maneuvering in a balance of power system; however, small states are at risk of becoming trapped in a power vacuum. Furthermore, if great powers adopt policies of dividing their spheres of influence while dealing with one another, small states face grave threats to their survival and autonomy. This could be a trap in which small states are forced to compromise their autonomy. Thus, if great powers are willing to be on the same side, the balance of power system comes at a high cost for

small states. In contrast, if great powers are at conflict, they may be willing to pay attention to small states and seek to ally with them for geo-strategic benefits. This is only a favorable situation for small states, in the midst of a hostile international environment, but a more favorable environment for small states for maneuvering and dealing with great powers. In reference to above scenario, it is known that small states prefer to be a balancer rather than to be a scavenger or protectorate of a hegemon. However, if their survival is in threat they might switch to be allied with hegemon. Thus, small states preference largely depends upon the environment of the international system.

The South Asian region, the international subsystem with existing hegemon India and external power China, there is again the dominion of Hegemonic theory and balance of power which determines the strategic behavior of small states in the region. Assessing the South Asian international subsystems from the perspectives of small states, it can be hypothesized that their influence and strategic behavior can, under certain conditions, vary despite a similar external environment. To study these variance in role and strategic behavior of small states under a similar external environment, this study takes two geo-political identical states; Nepal and Bhutan both landlocked, small and proximal to India and China. This study is majorly divided into two parts; first remains to portray South Asia as a Sub-system with the dominant role of the two great powers India as a hegemon and China as external balancer. The second part focuses on generalizing the role and strategies of those two identical small states in compliance with hegemonic traits of India and balancing role of China. Later, it remains on assessing similarities and differences in strategic behavior of those two identical small states in reference to the same geo-political environment within the South Asian System.

1.2 Statement of the Problem

Small states are vulnerable to dominion of great powers and have less to influence the international system. The ultimate goal of survival, autonomy and national interests of small states are achieved by various strategies in accordance with their internal capability and external environment. All the small states are not by its influencing power an equal but some of them do really possess equal or some way less than of each other. In this scenario, Nepal and Bhutan are two South Asian countries with equal weight in international subsystems. Both the countries are landlocked, small and

neighbors of India and China. Both carry equal significant geo-strategic importance however they have different strategic behavior in the international subsystem. So, what are the actual strategies of both the states towards the hegemon India and external balancer China? What significant role do they play in South Asia by their geo-strategic location ? Is there any difference and similarities in strategies adopted by both states? The study largely focuses on answering such questions which are rarely answered with previous study of strategies of small states. Large study area still focuses on understanding strategies of small states through structural theory of realism, putting small states in the same cart and advising on common strategies. However, there is a study gap in understanding uniqueness and a diverse approach of strategic behavior of small states with similar capabilities and under the same international environment. This study therefore, will contribute in understanding various natures and diversity of two identical small states strategic choices in complying with the great powers in similar geo-political environment.

1.3 Research Questions

The basic research questions of this study include-

1) What are the geo-political roles of Nepal and Bhutan in South Asian Sub-System ?

2) What are the strategies of Nepal and Bhutan towards the Hegemon India and external balancer China in South Asian Sub-System?

3) What are the similarities and differences in strategies adopted by Nepal and Bhutan in South Asian Sub System ?

1.4 Research Objectives

To answers the above research questions and identified state of the problem, the study shall focus to have following objectives-

● To understand the geo-political role of two identical small states; Nepal and Bhutan in the South Asian Sub-system.

● To assess the strategic behaviors by two identical states in compliance with hegemonic traits of India and external balancer role of China.

● To understand the diversity of strategies of two identical small states under the same external environment and reason .

1.5 Significance of the Research

This study tries to fulfill the research gap in assessing the strategies of small states in dealing with great powers at micro level. The study tries to introduce a new approach of micro-level of study in assessing small state behaviors rather than limiting it to the traditional view of studying small states in a common and putting them in the same cart. The study tries to find the diversity of strategic choices of identical small states under a similar external environment which is truly a new lens in studying the small state behaviors. This study tries to discover if two small states under a similar external environment adopt different strategic behavior which has not been studied earlier.

1.6 Organization of the chapters

This study is organized into five chapters. The first chapter deals with the background and rationale of the study, research objectives and significance. Chapter two of this thesis accounts for literature review and theoretical interpretation of key variables associated with this research. Chapter three deals with research methodology adopted in doing this study. Chapter four defines South Asia as a Subsystem within the International System in reference to India and China. India being a hegemon while China as an external Balancer. Various traits of hegemonic behavior of India and the balancer; China is discussed in the Chapter. Finally, chapter focuses on the findings of the research, assessing role and strategies of two identical small states; Nepal and Bhutan. The comparative study of those strategies of those two small states are done and conclusion is drawn based and similarities and differences of strategies adopted by both states.

CHAPTER TWO- REVIEW OF LITERATURES

2.1 Small State

The literature on the definition of small states and its development in light of changing the international system from bipolar to unipolar and then multipolar, it was discovered that there is a problem in defining the small state. The development of concept of small states can be traced back to the date of evolution of nation-state. Since the beginning of Westphalia treaty in 1648 to Versailles treaty in 1919 conceptualized state based on hierarchy; small, medium, great, super (Galal, 2020). This hierarchical arrangement had a different role in international politics leaving small states eliminated with their role in international politics. The dominant idea of the analysis was the relative status of the state in the structure of the international system. The small state in the period was simply regarded as a state that was not large as well as isolated from conflict zones such as Switzerland and Andorra (Galal, 2020).

The concept of a small state while changed aftermath of world war I. The decolonization movement around the globe witnessed the birth of a set of small states in European, American, Asian and African continents from disintegration of the old colonial empires. This stage, mainly the small European countries had an active role in international politics. Their role in international diplomatic negotiations became evident with the establishment of the League of Nations. However, the global recession and the failure of the League of Nations reduced their role. They had reduced military capability and by then a trend emerged after the end of the World War II that focused on the ranking of countries in the international hierarchy based on the elements of their hard power, especially the military one (Galal, 2020). This stage described small states as satellite states despite the obligations of international legal equality between bigger or smaller states. In turn, the Cold War (1946-1991) did not provide much opportunity for small states to play an effective and influential external role. The role was limited, however the number of small states were increasing due to the disintegration of the USSR and the decolonization movement (Shlapentokh, 2012).

Later, there was more contested view on the definition of the small state. There was a mixture between the definition of the small state and many other concepts that are sometimes used interchangeably and sometimes independently such as the microscopic state, the developing state, the weak state, the poor state, the failed state or the least developed country(Katzenstein, 2003). This segment of countries is the weakest and poorest in the international community. Thus, defining a small state based on the historical development of the nation-state system and changing the structure of the international system interpreted different views in defining a small state. First, defining small states based on hierarchical arrangement, second viewing small states disintegrated from large one brought about by the decolonization process and third based on capabilities to influence the system. There has been a changing view in defining small states based on changing international systems. However, it is clear that small states are those states having lower ranking in the international system, have emerged lately by the decolonization process and possess internal constraints to affect the international system.

The definition and analysis of small states is limited because most studies focus on the role of the great states in international politics. However, there has been a growing attempt to study the phenomenon of small states more scientifically. David Vital, the Canadian professor, specialist in demography, identified the small state as a state with a population from 10 to 30 million people (Vital, 1971). Simon Kuznets, the Russian professor, identified the small state as an independent sovereign state, with a population of ten million or less (Kuznets, 1960). The Commonwealth defines small states as countries with a population of 1.5 million people or less for example, Botswana, Jamaica, Lesotho, Namibia, and Papua New Guinea (The Commonwealth, 2021). Thus, academic studies primarily suggested small state definitions based on the population size however still diluted the concept with vary in population sizes. It is clear that an independent sovereign state with a population ranging from 1.5 million to 30 million falls under the small state category.

Later studies on the small states incorporated the idea of security capabilities and military power. According to Rothstein (1968), a small state is the state that cannot obtain security by its own capabilities and relies on others primarily to protect its security in the event of any external threats. Morgenthau (1973) believes that

international politics is a struggle for power and classified the behavior of states, in light of the concept of power, into three categories. First, states seeking to possess power by the support of the status quo policies, second, states that seek to uplift their position in the international hierarchy by external expansion and third, states that are satisfied with their power achieved and they merely care about enhancing their power (Morgenthau, 1973). Thus, small states are the states whose military capabilities are lower and rely on others for their security and survival. They are not the party to power struggle and have limited capabilities to enhance their security on their own.

The other idea that suggests small states definition is perception. According to Jean A.K., the concept of a small state is based on the idea of perceptions; in other words, either a state's people and institutions perceive themselves to be small, or another state's people and institutions perceive that state as small (Kavalsk, 2006). Keohane agrees that the small state is the one whose leaders assume that they cannot individually or in group affect the international system. He classified states in terms of their influence on the international system into four categories. Small states in his view are the non- influential in the international system and leaders of those states realize that their countries are not able to affect the international system, either through alliances or unilaterally (Keohane, 1969). The idea of perception also thus shapes small state meaning and definition. The state that perceives itself small and agrees that they cannot unilaterally or in group can influence the system are known as small states.

Historically, small states were taken as those states that were not great powers, in other words, too weak to make any difference or impact in international order or change the rules of it (Clive, 2014). Further, Small states have been characterized as a weaker part in an asymmetric relationship, which is unable to change the nature or functioning of the relationship on its own (Clive, 2014). Later weakness of a small state was attributed to its quantitative characteristics; size of the territory, population, economy and limited military capability. Jaquet views that a small state neither on a global nor on regional scale is able to impose its political will or protect its national interests by exerting power politics (Jaquet, 1971). In other words, a small state is unable to defend its national interests by its own political or military means (Vaicekauskaitė, 2017).

Small state states definition and meaning has always been conflictual however reviewing the handful of literatures it is clear that some quantitivate characteristics of geographic size, population, economy and limited military capabilities are essential in defining small states. Other literature adds the qualitative characteristics like perception of being weak, historical isolation and no or lesser confidence to influence the international system are small states.

2.2 Hegemonic Theory, Balance of Power and Small states

Hegemony is associated with leadership, predominance, preponderance; especially the leadership or predominant authority of one state over others. Similarly, the concept of hegemony refers to international leadership by one state or a historical bloc of particular social groupings, whereby the dominance involves over other, weaker, less powerful parties. Also, Hegemony is viewed as the position of being the strongest and most powerful and therefore able to control others (Schmidt, 2018).

Realists define hegemony as first and foremost overwhelming power, and then the ability to use that power to dominate others. They define the hegemon as a state with vastly superior material capabilities, including military, economic, and, in some cases, diplomatic or soft power. This concept of one state's material capabilities is related to the idea that the dominant state exclusively dominates all subordinate states (Levy, 2005). A hegemon, according to John Mearsheimer, is a state that is so powerful that it dominates all the other states present in the system (Mearsheimer, 2001). A hegemonic structure exists when a single powerful state controls or dominates the system's lesser states (Schmidt, 2018).

Layne, a neoclassical realist, proposes four characteristics of hegemony. First and foremost, it necessitates hard power fueled by economic supremacy, second; hegemonic power exercises power in self-interest in order to create a stable order or a system that will safeguard its interests in terms of security, economy, and ideology, third; polarity, if one state (the hegemon) has abundant and comparatively more power than anyone else in the system, the system becomes unipolar (Layne, 1993). To summarize, Layne believes that hegemony possesses overwhelming power, but that it must be exercised willfully, that it must purposefully impose order on the

international system in order to serve its interests. The central idea of the hegemonic theory lies in the stability of the international system that requires a single dominant state to articulate and enforce the norms and rules to bind the members of the system. There are various schools of thought that define hegemonic stability theory on their core ideas. Neo-realist hardcore idea is the militarily superiority while from neoliberal perspective, a global hegemon has the requisite economic size and political power to overcome collective action costs and generate international public goods, such as free trade, open flows of capital, and provision of liquidity during crises (Prabhakar, 2010). This means the hegemon controls over the system through ultimate guarantor of public good which in turn, generates economic and political stability. Keohane criterion of hegemonic power only emphasizes factors that are related to economy and trade interdependence opposing the realist uni-dimensional understanding of hegemony as preponderant material power (Schmidt, 2018). Hegemonic power establishes the international rules that facilitate mutual exchanges amongst countries. Hegemon can punish transgressors with predictable penalties if the system faces erosion. The hegemonic power punishment towards the aggressor is a symbol of the strength of a hegemonic power in maintaining international stability.

The theoretical literature on hegemony provides a multifaceted and complex concept of hegemony. Different scholars articulate it in various ways. However, there are some common themes that emerge from the hegemony literature review. Hegemony is defined by two factors: preponderant power and the ability to exercise leadership. Realist theories of hegemony emphasize the preponderance of power, whereas most theories emphasize both components. A substantial literature describes a hegemon or unipolar power as a state with vastly superior material capabilities. While there is very little literature on the character of the dominant state's leadership. Only a few works distinguish hegemony theory and leadership in various contexts.

According to Hans Morgenthau's realist theory, the aspiration for power for several nations, each attempting to maintain or overthrow the status quo, leads to a configuration known as the balance of power (Morgenthau, 1966). Similarly, neo-realist Kenneth Waltz asserts that just as nature abhors a vacuum, so international politics abhors unbalanced power (Waltz, 2000). According to Christopher Layne, Great powers balance against each other because structural constraints compel them

to do so (Schweller, 2016). Thus, the balance of power is conflictual in terms of asserting power over one another in a given international system. The conflictual state is the result of a vacuum where the conflict might not be physical but might be in many forms from military, economic to ideologies.

While other theorists believe in a peaceful international system with distribution of power at equilibrium level. According to the balance of power theory, if power is distributed evenly among states in the international system, that is, if there is an international equilibrium in terms of power, peace will prevail. Because war is started with the expectation of winning, state parity would deter a potential transgressor from attacking others (Choi, 1995). Thus, it can be interpreted that peace is achieved when power is distributed and balanced among two or more great powers, rather than when power is primarily possessed by one great power. As a result, small states benefit more from the balance of power system, which is more likely to protect independence, because the balance of power prevents any one nation from rising to such power that it could destroy the independence of all others (Handle, 1981).
The above literature reflects balance of power as a very abstract and contested concept. The term can refer to an equal distribution of power, a preponderance of power, an existing distribution of power without any measurement of whether it is balanced or not, or any stable distribution of power. However, in this study, the balance of power system is equated with the 'competitive' system, or, to put it another way, a 'non-unipolar' system.

Small states are always more secure and beneficial in a competitive system than they are in a hegemonic system. However, it should be stated that the intentions of the great powers are also essential in a competitive system. It is that if they are inclined to restrain themselves and collaborate to maintain the balance, that is, if they tend to keep the balance, small states will become more dependent on the decisions of great powers, and their maneuvering options will be significantly reduced (Handle, 1981). In a competitive system, however, if great powers are more engaged in competing for the accumulation of relative power advantages, they will be more advantageous to small states for increasing maneuvering options. This means that as long as the great powers fear each other, small states can maintain their independence. As Morgenthau pointed out, this is the more permanent characteristic of great power

behavior; all nations actively engaged in the power struggle must actually aim not at a balance - that is, equality - of power, but at superiority of power (Morgenthau, 1973). In such a competitive system, the greater the gap between (or among) great powers, the less the powerful pay attention to small states. In other words, the great powers are prone to pursue prestige, namely the policy of prestige, or the balance of disequilibrium, the more they are willing to pay to small states to attract them to their side, the greater the benefits small states are able to get (Choi, 1995).

The literatures cited above support the competitive system, specifically the balance of power System, as being more favorable to small states than the hegemonic system. However, this does not imply that the balance of power theory is more viable than the hegemonic theory, but rather that if there are two or few conflicting great powers, small states will benefit from greater freedom of maneuvering. Unfortunately, if great powers do not reach an agreement and cooperate, this favorable period usually ends quickly. Furthermore, because small states are more sensitive to even minor threats and are more likely to seek survival rather than freedom of maneuver, when one of the great powers seizes the initiative, they will bandwagon behind the most immediately threatening power. The international system is shaped and transformed by the politics of great powers, and the behavior of small states is influenced by the type of international system. However, the strategies adopted by those small state might vary within the system.

CHAPTER THREE - RESEARCH METHODOLOGY AND CONCEPTUAL FRAMEWORK

3.1 Conceptual Framework

South Asia is dominated by numbers of small states while not significantly in terms of geographical size, population, economic and militarily power as compared to the largest, powerful and perceived hegemon India. India dominates the entire region in terms of geography, population, GDP, military strength and managerial role in the region. India stands as a hegemonic power in South Asia while China as an external power making it a competitive and non-unipolar Sub System. This subsystem comprises a dual notion of hegemony and external balancer approach in functioning, with India and China as core players and other smaller states at the periphery. Those small states also have their own role and strategic behavior within the system. However, because of internal constraints and lack of capabilities to influence the sub-system at least for survival, autonomy or fulfilling national interest they adopt different strategies. The geo-political realities and external environment directly affects the strategies of small states in dealing with great power. However, in case of identical geo-political environments, the strategies adopted by those small states are not always the same and differ. In this realm, two identical smaller states; Nepal and Bhutan, both landlocked, small, and neighbors of India and China are taken and their difference and similarities of strategic behavior are assessed. In doing so, the study adopts a systemic level of analysis to find the role and strategies of these two identical small states. The study is of micro-level in assessing small state strategic behaviors under a similar geo-political environment.

3.2 Research Design

The study is based on the qualitative research design. The qualitative research focuses on words rather than data (Bryman, 1998). It adopts an explanatory approach for descriptive, critical, and comparative methods for the analysis. Moreover, the investigation occurs under two parts, through the theory of realism accounting for understanding the sub-regional approach of balancing by great powers and through the empirical explanations of strategic behaviors of the countries involved here in the discussion. The international sub system serves as an independent variable to the research and the balancing strategies of the small states as a dependent variable. Ex

post facto research design is used for this study. With this notion of study design, the researchers perform their research on the basis of a fact that has already happened, without having any involvement or intervention in its occurrence (Sharma, 2019). This research design is appropriate for the research since it analyzes actual facts, occurrences, and events that have happened between the parties engaged in the research both in the past and in the present.

3.3   Research Site

Research was conducted in Nepal with visits to departments, libraries and essential places needed to retrieve the information and data. Since, the research site is Nepal, regarding Bhutan, the handful of literatures from internet sources were incorporated. The government portals of Bhutan, literatures related to the study of strategies of Bhutan were accessed from internet and other printed sources.

3.4   Data Collection Methods

The secondary data was employed for the research purpose. The collection of the secondary data was done through books, journals' paper, research articles, theses, and official reports of MOFA, publications of think tanks, the newspaper articles, relevant blogs and websites along with the other relevant and reliable sources. Taking consideration of ethics in research and in an attempt to minimize the limitation, as much as possible only the verified sources were considered while collecting the data.

3.5   Data Analysis Methods

Data retrieved was critically analyzed and arguments were developed based on the comparative interpretation of the data obtained. The data obtained were subjected to in-depth analysis and extraction of major findings based on the comparative study.

3.6   Ethical Concerns

Since the study was based on general theoretical interpretation and analysis there was risk of ethical concern to be arising; however, in case of intellectual property rights and plagiarism, the research has tried to mitigate that issue considering the ethics in research.

CHAPTER FOUR- SOUTH ASIA IN GLOBAL SYSTEM

4.1 Attributes of Power in South Asia

The Asian century has begun with the world's largest regional economy at the forefront of shifting globalization patterns. Since the 1990s, Asia has emerged as a major center of power in the global economic system, and it has become one of the regions on which area studies have increasingly focused. (McKinsey Global Institute, 2019). Asia itself has divided into regional and subregional systems where South Asia remains as one of the fastest growing regions in terms of economic size (Song, 2019). Regional growth is set to increase by 7.1 percent in 2021 and 2022, as the economic recovery in South Asia continues (IBRD / The World Bank, 2021). In the last thirty years, the area studies in the field of international relations attempted to examine the economic rise of South Asia in the macro level, with the economic growth models of India. South Asia constitutes almost 24.89% of the total world population and Southern Asia ranks number one in Asia among subregions ranked by population (Worldometer, 2022).

The study related to South Asia has started claiming South Asia as an entirely different Sub-System. M. Brecher (1963) built study upon the inadequacy of the international relations studies that focus on Soviet-American relations in explaining the international system. Brecher suggests that subordinate systems exist in international politics, in addition to the Global System. The global system cannot be understood only in terms of the relationships within the dominant system, and that there are at least five definable subordinate systems at present as: Middle East, America, South Asia, West Europe and West Africa (Brecher, 1963). Accordingly, the South and East Asia subsystem exhibits a view where the balance of power is emphasized more than other regions, and where China emerges as the dominant economic and political power (Karaca & Yuce, 2017). Brecher also extends the idea that including China into the international sub-ordinate system treating China as a member of the Southern Asian System and claiming only two actors, India and China, have a high intensity relationship to influence on most actors in the regions through bilateral links (Brecher, 1963).

Further Jakub Zajaczkowski (2015) presents South Asia as an entirely different region in the international system and implications of intra-regional and extra-regional interaction in international relations. He takes into account four dimensions: genetic, structural, operational and functional, indicating that the region of South Asia can be treated as a separate region in international relations (Zajaczkowski, 2015).

Thus, the claim over South Asia as a sub-system has become justifiable by its economic size, population and involvement of powerful actors such as India and China whose intensity of interaction with South Asian countries remains unchallenged. South Asia is experiencing power projection by both India and China. These powers are generally differentiated into two types of power prevailed in international relations. Hard power as the ability to get others to act in ways that are contrary to their initial preferences and strategies; on the contrary, soft power is the ability to get others to want the outcomes that you want, and more particularly the ability to achieve goals through attraction rather than coercion (Nye., 2011). It is assumed the influencing capacity involves some tangible and intangible resources of the country. According to this, history, geography, population and culture constitute the intangible resources; while elements such as economic, technological and military capacity constitute the tangible resources. Thus, population, economic size, military capacity and economic growth data were used to determine the levels of power projection by India and China in South Asia.

Table 1
Human, Economic and Military Capacities of Asian Countries (2022)

Countries	Population (billion)	GNP (trillion ppp dollars)	Military Expenditure (billion dollars)	Economic Growth (%)
China	1.402	24.11	293	5.6
India	1.38	8.823	76.6	7.5

Source- Stockholm Peace Research institute and World Bank

This data is the comparative illustration of power and influence of India and China in South Asia. Examination of table 1 reveals that China has much larger figures than India in the region in terms of human, economic and military capacities. All these elements are components that constitute the level of power and the power stratification that is also specified in Brecher's model of analysis of subsystems. This simile also

needs to be evaluated in terms of the intensity of economic interaction and trade. The table below evaluates China and India's intensity of economic international relations in South Asia. China's intensity of economic interaction has surpassed India. China has consistently increased its exports to the region from 8 billion USD in 2005 to 52 billion USD in 2018, a growth of more than fifty four percent while India has remained in between more than one percentage to less than four in between 1988 to 201 (Sareen & Sinha, 2020). Therefore, China's role in the region cannot be ignored to understand the external balancer role in the South-Asian sub system.

Table 2

Intensity of economic interaction

Region	Countries	Total amount of trade (billion dollars) and share in the South Asia
South Asia	India	30.96
	China	59.99

Source: World Bank

Accordingly, the South Asian sub-system provides a viewpoint that balance of power rules apply between India and China, that small states adopt different strategic behaviors to cope with these two dominant powers of the region. While the powerful actors of the system; China and India, are the most important elements of the system, the small states in the region are the actual determinants of regional interaction. So much so that; China and India are pursuing a regional containment policy through trade, FDI and AID policy against each other, trying to spread their influence over small states in the regional power rivalry. In addition to that, China has enormously engaged in the region with a new avenue of development through BRI, in which peripheral countries have developed various dependencies onto it challenging the supremacy of India. As a result of this ongoing containment policies against each other and balance of power phenomenon, China and India finding themselves in a regional/global power struggle is resulting in political/economic pressures on small states in the region. Such pressures, due to the notion of perceiving entire South Asia as its own sphere of influence in one hand and immediate requirements of India's current economic and political conditions on the other hand. This has led the peripheral countries to adopt different strategies to interact within the system. Such strategies will be discussed in a later chapter as a study of Nepal and Bhutan in reference.

4.2 India as perceived Hegemonic Power

In South Asia, India has an advantage to stand as hegemonic power. India shares borders with every country in South Asia, making it the region's most important physical link, occupying seventy two percent of South Asia's land surface, home to seventy seven percent of the region's population and responsible for seventy-five percentage of the region's economic output (Bhasin, 2008). India's economic potential and military capabilities have made it a key regional player in South Asia. The primacy of India in South Asia has been depicted by L. Kadirgamar using the analogy of a wheel. According to him, India, which is regionally dominant, is in the center of the wheel. India's neighbors, each of whom India has a relationship, radiate as spokes (Bhasin , 2008). India shares land and marine borders with no other country, yet no two others can be connected without also touching India. Physical obstacles connect those spokes to that hub. South Asian countries remain linked to India as spoken which gives India's primacy over small South Asian neighbours.

Apart from Pakistan and Afghanistan, India has embraced its smaller neighbors since its independence in 1947. Not only has India wielded great unilateral political power in these countries, but it has also maintained a handful of lopsided treaty relations with them for decades and continues to benefit from numerous one-sided economic and political arrangements. In the last seventy years, it has annexed one of these neighbors (Sikkim); conducted military interventions in Sri Lanka, the Maldives, Bangladesh, and Bhutan; threatened all of the neighbors with open threats of war at some time; and meddled in their domestic affairs and civil wars. Almost all of these actions have been carried out with little or no opposition from other significant powers. This exposes the idea of Indians' views towards their own neighborhood. One of India's leading geostrategic writers, V.P. Dutt, suggests that a country's neighborhood must enjoy unquestioned primacy in foreign policy making (Malone, 2011). The demonstrated potential of India to alter the geopolitical landscape of South Asia has been the most important impact of the Bangladesh liberation on regional attitudes. The Indira doctrine is also the most prominent example used to justify India's hegemonic ambitions. The origins of the doctrine are traced to the Bangladesh Liberation1971, Sri Lankan crisis of 1988 and proclaimed that the presence or influence of an external power in the region would be detrimental to India's interests. The policy was portrayed by India as an attempt to protect the region

from the adverse effects of the Cold War, but the neighbors saw it as a policy to eliminate any threat to India's regional status. Another important event of the interpretation of Gujral Doctrine in India's policy is taken as provision of unilateral concession to South Asian neighbors without seeking reciprocity which proved to be too mild in the face of the impregnable perceptual framework of India's neighbors. Altaf Gauhar, leading Pakistani columnist commented that, The Gujral Doctrine is not a doctrine of good neighborly relations but a Bharti Plan to seize the neighbors peacefully (Bhasin, 2008).

This geopolitical dynamic is unprecedented in history. Almost no other regional power has been allowed to wield such regional dominance for such a long time and on such a vast scale. The matter is further complicated by China's proximity. Smaller countries should have started balancing against India long ago by forging evenhanded relations with Beijing and New Delhi, according to logic. The question is not why India is losing its regional supremacy today, but how it was able to maintain it for so long. In fact, Indian domination is not a result of its military and economic might, nor of its skilled diplomatic management. It's conceivable because India has used its bilateral relationships with other countries to keep other powers out of South Asia. Apart from brief periods of conflicts, global powers such as the United States, the United Kingdom, the Soviet Union, and China have avoided South Asia for fear of angering India. In other words, there have only been a few instances in the past when it was more advantageous for a power to gain influence in, say, Nepal or Sri-Lanka at the expense of provoking New Delhi's wrath, and none of these instances have lasted long. Thus, more often than not, the smaller South Asian countries have been presented with Indian dominance as a *fait accompli* since no other power has been willing to act as a balancer (Bhardwaj, 2018).

Besides, regional economic cooperation between India and other regional states is viewed as a mechanism of ensuring the economic empowerment of India at the expense of her South Asian neighbors. The South Asian countries were not enthusiastic about South Asian Preferential Trading Agreement (SAPTA) because they felt that the impact of their unfavorable trade balance with India would be accentuated if liberalization is encouraged in regional context (Bhasin, 2008). Countries in the region also fear that if market forces are allowed to guide the intra-

regional trade India would emerge as the dominating factor leading to the political dependence of these states on India. There is unprecedented growth in the trade deficit of most of the south Asian countries, mostly Nepal. The economic might of India also thus provides to dominate its neighbors. Also, the social-cultural ties with almost all neighbors at people-people relations gives strength to act India as elder brother. The slogan of *roti-beti sambandha* with Nepal, Tamil ethnicity connection with Sri-Lankan ethnic issues, Bangladesh liberation movement paced by linguistic movement, more over the similar customs, culture, ideological links, has gripped the sentiments of south Asian people towards India. Bollywood as the film industry has become one of the contributors to connect the Indians and rest of the people of South Asia. The overall changes in international politics after the end of the Cold War further reinforced the primacy of the India factor in the region. Mohammed Ayoub(1991) claims that the changing nature of Superpower relations has opened prospects for regionally pre- eminent powers to adopt more overt managerial roles in their respective regions (Ayoob, 1991). Despite ups and downs in bilateral relations with its neighbors, India's hegemonic position has remained unchallenged. From India's point of view, the region of South Asia continues to be its own sphere of influence. It treats this area as a distinct geopolitical and geo-economic region.

4.3 China as External Balancer in South Asia

The unilateral dominance of India in South Asia got challenged with the opening up of China to the outer world and involvement in international affairs more actively. The time can be traced with the beginning of 2010s, with growing Chinese economic power and declining Sino-Indian relations. It is observed in the last decade, while economic linkages between India and China have grown exponentially, their political and military relations are gaining tension. Moreover, China's policy to engage in regional and global affairs realized the irrelevance of keeping out of South Asia while giving space to India's unilateral dominance. Under the circumstances, China is willing to enhance its footprint in South Asia, even if it comes at the cost of angering New Delhi (Bhardwaj, 2018).

As in Physical area, China has a territory of 9,572,900 square km (3,696,000 square miles), which accounts for China, nearly three times larger in size than India, the largest entity in the South Asian region (Pandey, 2022). It is twice the area of the

South Asian region. If the balance of World power, measured along relative share of growth and/ or decline in GDP, defence capabilities, consumer spending, size of the working age population and the technological prowess, is estimated to undergo a major shift, and China's political and economic clout could grow up from 12 percent now to 16 percent, the dominance of the PRC over South Asia shall be but fact of life (Pandey, 2022). Hence, China has adopted an offensive policy in engaging with small south Asian countries. After the announcement of the Belt and Road Initiative (BRI) in 2013, China has projected its influence in South Asia through investment in infrastructure and connectivity related projects. Pakistan has been the highest recipient of Chinese investments in South Asia. China's estimated investments in Pakistan are worth around sixty-five billion USD, centered on the ambitious China-Pakistan Economic Corridor (CPEC) connecting China's Xinjiang province to Pakistan's Gwadar Port (Marjani, 2022). China-Pakistan Relations is one of the most challenging relations for India's predominance in the region. China's strategic relationship with Pakistan outweighs any other bilateral relationship that China maintains in South Asia. Collaboration in defense production from tanks to aircrafts, nuclear power plants, mega projects like Gawadar deep sea port are only a few known illustrations of these strategic relations. On diplomatic front, China has long been supporting the cause of Pakistan on Kashmir. Keeping the same brotherly relationship in view, recently Pakistan has offered to serve as Trade and Energy Corridor (TEC) to China (Saleem, 2013). The two sides are willing to act with nearly identical intensity of intent and purpose, the interest projection on the part of China and corresponding response on the part of Pakistan can be described as highly collaborative and directed against India. Pakistan earned the accolade of an 'all weather ally' of the PRC and the Chinese President using the metaphor 'higher than the mountain and deeper than ocean' to describe the intensity bonding of the countries (Patranobis, 2013).

Bangladesh has been next to Pakistan in China's interest projection trajectory for the previous three and a half decades, while being slightly different in form and shape. While nominally cooperative and strategic cooperation, China's initiatives in Bangladesh appear to have been calibrated and honed with the same intent and purpose as those in Pakistan. The Bangladesh establishment's replies have been

frank, with occasional balancing acts in favor of the region's collective goods. Leaving aside diplomatic nuances, Bangladesh Foreign Minister Dipu Moni's statement to her Chinese colleague Yang Jiechi during their meeting in June 2009 that Bangladesh considered China as a close friend and cooperation partner is notable (Xinhua News Agency, 2009). Scholars take the level of friendship with paying 'Friendship prices' for the supply of military hardware limiting on the lines of infrastructure development initiatives (Pandey, 2022). China is a major investor in Bangladesh, Sri-Lanka and Nepal and it upgraded bilateral ties to a strategic partnership during President Xi Jinping's visit in various times in these countries. Chinese initiatives in South Asia, mostly now focused on the construction of ports along the Indian Ocean. The construction of Gwadar Port in Pakistan, Hambantota Port in Sri Lanka, Sonadip deep-sea Port at Cox's Bazar in Bangladesh, is taken as launching pad and base for China's future strategic manoeuvres in South Asia. The relationship is also extended to the defense and security domain like Bangladesh. Professor Zhao Hong notes, in the face of India's growing strategic influence, China's approach is to develop economic and strategic ties with South Asian nations, ensuring that India is surrounded by countries friendly towards China (Zhao, 2010).

China has tried to ensure One China Policy and assurance of no anti-Chinese activities in these smaller south Asian countries. It has tried to influence these states on its side challenging unilateral dominance of India. China is the second-largest economy and also the largest exporter in the world and as part of its growing influence, China is actively engaging in economic diplomacy through a wide range of means, including bilateral trade agreements and investment projects in different parts of the world including South Asian countries. China's two-way with South Asia trade reached 126 billion USD in 2017 (WITS/The World, 2017). India, fast growing economy has become China's strongest economic partner in South Asia. Bilateral India-China trade crossed 84 billion USD in 2017 compared with 20.08 billion USD for Sino-Pakistan, 16.04 billion USD for Sino-Bangladesh and 4.39 billion USD for Sino-Sri Lanka in the same period (WITS/The World, 2017). China is now the largest overseas investor in the Maldives, Myanmar, Pakistan and Sri Lanka (Bhandari & Chandani, 2018). China has been involved in developing physical infrastructure that can connect China with South Asian markets and direct to the Indian ocean. It is

investing in building economic corridors, energy, roads, highways and ports that can accelerate its trade in the South Asian market through efficient connectivity.

A conference on diplomatic work with neighboring countries was held in Beijing on 24–25 October 2013 by the CPC Central Committee with the goal of guiding China's relations with neighboring countries under the fifth-generation leadership. In the conference, President Xi Jinping pointed out, 'the strategic goal of China's diplomacy with neighboring countries is to serve the realization of the two centenary goals and the great rejuvenation of the Chinese nation (Iida, 2020). China has proposed a community of common destiny philosophy, especially referring to China's BRI as the key to realizing China's vision to turn its neighborhood areas into a community of common destiny (The Diplomat, 2013).

The combination of the Chinese Dream, the community of common destiny, strategic confidence and the BRI has spelled out an alternative geopolitical, geo-economic and ideational framework for China in South Asia. In his address at a special event organized by the Indian Council of World Affairs (ICWA) on 18 September 2014, President Xi Jinping noted 'with OBOR (One Belt, One Road) as wings, China wants to take off together with South Asia' (ICWA, 2017). The message then was that China is a neighbor to South Asia and India will not have a free run in the region. This signifies China will grow its active role in the political-economic and social domain of South Asian Countries. China has bilaterally engaged in South Asia to achieve its foreign policy goals however it has also sought to deal with South Asian countries in regional forums. China has been developing economic and political links with SAARC member states to gain its membership in SAARC. President Xi during his visit to India in 2016 has even asked India's Prime Minister Modi for a place in SAARC, in return he would help India for full membership in SCO however India seems reluctant to the policy. China is in observer status for SAARC presently and wills to join SAARC for which it is lobbying with other South Asian Countries. China's foreign policy seems to secure its Political, economic and strategic interest in South Asia through increased activism in the political, economic and strategic domain of South Asia

4.4 Challenges Possessed by China to India

China's willingness to play the role of an external balancer against India in South Asia is a serious challenge, and, in some cases, a military threat to India, particularly in light of the two countries' border disputes (Rajagopalan, 2017). Moreover, China's alignment with Pakistan and escalating cordial relations with other South Asian countries gives a significant challenge to India's position in the region, which it has dominated for decades. Beijing's ability to provide financial assistance and balance against New Delhi may tempt India's smaller neighbors to play one power against the other, undermining India in its own backyard (Rajagopalan, 2017)

CHAPTER FIVE: STRATEGIES OF NEPAL AND BHUTAN

5.1 Role of Small States : A Geopolitical Approach of Nepal and Bhutan

Topography is essential to a state's fortune. For instance, Britain and Japan have benefited from their geographical isolation, but Poland, Belgium, and Korea have suffered as a result of their proximity to hostile neighbors. Many elements influence a state's geographic importance. Conventionally, they are the distribution of land and sea, the topography, the hydrographic network, the size of territory, and its aptitude to produce (Gottmann, 1951). But, in the case of small states their strategic location is more important than any other factors. Small states located between great powers enjoy their strategic significance or suffer from its accordance to their geo-political importance. Usually, these small states play important roles in the international system, as a buffer state, a client, a balancer, and a risk taker. Mathison(1971) defines a buffer state as a small state lying between two larger, usually rival, states (or blocs of states) (Partem, 1983). Partem adds the definition of Mathison with additional features: (1) Geography: The state is lying between two other states. (2) Capability Distribution: The state is a small ... state . . . between two larger ... states. (3) Foreign Policy Orientations: The state is independent, and its larger neighbors are usually rival states (Partem, 1983). Also, some literature emphasizes on ideological differences between two great powers, the small states between the ideologically hostile great powers, such as the two superpowers of the Cold War era, can also be defined as buffer states (Chay, 1986).

5.1.1 Nepal and Bhutan as Buffer State

The buffer state concept was widely used as a kind of state strategy across the British Empire. The buffer concept was also used in Nepal and Tibet. The Dibyopadesh is a collection of policies relevant to Nepali statecraft forwarded by King Prithvi Narayan Shah, highlighting Nepal as yam sprouting between two huge boulders (Tuladhar, 1980). At the end of the Anglo-Gorkha (Nepal) War, it is most forcefully implied. While the British defeated the Gorkha Empire, they did not acquire its territory for fear of border battles with Tibet, a Chinese province reflecting Nepal's buffer concept (Dhanlaxmi, 1981). The British attitude toward Nepal demonstrates the use of a traditional buffer state notion. As defined by Chay and Ross, buffer states are countries geographically and/or politically situated between two or more large

powers whose function is to maintain peace between the larger powers (Chay, 1986). In accordance, The British acknowledgement of Chinese sensitivities in Tibet vis-à-vis Nepal reveals the fact that both Tibet and Nepal were seen as buffers between the erstwhile Great Powers, Imperial Britain and China. The United Kingdom's recognition of Nepal's independence is another factor reinforcing its commitment to maintaining Nepal as a buffer state. Even though it is particularly susceptible to interference in buffer states, the buffer system's core theme is that it maintains its independence. Essentially, the British used the forward policy as a means to create a buffer zone encompassing Nepal, Bhutan, and Sikkim –nominally independent smaller countries in the northern periphery of the Empire (Chand, 2018). The British colonial apparatus, including its geopolitical vision of the region, was passed down to the post-independence Indian state. Jawaharlal Nehru, India's first Prime Minister, emphasized Nepal's importance to the country's security. He acknowledged Nepal's sovereignty while expressing alarm over Chinese activity in Tibet; Nehru stated, India will not accept any invasion of Nepal from anywhere (Bhasin, 2018). Nehru's speech, which opened the debate on foreign affairs in the Indian Parliament on December 7, 1950, stressed Nepal's importance to India's post-independence security. In his speech "Peace or War," Nehru emphasized the following issues about Nepal's significance to Indian security.

We (India) recognize Nepal as an independent country….From time immemorial, the Himalayas have provided us with a magnificent frontier. We shall not allow that barrier to be penetrated because it is also the principal barrier to India. Therefore, much as we appreciate the independence of Nepal, we cannot allow anything to go wrong in Nepal or permit that barrier to be crossed or weakened, because that would be a risk to our own security… (MIB, GoI, 1954)

Nehru's speech reaffirms India's view of Nepal as a buffer state, which became even more significant after Tibet was annexed by China. Since Tibet and Nepal share a long border, the latter became particularly sensitive to Indian security after Tibet annexation and Nepal ceased to exist as a buffer. Thus, Nepal retained a prominent position in Indian foreign policy; in fact, after the China incursions into Tibet in 1950, Nepal's importance as a geopolitical buffer increased, indicating a continuation and perhaps exacerbation of Nepal's importance for India's own geopolitical security. Though the discourse of Buffer Nepal has been lighted to dynamic bridge conception,

the geostrategic location and features of power rivalry in the subregion between India and China which might lead to occurrence of security dilemma in the region in any verse of time always keeps the conception buffer Nepal alive.

The Buffer system in the region has also integrated Bhutan as an integral part of the system similar historically to the creation of Nepal as buffer state during the British colonial empire. The two mountain states, Bhutan and Nepal along with Tibet, have served as buffer states for decades. This role has become more important with the establishment of the Communists in Tibet. Hence Nehru's strong and unequivocal commitment-a rare thing for him to defend the two states of Sikkim and Bhutan (Levi, 1959). Bhutan was neither a British colony nor a princely state, but was an independent state along Himalayan frontiers and the other side of China. With independent India, the policy did not change either, to continue a relationship originally established by imperial British, Sikkim was declared a protectorate of India in June 1949, a regrettable necessity, and a treaty with Bhutan in August of that year obliged that state to accept Indian guidance in foreign affairs, including defence (Levi, 1959). Since then, Bhutan has become an essential part of the buffer system in the region to date.

5.1.2 Bhutan as Client State

A client state is another type of small state with great weight in international systems. This word has been used frequently to describe the state in a relationship between one of two superpowers and a small state belonging to one of two blocs (Choi, 1995). Some believe that the patron-client relationship is asymmetric. Shoemaker and Spanier (1984) identify many crucial criteria that differentiate a clientelist interstate relationship because the client lacks the financial means to be militarily self-sufficient, security transfers are often unidirectional, from the patron to the client (Carney, 1989).

The term 'client' comes from economics and encompasses ideas such as satellite' and 'puppet state.' The patron-client relationship, on the other hand, entails a reciprocal flow of advantages and the absence of coercion in the patron's leader's hold over his client states. In exchange for tangible and intangible products and services such as military bases or commodities and loyalty or reverence, a client state seeks economic

and military aid from the source. In contrast, a patron state, such as the Soviet Union toward Cuba during the Cold War, tries to buy political power over the client or to gain and maintain strategic interests in the region in exchange for economic and military aid. (Choi, 1995).

Liska describes patronal responsibility as that of a guarantor to the client (Liska, 1978). It means the patron extends a formal commitment to preserve the client's security. In the South Asia Sub-System, Bhutan is perceived as client to India. India-Bhutan relations have a strong base to support Patron-client relations. As assessing the above literatures, Bhutan lies in between India and china; the dominant powers in the region while Bhutan totally relied on India for its security and economic interest without even having diplomatic relations with immediate neighbor China. Due to the physical proximity and strong economic and political connections with India, Bhutan has long been perceived as a "client state" of India. In practice, under the peace treaty signed by both sides in 1949, India is responsible for the diplomacy and national defense of Bhutan (Peng, 2018). According to Shoemaker and Spainer the patron-client relations are asymmetric which is seen in case of India-Bhutan with being protectorate of India and fully dependent for its Security, economy and trade. India is the largest trading partner of Bhutan and also largest in terms of economic aid and investment. The asymmetric dependence of Bhutan over India makes patron-client relations of two countries relevant. While in case of Nepal, it has not such asymmetric dependency and has not handed over the defense and diplomacy to India. Therefore, in the South Asian sub-regional system, Nepal and Bhutan both are Buffer states adding one more role of Bhutan is to act as client with patron India in the system.

5.2 Strategies of Nepal

Nepal's foreign policy was centered on ensuring its survival and safeguarding its territorial integrity from its neighbors because of its smallness and landlockedness (Muni, 2016). In order to safeguard its territorial integrity, Nepal's foreign policy was created to strike a balance between India and China, to uphold UN values, and to join regional organizations. worldwide recognition; forging ties with extra regional powers to lessen reliance on both nations maneuvering and political changes (Baral, 1986).

5.2.1 Balancing and Bandwagoning

The balancing nature of small states largely depends on its geographical location. If a small state is situated in the middle of two confronting great powers, its balancing behavior will be effective however, because of its own weight is not heavy enough, a small state can hold the balance of the fulcrum only in the very limited situations and thus, in most of cases, small states are likely to bandwagon rather than balance (Choi, 1995). Criticizing Walt's 'balance of power threat' theory, Randall L. Schweller approaches balancing as driven by desire to avoid losses; bandwagoning by the opportunity for gain (Choi, 1995).

In reference to Nepal, being a small state, located between two great powers and structurally constrained, its strategies have been observed as balancing and bandwagoning both as two sides of the same coin. Nepal has adopted the policies of soft balancing and bandwagoning both to maximize its potential gain of survival in various periods of the time. The foreign policy behavior of modern Nepal begins with the emergence of Prithvi Narayan Shah, the founder of modern Nepal, in 1769 (Baral, 2022). He suggested the succeeding rulers exhibit independent behaviour with the aliens, mainly the two immediate neighbours highlighting the geostrategic position of Nepal. He portrayed Nepal as a yam between two boulders in his Divyaupadesh. The 'Yam Theory' has still been a fundamental principle of Nepal's foreign policy. He advised maintaining a treaty of friendship with the emperor of China and keeping also a treaty of friendship with the emperor of the southern sea (the company) (Baral, 2022). His thought sought to keep balance in relation with North and South and also advised not to engage in an offensive attack, rather should be done defensively. His approach thus seemed to be balancing in a friendly way and if threatened to defend on equal weight to North and South.

However, the balancing through cordial relations failed with China and the British, as a result Nepal witnessed its diplomatic failure engaging in the war with Tibet and British India in 1792 and 1814 respectively (Baral, 2022). This defeat in the war with the British resulted in losing one third of territory and limited external behaviour. The balancing attempt of Nepal witnessed failure for the first time and later the successor revised their strategy to bandwagoning.

Janga Bahadur Rana, who became the new Prime Minister of Nepal on 19 September 1846, decided to adopt Nepal's foreign policy to please that of the British which was the greatest threat for Nepal's survival (Adhikari, 2018). The second rationale for this decision was also domestic politics and as regime protection was synonymous to state survival; Janga Bahadur consistently needed a strong backing to defend his regime and state at a time. As a part of the strategy of bandwagoning with the British, Jung Bahadur offered military assistance to British India.

As an occasion, on 10th of December 1857, the prime minister himself led 8,000 men strong Nepalese army contingent into India to suppress the mutiny of Indian army men against the British which pledged the British rulers in Calcutta and in return they restored a part of Nepalese land in the western Terai called 'Naya Muluk' which includes four districts—Bake, Bardia, Kailali and Kanchanpur of present-day Nepal. Similarly, Nepal sent 10 battalions of Nepalese army to fight World War I on the side of the allies, and in return 55,000 more Nepali men were recruited into British Gurkha battalions in India as an honor to bravery of Nepali armies (Rose, 1971). As soon as World War II broke out in 1939, Nepal again sent 10 battalions of Nepal Army personnel to the battlefield, and more than $200,000$ Nepalese men served in British units during the period of the war (Rose, 1971). Nepal's bandwagoning with British granted the status of an independent state through in a treaty signed on December 21, 1923 keeping Nepal within the British sphere of influence and "as provision of consultation" to the government of British India on relations with Tibet, Sikkim, Bhutan, and China (Adhikari, 2018).

The strategic environment however changed with the decolonization movement in India. While India marched through its post-independence political transition, Nepal established diplomatic relations with the US and other western countries to counterbalance India and seek international recognition. There was also the threat of expansion of communism that thrived in China and its aggression in Tibet in 1950. The political scenario altered the security situation in the Himalayas. The Chinese view of Tibet as the palm of a hand and adjacent territories like Nepal, Bhutan and some parts of Indian territory, such as Sikkim and Arunachal Pradesh, increased Nepal's vulnerability (Adhikari, 2018). Worried over these developments, Nepal signed two treaties in July 1950: the Treaty of Peace and Friendship, and the Treaty

of Trade and Commerce with India. Nepal became a defense partner of India with the treaty allowing the consultation of India for purchase of Weapons. India ensured a progressive, stable and strong Nepal that would be sensitive to India's security concerns. Since then, the Friendship Treaty has remained the guiding force in India–Nepal relations giving India an upper hand in international relations and diplomacy of Nepal.

Nepal's foreign policy reached a new avenue after King Mahendra assumed power in 1955. Nepal deviated from India-dependent foreign policy and initiated an independent foreign policy by diversifying Nepal's relationship with other countries. The idea of independent foreign policy tried to neutralise India's influence by signing a parallel Treaty of Peace and Friendship with China in 1960 (Adhikari, 2018). Nepal marched towards a balancing approach to India's hegemonic traits and as result Nepal tried to reduce dependency on India by seeking more development aid from western countries. In doing so, Nepal managed to take advantage of the differences between China and India, and also became a party to the containment policy of the big powers. Nepal deviated from South to North and in return China reciprocated Nepal's efforts towards neutralising India's influence and offered political support for the Nepal King's domestic policies together with generous economic assistance (Adhikari, 2018). Nepal also remained silent during the India-China border Conflict in 1962 as a way of balancing the North-South.

Nepal adopted a very tactful policy of "balancing," or what some authors would refer to as "soft balancing," and balking, which is to ignore or avoid the demands of the great powers when doing so is contrary to the country's national interest. This was during the period of peace in the Asian region, particularly between India and China (Adhikari, 2018). Examples of Nepal's successful agency in relations with the northern neighbor include its ability to resolve the Mt. Everest dispute with China largely in Nepal's favor and its success in registering protest for border transgression by the People's Liberation Army and receiving an apology from the Chinese side in the 1960s (Muni, 2016). As an example of successful stalling in Nepal's relations with the subregion, consider the diversification of foreign relations after 1955 despite Nehru's public disapproval, the removal of Indian security agencies from Nepal's border with the Tibet region of the PRC at the end of the 1950s, and the opening of

the Kodari highway that connected Kathmandu with the Tibet region of the PRC during 1963–1967 against the concerns and wishes of India as a balking with sub-regional hegemon.

The balancing act by Nepal between India and China was like a diplomatic dance sometimes being seemingly tilted towards one, and other times towards the other. It was not balanced in the traditional sense of balance of power. Its objective was more limited and was primarily aimed at minimizing restrictions on Nepal's freedom to pursue its independent foreign policy and enhancing its national security. Nepal had to pay some price especially in its relations with India for this diplomatic dance of balancing. As Dev Raj Dahal has rightly pointed out, Nepal's balancing act between India and China has always been precarious akin to a game of national self-assertion versus regional accommodation. The balancing act would have been a viable strategy had Nepal achieved self-sufficiency on essential goods (Dahal, 2011). One example of such a precariousness was India's imposition in late 1989 and 2015 of trade blockade on landlocked Nepal in reprisal for its import of arms from China and not addressing the Indian approval while drafting Constitution of Nepal 2015 (Adhikari, 2018). The similar balancing traits has been seen in the post monarchy period and the new political development of Nepal as Federal Democratic Republic of Nepal.

When dealing with China and India, Nepal has been developing more balanced traits. In contrast to Bhutan, Nepal has been gradually moving away from dominance of India's hegemonic nature and has been eager to achieve its independence being keen to China. Since the end of the monarchy, when Nepal's internal politics transitioned from multiparty democracy to a republican government, the country has been more circumspect in its interactions with its neighbors. In today's Nepal foreign policy, the equidistance policy, trilateralism (India-Nepal-China), and the concept of a vibrant bridge have all taken center stage which reflects Nepal's aspiration in balancing both the neighbors. As a reference, it may be noted that India's bids were ignored for most of the mega projects after the establishment of the FDR government in Nepal. For example, mega projects-Lumbini and Pokhara airports and some hydro project went to Chinese companies as a balancing approach breaking traditional culture of India's first concern in trade and investment. Chinese companies were also given space in investing in garment, hydropower and other sectors. Nepal welcomed China to

neutralize the perceived Indian influence in many arenas. Nepal also departed from the tradition of new Nepali PM Visiting India first, when Prachanda, the then Prime Minister, visited Beijing in 2008 to attend the concluding ceremony of the Olympic Games. Nepal intensified its engagement with China to counterbalance India. As an example. To oblige China with One China Policy, the Prachanda government took strong action against the Tibetan refugee movement in Nepal and increased border security to prevent transit of Tibetan refugees across the border with China (Nayak, 2021).

Since 2008, With changing internal political dimension and external environment with China and India being competitors in the sub-region; to lessen India's influence in Nepal even painted India as an enemy nation in their platform. This was a new strategic move by Nepal to address the growing favorable condition with China's engagement in Nepal to counterbalance India's prevalent hegemonic traits. While articulating Nepal's foreign policy priorities in the changing global and regional order, the then PM of Nepal in 2011, Baburam Bhattarai proposed to reorient Nepal's foreign policy and become a vibrant bridge between the two Asian economic giants (Nayak, 2021). With the new priorities, Nepal declared a policy of equidistance, believing that Nepal is traditionally economically more dependent on India than China.

Prior to 2013, India had a significant economic and financial stake in Nepal but the environment has grown more competitive for India with China's Footprint. The situation has become like if Nepal makes a deal with either nation, there arises pressure to keep the partnership in balance. For instance, following the conclusion of the BIPA (Bilateral Investment Promotion and Protection Agreement) between Nepal and India, Nepal was under pressure to sign a similar agreement with China. The Interim Constitution's directive on foreign policy was disregarded—for the first time in the previous four years—by allocating the West Seti project to China in an effort to preserve balance in hydro projects in Nepal. There has been an increasing trend to allocate more hydro and infrastructure projects of Nepal to China to neutralize India's influence.

The remarkable counterbalancing Indian hegemonic traits by Nepal has been more prominent after promulgation of Nepal's constitution 2015. KP Sharma Oli, who became prime minister in October 2015 after the constitution was proclaimed, inked a historic Transit and Transportation Agreement along with other investment projects with China in May 2016 (The Himalayan Times, 2016).The agreement followed a border blockade by New Delhi that lasted several months in retaliation for Nepal's acceptance of the constitution. Nepal was forced to look for ways to broaden its commerce and transit possibilities with other nations as a result of the hardships brought on by the Indian border blockade. This incident however has been claimed to deter India's hardship and hegemon attributes towards Nepal. As a result, Nepal could use seven Chinese sea and land ports for trade with third parties. This event was remarkable for turning north to break Nepal's near-complete dependency on the southern neighbors for third-country trade.

There seemed to be a growing nexus between India and China under Modi and Xi for trade and investment which altered the sub-regional power dynamics where Nepal became anxious about their joint policy. For example, India and China went into an agreement in 2015 during PM Narendra Modi Visit to China to boost border trade at Qiang/Lipu-Lekh Pass, close to an area which Nepal claims to be part of its territory. Nepal's Parliament raised serious objections over an agreement claiming the agreement as against international norms and values. (Economic Times, 2015). Further, Wuhan Summit in 2018 in presence of Chinese President Xi Jinping and Indian prime minister Narendra Modi; China proposed for two plus one strategy for dealing with South Asian countries which later affirmed when once again Chinese side proposed to Nepal's Prime Minister KP Oli a "two plus one" format for dialogue (The Hindu, 2018). Nepal has deployed trilateral cooperation in dialogue against any kind of joint interference by India and China. One of the other striking incidents that took place in Nepal's balancing attitude is publication of new political map showing Kalapani, Limpiyadhura and Lipulekh as Nepali territories was in counter balance to India unveiling its new political and administrative map placing Kalapani within its territory (The Kathmandu Post, 2020). These are a few examples demonstrating Nepal's changing strategies in dealing with regional Hegemon India. Nepal has been growing its balancing traits against India welcoming China's presence in economic, trade and development. Nepal, realizing the changing subregional power dynamics,

has pushed economic development to its core national concern, realizing Nepal's geographic position between two great powers as an opportunity for economic development (Nayak, 2021). Nepal is pushing economic development to either side willing to transform its buffer conception to vibrant bridge transit economy. In recent Years, Nepal has adopted more soft and delicate balancing attributes to deal with the existing hegemon India and key balancer China in regards to fulfilling its Vital interest.

5.2.2. Non-Alignment

Adoption of non-aligned foreign policy was the common behaviour of small powers in the world divided by ideological confrontation. The rivalry between two superpowers developed after the Second World War compelled the small states to find appropriate positioning in the international system through changes in their strategies. The concept of NAM evolved to create a separate identity for the Afro-Asian countries at the international level that had a painful history of being colonized by European countries. They were apprehensive about being colonized again by taking side between the then two superpowers that had divided the world into two blocks. These countries also wanted to send out a message to the developed countries that a cooperative framework might protect them against exploitation and interventions by the dominant global powers.

Nepal prioritized NAM and its values becoming one of the founding members. The Afro-Asian Conference in Bandung, Indonesia in April 1955 marked Nepal's admission into international organizations other than the UN. Nepal in asserting its sovereignty and independence and preserving a balance between its two neighbors through NAM. Nepal was never a colony, despite it playing a key role in widely promoting NAM for a strategic shift in getting rid of India's hegemonic behavior and uncertain intentions of China. NAM became an essential platform for Nepal to reposition itself as a sovereign, independent, and neutral country since the international community was under the impression that Nepal could not formulate its foreign policy independently due to its 1950 Treaty with India. NAM became important tool to address insecurity of Nepal from India's and China's intentions for respecting territorial integrity and sovereignty. The source of insecurity brought out by special friendship with India which allowed its interference in internal matters of

Nepal and in the case of China about its expansionist policy demonstrated by Tibet annexation and uncertain impressions towards Nepal. Thus, NAM policy assisted to maintain strategic autonomy of Nepal in between North and South. As an Instance, NAM helped to demilitarise its territory by ousting Indian military missions and check-posts and resolve Border issues with China through Joint Consultations (Nayak, 2021). NAM became a platform for Nepal to express concerns which it could not at the bilateral levels. Additionally, NAM was seen by Nepal as a signal to its neighbors against pressuring Nepal into grouping together against other nations. By joining NAM, Nepal wanted to send a message to various countries that Nepal would never involve itself in bilateral conflicts or wars by pitting one against the other (Nayak, 2021). Since then, Nepal has consistently argued in favor of strengthening NAM despite arguments and criticism over NAM. Nepal still finds NAM as relevant because of its strategic location featured by India and China aggression. Since beginning, Nepal has given priority to NAM and its principles, which figures strongly in its approach towards other countries. It also helps Nepal maintain a balance between its two neighbours and assert its sovereignty and independence. NAM remains an effective tool of strategic autonomy with regard to Nepal not aligning to any of its neighbours who are historical rivals.

5.2.3 Neutrality

Among the strategies that safeguards small states survival and independence is the act of neutrality. Rothstein explains why a small state wants to be neutral; one reason is that small powers tend to rely on the hope that they can be protected by their own insignificance. If they can appear detached enough, and disinterested enough, and if they can convincingly indicate that they are too powerless to affect the issue, they hope the storm will pass them by (Choi, 1995). The Netherlands was untouched during the first World War. Thus, her security policy during the interwar period was simply a continuation of the successful policy of unarmed neutrality, a moralistic public philosophy stressing the role of international law, and abstentionism from the security alliance (Stein, 1990). Similarly, other small European states like the Dutch were also reluctant to join the League of Nations, on the assumption that league members might have to apply sanctions against aggressor states. In the growing hostile environment, and increasing insecurity in Europe, most of the European states successfully maintained neutrality as an appropriate strategy. However,

Neutrality being one of the options of small state strategy is not universally acceptable by small states. In the international system dominated by great powers, ignoring small state's respect, neutrality seems to be conditioned by the acceptance of the great powers. As in the case of Belgium and the treaty of London, neutrality requires the tolerance, agreement, or permission of the major powers at least those nearby to underwrite or ensure the neutrality of the small state. Typically, agreements are based on the mutual self-interest concept, and if the major powers' mutual self-interest diminishes, so too does the validity of the neutrality policy (Sens, 1993).

In reference to Nepal, the Neutrality act has been seen occasionally prominent when the immediate neighbors India and China get into trouble and escalation of war. For Instance, Nepal has adopted neutral positioning during significant cross border disputes and war between India and China. During the border war between China and India in 1962, Nepal was able to maintain its neutrality in the face of Indian pressure to side with it. Recently, during the Doklam standoff between China and India in 2017 also Nepal successfully maintained its neutral position and tactfully refrained from making any comments on the issue (Adhikari, 2018). The neutrality strategy in Nepal's balancing approach of two neighbors in tension has been successful and thus Nepal argued to legitimate Nepal's Neutrality through international recognition proposing for 'Zone of Peace' in the 1970s. In February 1975, King Birendra proposed Nepal as a 'Zone of Peace' (ZOP) while speaking to the foreign delegates attending his crowning ceremony (Kafle, 2022). The ZOP is taken as a strategic shift to assert Nepal's independence from Indian hegemonic behavior (Adhikari, 2018) . The proposal was in an attempt to safeguard sovereignty, independence and integrity of Nepal from threats encircling South Asia. As an Incidence, Growing India's aggression in altering the landscape of Himalayan buffer system annexing Sikkim which it realized later in 1975. ZOP was proposed to symbolize that Nepal no longer was included under the Indian defense umbrella" and to "guarantee that no foreign power would use Nepal as a military base" (Scholz, 1976). China, US, and the Soviet Union supported the proposal. However, India did not support it because India saw the ZOP proposal as a brazen attempt to circumvent the special relations between the two countries it believed the 1950 treaty had enshrined (Adhikari, 2018). Moreover, The Khampa incident on the northern border was equally responsible for the emergence of this proposal. The king expressly

referred to the potency of the establishment of a peace zone as an effective means to remove the problem of regional, bilateral, and multilateral alliances. This act of neutrality as a legitimate policy of Nepal thus failed because of opposition from India; however, Nepal has always adhered to the neutrality concept to respond to the hostile environment that emerges due to Indo-China Rivalry. Neutrality thus if not demonstrated however has been passively rooted in Nepal's strategic behavior in outriding the conflict in its surrounding.

5.2.3 Multilateralism and Diversification of Relations

The participation in regional and international organization can be best option of small states to secure its autonomy, survival and safeguard other national interests (Baral, 2022). They continue to prioritize the application of international law. Most of the small states join international organizations to increase their international clout (Kavalski,2006). The volume makes the case that, while both small and large states take part in international cooperation agreements, small states are more inclined to adopt international organizations as their preferred foreign policy tool (Kavalsk, 2006). India has frequently been accused of being an interventionist state by its neighbors, especially Nepal. This view is largely the result of historical problems, incompatibilities between regimes, and many asymmetries between India and its neighbors. These neighbors have been demanding for multilateralism over bilateralism to increase their voice against suppression and inequality. The tactics like multilateral diplomacy and organizations helps banding together against India and as an attempt regional organizations like SAARC formed. However, regional organizations have again failed to address the concern because of India's reluctance. Nepal has been involved in joining the international community since 1955.

Nepal assumed to deviate from India-dependent foreign policy and formulated an independent foreign policy by diversifying Nepal's relationship with other countries (Nayak, 2021). Nepal tried to neutralize India's influence by signing a parallel Treaty of Peace and Friendship with China in 1960 and extended Nepal's diplomatic relations to more than fourty five Countries reflecting Nepal as an Independent State. Nepal also sought to begin Panchanseel, Non-Alignment and World peace norms as its Foreign Policy tool to enhance Nepal's international prestige. In 1955, Nepal acceded to the UNO. Nepal has been steadfast in its adherence to the UNO charter

ever since it was admitted to membership. International acclaim has been garnered for its active participation in a number of UN programs. Additionally, Nepal served the UN twice (1969–1970 and 1988–1989) as a temporary Security Council member. Despite its small size, Nepal actively participates in the nonalignment movement, helped establish SAARC in 1985, and participates in a number of UN specialized organizations, all of which serve to safeguard national interest (Baral, 2022).

The SAARC secretariat's presence in Kathmandu, the nation's capital city, and its participation in BIMSTEC (the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation) are seen as crucial steps toward demonstrating the country's behavior in the international world. (Baral, 2018,). Nepal has regularly contributed to numerous UN initiatives like peacekeeping, combating climate change, and defending the rights of developing nations with landlocked regions (LLDC). It has actively participated in the majority of UN peace operations since 1955 over 1,32,524 men from the Nepal Army (NA) have participated in over 43 UN missions. International recognition has been given to Nepal's efforts in maintaining peace and stability in conflict zones which has reached international appreciation. Nepal has been recognized as an International Contributor to Global Peace with this avenue and is now 2nd largest contributor to UN peacekeeping operation. Other than this it has also been Involved in other international institutions like WB, IMF, ADB and planning to get involved in SCO and AIIB. Besides these, Nepal has established diplomatic relations with 171 countries of the world, 30 embassies, three permanent missions and six consular offices (Nayak, 2021). Nepal's argument for this massive involvement in international institutions is to withhold its independence in the global community, defend its sovereignty and fulfill its vital interest. The engagement in international organization has also reduced the dependencies of Nepal on both the neighbors. Various economic and social development programs are supported by those institutions. These international institutions act as shields to Nepal's independence and Nepal has been tactfully advocating multilateralism where it can raise its voice and defend its vital interest.

5.3 Strategies of Bhutan

5.3.1 Isolationism

Many literatures claim the isolation policy of Bhutan before independence of India in South Asia. Karma Galay in his article International Politics of Bhutan claims self-imposed isolation of Bhutan's in the early 1960s (Galay, 2001). Similarly, Nihar R. Nayak in his writing called "Political Changes in Nepal and Bhutan-Emerging trends in foreign policy in post 2008 period" claims Bhutan adopted a policy of limited engagement (PLE) until 1959 (Nayak, 2021). The Author further claims PLE was adopted due to the then strategic environment that became successful in preserving its territorial integrity but the same became gradually irrelevant with application of modern communication technology and globalisation. Thus, Isolation or policy of limited engagement (PLE) of Bhutan seems a tactic that small states often adopt to survive in the international system due to structural scarcity in terms of limited economic and military capabilities to defend their territory by themselves. The policy of isolationism in Bhutan has both security and preservation of traditional religio-cultural identity. Bhutan adopted an isolationist strategy, or maybe a policy of retreat from international politics, in order to maintain its independence and distinct identity. Its location shielded it and allowed it to successfully implement this program during the colonial period.

5.3.2 Alliance and Bandwagoning in response to threat perception of Bhutan

Bailes, Thayer and Thorhallsson (2016) put forward an approach of 'alliance shelter' that reflects the complex motivations and conduct of small states (moving beyond the usual emphasis on the experience of European small states, they use the examples of Armenia, Cuba, and Singapore). The theory of alliance shelter theory claims that small states need political, economic and societal shelter as well as security protection in order to thrive. A small domestic market, which makes them heavily reliant on imports and exports, and concentrated manufacturing, which typically results in substantial reliance on one specific export product, are two prominent characteristics of small states. Because there are few domestic buffers to spread the weight of an economic setback, small states economies are more exposed to external as well as internal shocks. As a result, according to the idea, small states will seek refuge in the international system by associating with larger states/entities in order to mitigate the effects of their economic and political vulnerabilities. External shelter

allows small societies to attain their full potential by connecting them to the outside world socially and diplomatically while also shielding them from the upheaval of global affairs. Furthermore, alliance shelter theory considers how external actors can assist in resolving the challenge of internal order in smaller communities. As a result, shelter theory provides a valuable framework for analyzing the different dimensions of small states' external relations and strategy. (Bailes, Thayer, & Thorhallsson, 2016). In the reference to theory, we can link Bhutan's strategy to thrive in the South Asian sub-system adopting shelter alliance strategy with India for its political-economic and social security. In the 1950s, strategic developments in the Himalayan region pushed Bhutan from self-imposed isolation to form alliance .

In the Security Font, India provides military assistance to Bhutan. It provides basic training to the Bhutanese armed force personnel. Although Bhutan has neither the capacity nor the intention to develop nuclear weapons, it has supported India's nuclear policies (Galay, 2001). Bhutan was deeply troubled by China's takeover of Tibet in 1950 and the manner it handled the Tibetan revolt in 1959, prompting it to reconsider its long-standing isolation strategy. Bhutan appeared to make three major policy shifts at this point: first, it moved much closer to India on security issues; second, it began a modernization policy; and third, in order to receive outside assistance for its modernization drive and maintain its independence, Bhutan decided to open up and gradually expand relations with the outside world. (Ahsan & Chakma, 1993). As an incident, when then-Indian Prime Minister Nehru proclaimed that any attacks or hostility towards Nepal and Bhutan would be deemed an attack on India, Nepal expressed public reservations, but Bhutan accepted it without hesitation, protests, or concerns (Rose, 1974). In Highlight to this incident, an example can be taken to understand the control of Indian government over Bhutanese government and Bhutanese reciprocity to be proclaimed as protectorate. The Treaty of Friendship 1949 further illustrates the relations of India-Bhutan as Patron-client states. In practice, India was a legitimate partner responsible for Bhutan's diplomacy and national defense under the 1949 peace accord while Bhutan was an ally to India for its strategic interest. This shows the shelter alliance behavior of Bhutan with India for security perspective.

At the Economic Front, Bhutan launched a new era in its history under the progressive King Jigme Dorji Wangchuck. To fulfill its modernization aim, Bhutan began to accept aid from India, which was typically willing to help Bhutan before the latter requested it. In 1958, Prime Minister Nehru traveled to Bhutan and urged the king to accept India's help. Bhutan's first (1961-66) and second (1966-70) governments were entirely funded by New Delhi (1966-71) (Ahsan & Chakma, 1993). The first two five-year plans, construction of roads constituted schools, hospitals and agricultural centers were highly financed by India (Galay, 2001). Even today, Indian assistance to Bhutan is largely in the hydropower industry. Bhutan is reliant on India for sea access. India is the country's most important commercial partner. Bhutan's imports and exports were both dominated by India in 1999, with India accounting for 75% of Bhutan's imports and 94.5 percent of its exports (Galay, 2001). Bhutan's largest donor is India. However, the economic tie between the two is not one-way. India, however to a smaller extent than Bhutan, is economically dependent on the former. Apart from assisting Bhutan, its investments in the country help to strengthen the economies of the Indian states that border the country. The majority of West Bengal's businesses currently rely on electricity imported from Bhutan. Bhutan employs a large number of Indians.

Bhutan's threat perception needle is excessively tilted towards China with historic implication of Tibet Invasion and annexation. In reference to Bhawana Pokharana, during ancient and medieval times, the Chinese sought to intervene in Tibet on several occasions and finally, in the early 1950s, they announced the unification of Tibet with China, and by the end of the year, they had established control over Tibet (Pokharna, 2009). In addition to this, in 1954, the Chinese government went a step farther and released a map in "A Brief History of China" in which it claimed Bhutan (Jha, 2013). Furthermore, in 1958, China not only released a new map claiming enormous areas of Bhutanese land, but it also occupied nearly 300 square miles of Bhutanese territory (Jha, 2013). Bhutan became more sceptical and wary of Chinese intentions when China declared that Bhutanese, Sikkimese, and Ladakhis form an unified family in Tibet, and also, they have always been subordinate to Tibet and China's great motherland (Jha, 2013). Bhutan must have been anxious at the time about the looming threat to its sovereign status, as well as the possibility of suffering the same fate as Tibet. Furthermore, Bhutan had emotional attachment to Tibet, as

the two countries share religious and cultural legacy dating back to ancient times and thus Bhutan could not consent to China's annexation of Tibet because of this intimate affinity and deep reverence for Buddhist tradition (Andelman, 2010). For the apparent reasons, Chinese engagement in Tibet was not well received by Bhutanese, and Chinese behavior was also concerning to them. The rising Chinese expansion not only threatened their sovereignty, but also put their religious and cultural values in threat. Bhutan must have seen Chinese power as a danger to their identity and independence. Bhutan, on the other hand, was neither suspicious of Indian intentions or attitudes, nor had it experienced strong intimidation from the Indian side. Despite the fact that India is several times larger and more resourceful than Bhutan, it thought that joining hands with India was a rational decision since India was willing to recognize Bhutan as an independent country, even if for its own strategic interest. According to Leo E. Rose, When the negotiations for a new treaty between independent India and Bhutan began, Bhutan kept straightforward demands of assurance of independent state (Rose, 1974).

With the conception of The Treaty of Friendship it handed its security and foreign relations matters to the hand of India as an ally to serve its interest of Survival and Independence. Bhutan managed to ally with India in a growing hostile environment around its frontiers and in return supported India's Primacy in the region as security provider. Bhutan managed to repone the Chinese threat perception through alliance with India but over the period when Sikkim, the then state connected by land with Bhutan witnessed the same fate as Tibet but the actor was India itself on which Bhutan relied heavily for survival. This episode may have given Bhutan the perception that India is likewise a powerful adversary. Bhutan was already under threat from China's ferocious strength at the time, and it was not equipped to deal with it. Bhutan would have been unwise to enrage another force that surrounded it on all sides in this situation. As a result, given that complex circumstance, Bhutanese authorities still choose to side with India as their only alternative for survival. This behavior of Bhutan can be classified as "bandwagoning".

From the theoretical explanation of bandwagoning by Waltz, confronted with the security dilemma, conventional wisdom suggests they would seek power through alliances, most likely bandwagoning with one regional power in an effort to balance

another regional power (Diven, 2016). Also, Waltz argues, the weaker the state, the more likely it is to bandwagon. Balancing may seem unwise because one's allies may not be able to provide assistance quickly enough...States that are close to a country with large offensive capabilities...may be forced to bandwagon because balancing alliances are simply not viable (Diven, 2016). Relative to the theoretical lenses, we know Bhutan is small and not capable of defending itself against China which has been hostile exemplified by Tibet annexation and claim over Bhutan's territory. Bhutan realizing itself being in a vulnerable position and greater threat from China to protect its sovereignty might have turned it towards India, which at the time of crisis for Bhutan appeared to be reliable to balance against China. Moreover, Bhutan's isolation or limited engagement policy in the initial years limited its offer to have other trustworthy friends or institutions that would be mutually beneficial. This deficiency of good friends and engagement led Bhutan to rely solely on India as its immediate protector since connected through land it was possible for India to intervene in case of Chinese attacks against Bhutan. Another argument about bandwagon states that, states attempt to increase their benefit or reduce their losses by band wagoning taking side with the stronger party (Ghimire, 2021). Bhutan tried to establish itself as a sovereign nation by taking side with India, as India accepted Bhutan as an independent nation without any condition. Though this was a strategic decision against China, Bhutan took advantage by band wagoning with one of the regional players, India.

5.3.3 Norm Entrepreneurship

Bhutan, a small, resource-constrained nation has significant normative power through the promotion of norms and by serving as a role model for norm creation. Bhutan has actively promoted Gross National Happiness (GNH) as a development metric. Bhutan has been advising a holistic development approach as the concept of Gross National Happiness (GNH). Bhutan's fourth King, Jigme Singye Wangchuck, first introduced this idea to the world in the early 1970s when he proclaimed that Gross National Happiness is more important than Gross National Product (Ura, Alkire, & Zangmo, 2012). GNH is inspired by the Buddhist concept of "The Middle Path" and seeks to balance multiple goals. The four pillars of GNH are: (i) sustainable and equitable economic development, (ii) environmental conservation, (iii)

preservation and promotion of culture and heritage, and (iv) good governance (Brooks, 2013). Bhutan's development seeks to:

"…achieve a balance between the spiritual and material aspects of life, between peljor gomphel (economic development) and gakid (happiness and peace). When tensions were observed between them, we have deliberately chosen to give preference to happiness and peace, even at the expense of economic growth, which we have regarded not as an end in itself, but as a means to achieve improvements in the well-being and welfare of the people (Planning Commission Secretariat, 1999)."

Some of the examples of GNH in practice include a nation-wide ban on plastic bags, a monthly, car-free pedestrian day in the capital, and larger-scale policies like the mandate in Bhutan's Constitution that ensures at least 60% forest cover is maintained in perpetuity this provides an international positive externality in a fragile high-altitude Himalayan ecosystem (Brooks, 2013). Similarly other developmental approaches like the goal of 100% organic agriculture policy and high value, low impact approach in tourism are few policies that have international impact. Bhutan is a rare carbon-negative country, and a functioning Asian welfare state. In the context of the success of its developmental and social indicators, Bhutan will also be graduating, by 2023, up from being a least developed country (LDC) to a lower middle-income country (Kuensel, 2018). Bhutan's core beliefs on Buddhism have encouraged it to incorporate "Non-violence and non-aggression" as one of its significant tools in its foreign policy. The religious belief of Bhutan plays an important role not only in the domestic sphere but also in the international sphere. In domestic Sphere it maintains the separate identity, values, traditions, and develops the feeling of oneness in Bhutanese society and, at the international level, Bhutan is able to establish a cordial link with other Buddhist countries, Japan and China and other Southeast Asian countries (Kharat, 2005). For a small and weak state like Bhutan, religious identity has become an important asset in its external policy manipulations (Kharat, 2005) . Thus, Bhutan has been involved in establishing its image as a norm creator in the international sphere which includes the very different approach of development interpreting GNH as a new developmental metric than GDP. Moreover, Bhutan advocates Buddhist values of non-violence, peaceful, multilateral, and conflict-avoidant approach to diplomacy. This strategy of norm

creator acts as a soft shield to Bhutan's survival in the international sphere as International Relations in the 21st century is norm-values driven.

5.3.4 Multilateralism

The maintenance of a very close relationship with India does not assure Bhutan to trust India, totally remarked by India's annexation of Sikkim. Bhutan has been aware of the asymmetries between the two. In order to counter this feeling of insecurity, Bhutan is diversifying its international relations. Bhutan applied for membership in a various international organizations and gradually obtained membership. It was admitted to the United Nations in 1971 and opened a United Nations Development Program office in Thimphu in 1979 (Ahsan & Chakma, 1993). Bhutan deviated from its customary policy practice spliting from India and attending the Nonaligned Movement (NAM) meeting in Havana (Ahsan & Chakma, 1993).

Bhutan also differed significantly on the issue of the rights of landlocked countries at the Manila Meeting of the U.N. Conference on Trade and Development (UNCTAD V) and while it usually abstained from U.N. votes on the Afghanistan issue, Bhutan on one occasion voted with the South Asian states other than India against the presence of Soviet troops in that country (Ahsan & Chakma, 1993). Further Diversification of Relations Bhutan increased its diplomatic initiatives significantly in the 1980s, opening diplomatic relations with several countries including Switzerland, the Scandinavian countries, Kuwait, Japan, Singapore, and the neighboring South Asian countries. It became a member of several U.N. agencies (FAO, IDA, IMF) in 1981, after which its most significant step in establishing an international identity as a nation-state was its membership in the SAARC, officially launched in 1985 at a summit meeting of South Asian heads of state in Dhaka (Ahsan & Chakma, 1993). Membership in these organizations reaffirmed Bhutan's national personality and remarked new strategy of multilateralism to address the hostile geo-political environment. Bhutan is now a member of more than 150 international organizations. As its contacts with the outside world increased, Bhutan equipped itself in international politics with multilateral forums as a shield to any sort of offense.

5.4 Comparative Analysis and Discussion

South Asia has developed as an entirely different region within the international system after the independence of India and the latter emerges as one of the most powerful countries in terms of tangible (GDP, Military, Population) and non-tangible (Geography, History, Culture) aspects in the region. The Indian predominance in the region as hegemon gave its managerial role in the South Asian sub-system. India wielded unilateral political power in South Asia maintaining lopsided unequal treaties with South Asian neighbors with a handful of one-sided economic benefits and political arrangements. In the last seven decades, it has annexed one of its neighbors (Sikkim), conducted military interventions in Sri Lanka, the Maldives, Bangladesh, and Bhutan; threatened all of these neighbors with war and blockade at some times, and meddled in the domestic affairs of these states. Almost all of these actions have been carried out with little or no opposition from significant power giving it hegemon identity in the region .

However, this enduring legacy started being challenged with the rise of China and its increasing momentum of interaction in South Asia. The time can be traced to the beginning of the 2010s, with growing economic linkages between India and China and escalating political and military tensions. China's new avenue in foreign policy has discovered the irrelevance of keeping oneself out of South Asia while giving India unilateral dominance in South Asia. China has adopted the offensive policy in engaging South Asia through BRI projects that feature investment in infrastructure and connectivity. Almost all the South Asian countries have been engaged with China for trade and development and so far, has exceeded India's total trade volume. The bilateral relationship with South Asian neighbors has been slowly modified to strategic partnership which it meant for only economic and development purposes while critics add the political, economic, and social interest of China being attached with. China has already started playing a role of an external balancer against hegemon India in the South Asian sub-system developing a cordial relationship with South Asian countries to decrease the dependencies of those states on India. This has led to decreasing India's unchallenged supremacy in the region and the entire system is now struggling with the hegemonic traits of India and the balancing role of China.

In this scenario, South Asia stands as an entirely different Sub-System within the International system. Brecher(1963) suggests five existing sub-ordinate systems and Southern Asia as one in the entire global system treating China as a member of the Southern Asian System and adds only India and China can have a high-intensity relationship to influence through bilateral links (Brecher, 1963). Using criteria of the regional level of analysis Zajaczkowski (2015) presents South Asia as an entirely different region in international relations (Zajaczkowski, 2015). Thus, a handful of literature claims South Asia as itself a functional Subsystem with India and China being the dominant actors. This Sub-System, of course, has two major actors at its center while other states more precisely; small states at periphery. However, the role and presence of these small states cannot be denied when looking through the regional level of analysis.

There are various roles of small states within the South Asian sub-system. Small states weight in any system depends on their strategic location. They interact in the system through their relative bargaining power and small states located between the major powers have more weight because of their inherently high bargaining power. However, it is not certain that the system remains peaceful and small states will take advantage of their geopolitical importance by bargaining since the system can be conflictual or tense; the small states then have their different strategies in interacting with the international sub-system. In this reference, the study is focused on a comparative analysis of the roles and strategies of the two identical small states of South Asia. Nepal and Bhutan are two geopolitical identical states as being landlocked, weak economies, mountainous terrain, and most significantly both located between India and China. Initially assessing their role in the South Asian sub-system; both the states play the role of buffer while adding one more category to Bhutan is 'client' state to 'patron' India. The conception of the buffer system of Nepal and Bhutan (also then Sikkim and Tibet) was not only the historical case of British apparatus and their geopolitical vision, the idea of buffer has been relevant in post-colonial era as well because of their geostrategic location and power rivalry in the region between India and China which might prompt to the occurrence of security dilemma in any verse of time. Bhutan in the South Asian-sub system not only has the role of buffer but also acts as a client state.

The asymmetric dependency of Bhutan with India has been characterized as a client to India. Therefore, in the South Asian sub system, Nepal and Bhutan have a similar role of Buffer State while Bhutan adds one more criterion is Client State.

Assessing the similarities and differences of strategies adopted by these two small states within the South Asian sub-system, there seem to be very few similarities while lots of differences. The idea of Nepal's external relation concerning North (The then imperial China) and South (British India) has been traced back to the period of unification of the Kingdoms of Nepal into a single independent state. Prithvi Narayan Shah; the architect of modern Nepal advised to adopt a policy of equal friendship on either side while being assertive to survive(Baral, 2022). The then strategy was to keep in balance relation on either side without engaging in offensive attack but never fail to defend for Survival. This features the characteristics of non-offensive gestures towards neighbors while a hard military defensive strategy to balance if offended. However, the strategy failed after Nepal's defeat in the Nepal-Anglo War across the border with British India. Nepal realized the threat from offensive British Policy in the south and adopted the strategy of bandwagoning. This strategy of bandwagoning prevailed for a century defending Nepal its sovereign Status and Independence from British India.

While in the same period of time and geo-political environment Bhutan's strategy was non-engagement and strategy of self-imposed isolation. As in the case of Nepal, the expansionist approach of the British came into direct conflict with Bhutan, and several battles between the British and Bhutan known as the Duar Wars led to the signing of the Treaty of Sinchula in 1865. The treaty provided for perpetual peace between British India and Bhutan. After the Duar Wars, Bhutan entered into a policy of self-imposed isolation keeping the British out of its territory. In colonial period Nepal and Bhutan faced a similar fate of threat of survival from the colonial approach of the British however both states adopted entirely different strategies in dealing with the threat prevailed in the region. Nepal adopted a bandwagoning strategy to the British while Bhutan adopted an Isolationist strategy for their Survival, Independence, and Sovereign Status.

In the post-colonial era, the geo-political and security environment changed with the emergence of independent India as the most dominant power in the region with South Asia as its sphere of influence. The strategic environment featured a threat for Nepal and Bhutan from the North as China was experiencing an expansion of Communism and aggression in Tibet. These geo-political realities forced both the states to move towards India; whose global image was new democracy and regionally the most powerful state. Bhutan's strategy shifted from Isolationist to alliance with India to defend itself from the perceived threat of China's aggression in the North. Alike Bhutan, Nepal also chose to remain close to India signing the peace and friendship treaty of 1950 allowing India's upper hand in Nepal's external relations, security, and diplomacy. Nepal became a defense partner of India with a treaty allowing the consultation of India for purchasing weapons and the treaty remained the guiding force for India-Nepal relations. However, In the same geopolitical environment unlike Bhutan's consistent alliance behavior with India, Nepal chooses to move away from India's clout breaking the chain of alliance and diversifying its external relations. Nepal chooses to balance India deviating from India-dependent foreign policy to independent foreign policy establishing diplomatic relations with western countries. Nepal neutralized India's influence by signing a parallel treaty of Peace and Friendship with China in 1960 (Muni, 2016).

Nepal marched with a soft balancing approach taking advantage of the differences between India and China. Nepal assured aid and developmental support from the north. Nepal adopted a very tactful policy of balancing and avoiding the demands of great powers. Nepal's successful agency in relations with China includes its ability to resolve the Mt. Everest dispute, successful protest of border transgression by the PRC, and receiving an apology from China in the 1960s (Muni, 2016). Nepal also successfully diversified its external relations even after India's public disapproval, it also successfully removed security agencies from Nepal's border with the Tibet region, and opened the Kodari highway connecting China and Nepal against the concerns and wishes of India assessed a "Soft balancing" or balking behavior with India(Adhikari, 2018). Nepal's strategy of soft balancing and challenging India's hegemonic traits had to pay the price through India's blockade and other diplomatic pressures. However, Nepal has managed to deal with India and China developing more balanced traits in comparison to Bhutan. In contrast to Bhutan, Nepal has been

gradually moving away from the dominance of hegemonic nature and acquired its independent foreign policy introducing new ideas of equidistance policy, trilateral and concept of vibrant bridge. It has been adopting the strategies of taking benefit from the growing India-China competition in the region. Moreover, taking advantage of a competitive environment, Nepal has strategically been able to keep partnerships in balance.

The remarkable counterbalancing of Indian hegemonic traits by Nepal has been more prominent later in 2015. Nepal inked a historic transit and transportation agreement along with other investment projects with China in May 2016 allowing Nepal to use Chinese sea and land ports for trade with third parties as turning to China to break Nepal's high dependence on India (The Himalayan Times, 2016). Nepal has also been balancing the nexus of India and China. For example, India and China went into an agreement in 2015 to boost border trade at Qiangla/Lipu-Lekh Pass, close to an area that Nepal claims to be part of its territory(The Economic Times, 2015). Nepal raised serious objections over an agreement claiming the agreement was against international norms and values. Further, Nepal also voiced its disagreement over China's proposal for a Two Plus one (China and India joint Policy) proposal in dealing with South Asian countries (The Hindu, 2018). One of the other striking incidents that took place in Nepal's independence status and counter-balance approach to India is the publication of a new political map showing Kalapani, Limpiyadhura, and Lipulekh as Nepali territories(The Kathmandu Post, 2020). These events demonstrate Nepal's changing strategies in dealing with both the neighbors.

Nepal has been growing its balancing traits against India welcoming China's presence in economic, trade, and development. Nepal is pushing economic development to either side willing to transform its buffer conception into a vibrant bridge transit economy. In recent years, Nepal has adopted more soft and delicate balancing attributes to deal with the existing hegemon India and key balancer China in the South Asian sub system while Bhutan has remained a closed ally to India. Thus, the major strategic differences between these two small states in dealing with India and China are Nepal developing its balancing traits welcoming China's role as external balancer while Bhutan remaining an ally to India and supporting its hegemonic attributes to interact in the South Asian-Sub System.

Nepal's strategic behavior other than balancing has also adopted neutrality strategic behavior to respond to the geo-strategic environment. Neutrality as moralistic philosophy stresses the role of international law and abstentionism from security alliances. Nepal has adopted its neutral act in regards to the geopolitical environment recognized by the rivalry between India and China which gets into trouble and risks escalation of the war. Nepal's proposal of a zone of peace in the 1970s was an attempt for international recognition of Nepal's neutrality act which failed because of India's disapproval(Adhikari, 2018). However, Neutrality has been passively rooted in Nepal's strategic behavior which has been time and again proclaimed by Nepal, and more recently Nepal has again started advocating for the zone of peace realizing its geo-political environment getting tenser.

One of Bhutan's unique strategic behaviors is Norm entrepreneurship. Norm entrepreneurship enables small states to stand as normative power in the international milieu. Bhutan has significant normative power through the promotion of norms and serving as a role model for norm creation. Bhutan has been involved in establishing its international image as a norm creator which includes a very different approach to development interpreting gross national happiness (GNH) as a new developmental metric than GDP. Moreover, Bhutan advocates Buddhist values of non-violence, peaceful, multilateral, and conflict-avoidant approach to international relations. This has led Bhutan to the known as an international contributor to the norm which acts as a soft shield and protects from external coercion. This strategy has been helpful to deter threats because of its international image and space in an international system driven by norms and values in the 21st century.

One of the common strategic behavior of both Nepal and Bhutan is adherence to multilateralism and diversification of relations which seemed to be carried out in three phases. The first phase of diversification of relations (1947-1950) where both maintained diplomatic relations more concerned with India with their huge dependencies for security, economic and diplomatic affairs. In the second phase (1955-1985), remarked by Nepal moving away from India's clout to establish its bilateral diplomatic relationship with 36 countries while Bhutan limiting to formalizing its relationships with India, Kuwait, Bangladesh, and Nepal. In the third

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phase (1985-onwards), both the countries intensified their bilateral relationship and diplomatic missions around the globe to gain international recognition and economic benefit where Bhutan established bilateral relations with 54 countries surprisingly no bilateral relations with any of the UN Security Council Members and extended three residential embassies while Nepal maintaining bilateral relations with 177 countries and more than 45 diplomatic mission offices around the globe.

In the Multilateral forum, Both Nepal and Bhutan are members of NAM which play an important tool to address the insecurities of both the states of India and China. Nepal is a founding member while Bhutan joined NAM in the 1970s when it initiated a multilateral approach to diplomatic affairs. The policy plays an important role to assert the strategic autonomy of both the states between China and India. Similarly, both are members of UNO and have been associated with various wings within UNO System. They are parties to the World Bank, IMF, LLDC, WTO, and other regional and global economic institutions and forums. They are also members of regional organizations SAARC, BIMSTEC, and BBIN. Nepal has also been a promoter of international peace through its peacekeeping mission and has become 2nd largest contributor to UNPKO which enhances its international image(UNPK, 2022). Both the states continue to prioritize multilateralism to increase their international clouts, obtain equal status in taking part in cooperation agreements and raise their voice in common against any kind of inequality. Thus, the approach of multilateralism is one of the common behavior of these two identical small states to increase their clout and international recognition to avoid any excursion from India and China and to raise their voice against any suppression.

5.5 Conclusion

To sum up, everything that has been stated so far, South Asia remains an entirely different sub system with India as hegemon and China as external balancer. Bhutan and Nepal are two identical small states parties to this system with common traits such as being landlocked, developing and weak economies, mountainous terrain, and located between India and China. However, the strategic behavior pursued by these identical states in the same sub system exhibits some differences and similarities. During the pre-colonial period, Bhutan's strategic choice has been limited to self-imposed isolationism while Nepal's defensive balancing attribute turned to

bandwagoning with the then British India and continued till colonial period. In the post-colonial period, the two Himalayan countries adopted the behavior of alliance with India in response to the threat perceived by China's aggression in the north. Bhutan was more directly affected by the Chinese annexation of Tibet than Nepal because of its deep religious-cultural and economic interactions with Tibet and therefore Bhutan chose to remain an ally giving security and diplomatic control to India. While Nepal chooses to break the chain of India's control over Nepal's foreign, defense, and economic policies and pursue an independent foreign policy. Nepal's strategic behavior shifted to counterbalance India's hegemonic traits, diversifying its foreign policy by establishing diplomatic relations with China and western countries. Bhutan's threat perception in the post-colonial era also needled towards India by the incident of Sikkim annexation though Bhutan chose to take the side of India as a response to threat perception which was lesser from India than China and this behavior reflects bandwagoning strategic behavior of Bhutan. Nepal's strategy of soft balancing increased in subsequent years to counterbalance India's hegemonic traits taking advantage of the external balancer role of China. In the same scenario, Bhutan's strategy focused on strengthening its alliance with India ignoring China's growing balancer role in the region. Bhutan has not established diplomatic relations with its immediate neighbor China and has closed borders supporting the hegemonic traits of India. These two strategies; alliance and balancing of Bhutan and Nepal respectively are major different strategies adopted by these two identical states in the same sub system. Moreover, the differences in strategic choices are the act of neutrality by Nepal and norm entrepreneurship by Bhutan. Nepal's rigorous effort for the Zone of Peace proposal and Bhutan's GNH as a new developmental metric and Buddhism's value of non-violence in international relations is the attempt at neutrality and norm entrepreneurship. The similar strategic choices of Nepal and Bhutan are multilateralism and diversification of relations but Nepal has relatively pursued the strategy quite earlier (1955 onwards) and on a massive scale while Bhutan adopted it later (the 1970s onwards) and on a small scale. The strategic choices of Nepal seem to have acquired dynamism and changes in response to the geopolitical environment responding to China's engagement to counter India's hegemonic traits while Bhutan has relatively static behavior of supporting hegemonic traits and ignoring the balancer role of China in the region.

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