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# Bhutan Democracy Forum

## 2018-2022



འབྲུག་བརྒྱུད་དང་དམངས་གཙོའི་ལྷེ་བ།  
BHUTAN CENTRE  
for MEDIA AND DEMOCRACY

# Bhutan Democracy Forum

## 2018-2022

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A Bhutan Centre for Media and Democracy Publication  
PO Box 1662, Thimphu, Bhutan  
[www.bcmt.bt](http://www.bcmt.bt)

The text has been lightly edited for brevity and clarity.

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2018	2019	2021	2022
State of Bhutan's Democracy	Democracy: A Path to Good Governance	Being Apolitical in Democratic Bhutan	Equitable Prosperity through Inclusive Economic Growth



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## Foreword

Bhutan Democracy Forum is a platform that brings all stakeholders of democracy into a conversation in an open and safe space. It is an interactive space for Bhutanese CSOs (Civil Society Organisations), thought leaders, media, parliamentarians, bureaucrats and the citizens to congregate. The Forum brings speakers from diverse walks of life to deliberate on issues of national and local interest and allows diverse perspectives to emerge in a healthy discussion.

As a fledgling democracy, there is a gap between the ideals of democracy and citizen participation in governance. General masses regard governance as a concern of the elected leaders and the bureaucracy, and the citizens tend to disengage. In this digital age, when social media provides an enticing platform for anonymous rants, Bhutan Democracy Forum provides a safe space for the average person to pose questions, seek clarifications, and provide constructive feedback, thereby modelling healthy discourses on pertinent issues.

For the elected leaders and the bureaucracy, it is a forum to connect with citizens who exercise their franchise to vote political parties into power. For the citizens, it is an opportunity to share their concerns, provide suggestions, and gain deeper insights into issues, plans and policies.

The Bhutan Democracy Forums hosted six panel discussions since 2018 on pertinent topics of democracy with speakers from the parliament, political parties, autonomous agencies, civil society organisation, Local Government, private sector and academic institutions. The Forum has engaged 1061 participants in total.

This compilation of the Forum proceedings serves as a treasure trove for researchers, academicians and students to dive into political discourses spanning 2018 to 2022.

We wish to acknowledge our partner, the Royal University of Bhutan, for their collaboration since 2018.

The Bhutan Centre for Media and Democracy.

# 2018

## State of Bhutan's Democracy





## Introduction

### BCMD Executive Professional Director Siok Sian Pek-Dorji

It's really heartening to see so many young people gathered here in the name of democracy. I think it's really interesting because, sometimes in schools, we don't get the opportunity to discuss this issue. It's been 10 years since Bhutan became a Democratic Constitutional Monarchy and this transition, I think, is one of Bhutan's best-known stories today. It is therefore a very, very powerful story and it is important that, 10 years after we became a democracy, we're able to reflect together on what has happened, to understand where we are today, so that we can move ahead into the future.

Bhutan Democracy Forum 2018 Moderator Dasho Kinley Dorji: We remind everyone - no tweeting, no photos during the session, because we asked our speakers to be very candid, very open in sharing their thoughts, and I think we should respect that. As there are professional rules in journalism and media, if any of you do any follow-up stories, you want to quote someone, please talk to the person. This is standard journalism practice so this is what we'd like to request of you. BBS is filming the session and it'll be later objectively edited into a documentary programme. We describe this dialogue as an interactive dialogue on an important topic, "The State of Democracy in Bhutan".

I think I need to point out that this was not planned, the gender balance. We happen to have two women and two men. That was not planned. And also the diversity, the representation of Bhutanese society, because we have one Lyonpo, one Aum, one Dasho and one Doctor. So I think perhaps there's hope for Bhutanese democracy. And it will be another surprise when we ask them to speak. They're going to draw lots for the sequence of their presentations. Now I'm going to name the speakers in alphabetical order. So we are going to invite the speakers to the stage. Lyonpo Damcho Dorji, Aum Lily Wangchhuk, Dasho Neten Zagmo and Dr Tandi Dorji.

Now by way of introduction, to introduce this dialogue, I'd like to try to provide a context, to place dialogue in a context and perspective. I think we are a democracy with a vision, with a national vision. And this vision, if we are to find a consensus, I'm sure would be Gross National Happiness. Now if we ask 10 people to explain Gross National Happiness (GNH), you'll probably get 20 different answers. So I'm going to try to offer my understanding of Gross National Happiness. I should also submit that this is drawn from the Royal Speeches of His Majesty The King over the past 10 years. It's what I understand as the national vision, which I would call Gross National Happiness.

A nation. We are talking about a national vision — a nation basically comprises a state and society — or a state and the people. And achieving Gross National Happiness would mean ensuring the sovereignty of the state and happiness of the

people. His Majesty The King himself has also explained happiness as being a just, harmonious society. These two are interdependent because you cannot actually have a sovereign state without harmony in society and you cannot have harmony and happiness if you don't have sovereignty. So to try and put democracy and our dialogue, this interactive dialogue, in that context, in that perspective, it's back to GNH, which gives us the perspective. GNH tells us that democracy is not the goal, not the ultimate goal, but the path to good governance. I know there is a debate on what democracy is but I'm not going into the details. This is what I understand from a GNH perspective, and when we talk about governance I'd like to explain governance as the functioning of society, the broad functioning of society, not to be confused with government, because governance means functioning of society. Besides government, we have civil society, media, the business community, and the citizens. So in terms of good governance, that's how I understand it. That's how I'd like to explain it when we talk about governance here.

Ten years of democratic governance is not a long time. But at the same time, we also understand that democracy is a process. It is not a goal. You don't reach democracy and stop there. I think it's a process and we know from the experiences here, in the region and around the world, that it's a process that goes on and on. So the idea is that we today, after 10 years, we take stock of where we are and what we have done, what we have not done, what we need to do to try and understand where we are. Ten years of democracy — where has that brought us? Also another goal or objective is to try and raise the national discourse in Bhutan. We're coming into the year of the third general elections, so where is our national discourse?

Now in recent weeks we discussed, we had some conversations among the civil society representatives in Sherubtse College students, and I quoted Eleanor Roosevelt in terms of discourse and discussion, that "great minds discuss ideas, average minds discuss events, small minds discuss people". And interestingly, the almost unanimous response I got from both groups and other people was that we are in stage three at the moment, still discussing people. Now this is not to point fingers at our political leaders, at our government leaders, but all of us. I think it's a reminder that we all need to get involved in this discourse to take our country forward.

The constitution and the whole process of democracy itself give us the mandate. The mandate is to place national interest before personal interest, to place the mandate on political parties to ensure a united society, not a divided one, to ensure security, sovereignty, checks and balances, and good governance. Now I know this is all very complex and broad and it's quite a challenge we are offering our speakers. It's not easy, so we'd like to especially thank them for agreeing to do this...to tackle, to start discussing this very, very complex issue.





## Dasho Neten Zangmo, Bhutan Kuen-Nyam Party

Good afternoon, la. I guess I'm the small mind talking about people, not a visionary. Sorry for that. I'm the youngest politician here, among the speakers, but perhaps the oldest citizen. Should there be a distinction? Should there be a distinction between the politician and citizen? I'm asking you. Should there be a distinction? An engineer or citizen? A teacher or citizen? There should not be, isn't it? Why is it there? I think you may like to reflect. All of us politicians here, many politicians, and development partners so let's look at that. I thought I had to mention this.

State of democracy — the very fact that we don't have a speaker from the Election Commission of Bhutan (ECB) is the state of our democracy. By the way I forgot my precious face. (Rushes back to her seat. Grabs an Atsara Mask. Places it onto her face before the podium, and quickly removing the mask, continues her speech). I think I feel safe to talk from my heart. I feel safe. I need to remove my mask. This is a state of democracy.

I'm not here to give speeches by the way. I think we've given many speeches. We've heard speeches. I'm not in academia so don't expect all these philosophies from me. But I would like to share my eleven months of political life. And through these experiences and stories that I have, hopefully will illustrate the state of democracy.

Because if I give a big, loud passionate speech, after five or 10 years, when years roll by, I would feel ashamed. We've always heard that democracy is not about politics and political parties but it's about values. But I believe that political culture has defined or re-defined democracy. We talk about values. Trust, for example. I believe that trust is the foundation of values. What is the level of trust among citizens and among neighbours, between citizens and government, between institutions, media fraternity and CSOs and the government? Just have to reflect. I'm just throwing out these issues. Citizens are no more, or we are no more subjects but we are citizens. But what do we mean when we say "I'm a Bhutanese citizen"?

What do we mean by citizenship? And I think in democracy that is perhaps foundational. As a democratic citizen, as a GNH citizen, what does it mean to me? It's not only about my rights but also about my responsibilities, trust, and



participation. How do we participate in governance? How do we participate in the democratic process? How have we participated in the last 10 years? Is it only voting? Dasho Kinley Dorji, our moderator, said it's not only about voting.

I do not know that the general mass, the citizens, understand. I've travelled to about 6 Dzongkhags. And you meet people, talk to people, they feel that their right comes only after every five years. Every five years, they are very important. But after that, what? After the elections, what? Some people don't even come to our meetings because they're tired. But we begin to — in fact we need to — advocate that democracy is not only about elections. It's not that the people are important every five years. Every day, people have to be important. Citizens have to be important; citizens cannot be just passive recipients.

There has to be space for citizens' voices. Do we have the space? Do you feel the confidence in expressing your voice... or are you? I think we need to ask these very important questions. We have all the institutions. The Parliament, the media fraternity, the CSOs, the constitutional bodies. Structures we have, but within that structure, how strong are we? How independent are we? Are we able to fulfil our sacred mandate without fear, with full consciousness and with total professionalism? Let's ask ourselves.

The people — when you talk about people I'd like to focus on women. How many women parliamentarians do we have? In the meetings, women will always sit behind. How do we hear our voice? I've been in a meeting with many people. It's very difficult to get women to come forward and join. If you spend one hour with a prospective male candidate, you spend five hours with a woman prospective candidate. Why are we what we are? Are we so scared? I don't think so. We're very well educated, exposed, and disposed. But still, so difficult. In the Parliament how many women do we have? We had six in the past, now I do not know how many we will have. When we go around to talk to women, it's not about fighting against men. It's not about doing what men are doing.

But it's about women's concerns, women's views. Even at home Nangi Ap, Nangi Aum. Nangi Ap has different aspirations. Nangi Aum has different aspirations, concerns, and desires. Similarly, where is the women representation? I think women need to come forward.

Talking about participation. Empowerment. Do citizens feel empowered? Okay, now a lot of power is going down, resources going down, but where has it stopped? Local government? Regional government? Central government? But where is the space for the citizens to participate? Do they know how much budget that they receive? How do they engage? The accountability that they should fix. We went around — Out-reach-clinic (ORCs) cracked when just 8 months old. Roads in disrepair, schools abandoned. And when you ask the citizens, this is your resources, this is your wealth, this is your money, what to do? We don't feel the confidence to raise our voice.



Now you may think I'm just painting a very sorry state but these are the realities. Of course many good things have happened in democracy. 15,000 km roads have been built. The services have been reached. But in terms of the real, softer aspects of democracy, I think we need to really think deeply and remove our masks. And people who are in positions of power need to create the space and build that trust and confidence.

I think the biggest capital of democracy is trust and confidence. Trust and confidence comes only when the fear is removed. You talk to people, civil servants... so scared. Local government —when you go down to the field to mobilise people to talk to, it's so difficult. Sometimes you land up with only six people. Apolitical. What does apolitical mean? We need to engage. And democracy is all about engagement, dialogue, participation, and confidence in each other and trust. How can we have a strong culture of democracy in that environment of fear?

Stories now, I'm going to relate so many stories. That's why I think if you have to have a true culture of democracy, freedom from fear, I think all of us have to work towards freeing ourselves from fear. His Majesty The King said that democracy is for our nation to be secure and sovereign, continue to be secure and sovereign. Democracy has to be strong. And whose responsibility is it to make democracy strong? It's ours. Let's ask this question, what have you done to make democracy strong? What have I done to make democracy strong? What have we done as political leaders to make democracy strong?

And from my little experience — I said I'm the youngest politician here, 11 months old — it's been very divisive. Politics is a very big component of democracy; it's been very divisive. Like, Ata Pezang. I'm just ending with my stories now. Ata Pezang — just because he was working for a party, he couldn't get a pair of oxen to plough his field. Everybody is so suspicious. My friend who went to her constituency, she was asking to stay at somebody's place. He said no, you can't because if I allow you to stay at my home, people will think that I belong to your party. These are the stories and it is not an isolated story, these are stories, which are pervasive whether we like it, or not.

Divorces. We've heard about divorces happening between husband and wife. Relations soured between the father and son. Recently we were in Trashigang. A home in Udzorong has been separated because they didn't get along as the father wanted to vote for a different party. So what are the parties doing about it? Are we making our society more divisive? Ata Dorji Wangdi said, "One question has been troubling me." So I asked, "What is it?" So he said "I'm so happy when I get everything for free. When I don't have to pay anything, I'm so happy. But there are times when I have sleepless nights. It's okay with me but what happens during my children's time? Sometimes it scares me." Where does the money come from? I asked Ata Dorji Wangdi, to ask that question again and again, whether it is the Dzongda or whether it is a Gup, or a politician like me who is visiting him.

One Gup said that the problems in our community, the electoral corruption, the divisiveness, are all created by the party infrastructure. When I joined politics, two days after joining politics, somebody who is in politics now and of course two of my friends who are out of politics, said "You have to change." And my response was I did not come to change myself but I came with my humble feeling that if I can do something about it collectively and individually... Money. My people, my friends, even my students have told me out of concern, "Madam, Ah tse che dhi jin gho. Ma jing bha chin, mi tup (You have to give a little. Not giving will not work in politics)." And we are resigned to the fact that nothing can be done without money. Is that the sort of democracy that we want? People are saying that now: "Dha tsak thug ren dho. Tiru zok ren dho. Lab togm thelm dha me tup (Elections are round the corner and it's time to make money)." Vouchers. "Choe na me sa me lap dam tra ein mae (You are so miserly). Choe gi nga lu voucher tsug ma jin bha chin nga choe lu tshog goen tsug wa me wong maa (You cannot even give me recharge voucher and if you can't give me a voucher, I don't think I can vote for you). Ju tren chi yang mee tang mea (You don't even bother to phone me)." So what is the perception - what is the understanding of democracy? Thank You very much.

### Lyonpo Damcho Dorji, People's Democratic Party

Well I have not brought a mask with me. But as a politician, I'm compelled to wear many masks. Let me begin this panel discussion with a brief background to the topic of this evening's panel discussion, that is, the state of Bhutan's Democracy. Well, democracy in Bhutan is unique in two ways. That it is a gift from the Golden Throne and people have not fought for it. That it has become so successful within a very short period of time. Of course when His Majesty The Fourth King commanded the introduction of democracy in Bhutan, there were a lot of apprehensions among the people. And rightly so, because, having lived under hundred years of Monarchy, under our benevolent Kings, people were apprehensive about change, about democracy.

But His Majesty The King prevailed, and then the process of democratisation of our country began in earnest. Well, I would like to say that democracy did not evolve overnight. In the words of His Majesty The King, the highest achievement of 100 years of Monarchy has been the constant nurturing of democracy. As far back as 1953, His Majesty The Third King, established the National Assembly of Bhutan. In 1959, the Thrimzhum Choenpo was enacted by the National





Assembly of Bhutan. In 1965, the Royal Advisory Council was established. In 1968 the High Court was established and the Council of Ministers was established in 1998. And so, this was a gradual evolution of democracy, and not a democracy that was introduced overnight. As rightly pointed out by the former Chief Justice, who was also the Chairman of the Constitutional drafting committee, democracy in Bhutan has been evolutionary and not revolutionary.

And then to immortalise the noble vision of His Majesty The Fourth King, the Constitution drafting process was started under the chairmanship of the former Chief Justice of Bhutan, with a 39-member committee. I was in the background working on the draft and later, as the Attorney General, I was also the member secretary of the drafting commission. So therefore, I know at first hand what has gone into the making of our Constitution. His Majesty The King has commanded that our Constitution contain all the basic ideals of an ideal democracy, all the basic fundamentals of an ideal democracy. Alongside the drafting of our Constitution, His Majesty The Fourth King also established constitutional offices which are very important to the success of a new democracy — the Election Commission of Bhutan, the Anti-Corruption Commission of Bhutan were established. The Royal Audit Authority and the Royal Civil Service Commission were revamped and the Office of the Attorney General was also established. So, thus began the political transition to democracy in 2008.

And it started on a very positive note, and it was reassuring for the people who had a lot of apprehensions when His Majesty The Fourth King said, and I quote, “I’m confident that a very bright and great future lies ahead for Bhutan with a leadership of a new King and a democratic system of government that is most suited for a country as enshrined under the Constitution. I have every confidence that there will be unprecedented progress and prosperity for our nation in the reign of our Fifth King.”

While we assess the state of Bhutan’s democracy after a decade, this was very important to assess it against the backdrop of an ideal democracy. Now there have been a lot of debates and a lot of the proponents who had debated the ideal features of an ideal democracy, but all of them have come to a conclusion, a general consensus, that an ideal democracy must be a combination of a lot of things — namely, effective citizen participation, equality in voting, informed electorates, inclusion in the decision-making process, fundamental rights, political institutions, free and fair and frequent elections. Not just enough to have free and fair elections, if the next election is going to happen in 20 years. So that’s why the vote frequency is also very important, then of course the freedom of expression, the freedom of association and separation of powers.

Well I don’t want to paint a doomsday picture of democracy because it does not do justice to our shining model of a very young democracy. So let me begin by giving a picture of the state of our democracy, by providing you with an assessment of

the democratic institutions and other places outside of the democratic institutions, and the people’s perception and apprehensions as to what has been happening. Having been in the Parliament for almost a decade, I have seen how the democratic institutions have evolved over time, how the place outside of the democratic institutions have done their part and, therefore, I would like to assess some of these important democratic institutions and their contribution to the strengthening of our democracy.

Well, in order to go to that, I would also like to quote the aspirations of His Majesty The King when we embarked on this democratisation process. His Majesty The King said and I quote: “The King, country and the people of Bhutan have a common aspiration for democracy. We aspire for a democracy with rule of law, democracy with unity, democracy with integrity, democracy with talent and meritocracy, democracy that is responsible and democracy that serves.” So based on these, I would like to give a fair assessment of the achievements and the failures of the democratic institutions, starting from the Parliament of Bhutan.

Well, as you know, the Parliament of Bhutan consists of His Majesty The King, the National Council and the National Assembly. Well, His Majesty The King, as Head of The State, has been the unifying force and the symbol of unity. His Majesty The King has also been the driving force behind the proper establishment and the strengthening of democracy in our country. The Parliament has also played a key role under the Constitution. The mandate of the Parliament is making laws, representation of the electorate, scrutiny of state functions, reviews of laws, policies and practices and of course, promoting democracy and good governance.

So we have seen that, despite being a very young democracy and having limited experience in governance, the first and the second Parliaments have done a marvellous job and of course, that has also contributed immensely to the strengthening of the democracy. Well, I don’t want to bore you by elaborating on all these points because I have limited time. Of course there were apprehensions among the people that because of the debates in the Parliament, which sometimes gets very hot, that party interests prevail over national interests sometimes, that politics is very divisive and creates disharmony in the society.

And therefore there is a need for us to have a matured approach to politics, that politicians must join hands in a constructive approach and we must also define the role of our Members of Parliaments, whether as National Council or ruling or opposition.

The executive, during the two successive governments, have contributed their part. They have shouldered responsibilities for implementation of the 11th five-year plans and provided good governance. They also have defined the goals of state and determined the resources that were required to implement plans. So all in all, there was a successful transition and also a very successful implementation of the plans, thereby contributing to the progress of the country.





But there were also skepticisms and apprehensions, especially perceived nepotism, certain degree of corruption, and lack of adequate discourse with electorate. And so, therefore, there is a need to create more transparency, involvement of the people in the decision-making process, and so on. Similarly the judiciary, the constitutional bodies, and the local government had contributed immensely to the process of democratisation. And also the political parties had given choices based on values and aspirations to people, promoted unity and progressive economic development and ensured national interest prevails over party interest. But again, there are apprehension of regionalism, disharmony, and party interest over national interest.

The role of civil society and women cannot be underestimated in democracy. As Madeleine Albright pointed out, “development without democracy is improbable and democracy without women is impossible”. So therefore, the empowerment of women and women’s political participation, leadership, is very vital to democracy. Well, so what are the lessons that we take from our ten years of democracy? That there will be no big changes overnight, that we have to take small incremental steps towards democracy, that it’s crucial to project hopeful inclusion, vision, that we have to create spaces for discourse, build an image of the political parties and the politicians, and the inclusion of women and youth in the democratic process.

So democracy, ladies and gentlemen, is here to stay and it is thriving. To wrap up the state and success of democracy, it would be most appropriate for me to quote His Majesty The King, and I quote: “For our new democratic system, we establish new democratic institutions and enact new laws. We begin with limited experience and we are certainly faced with challenges. Along the way we are able to fight our weaknesses, respond to change and address problems in a timely manner. As a result of our dedication and commitment, our institutions continue to grow stronger each day, each year, our democracy must meet the needs of the people and country while at the same time, our people must always have confidence in the future of our democracy. If through these endeavours we create a just and harmonious society, we will truly have a People’s democracy.”

Thank you.



**Dr Tandi Dorji**  
**Druk Nyamrup Tshogpa**

Your excellencies, members of Parliament, representatives from the media, teachers and students. I would like to begin by commending my two predecessors, especially Dasho Neten Zangmo who has as usual spoken from her heart and was very candid about the actual realities of democracy in Bhutan. I would also like to thank Lyonpo for summarising the state of democracy from where we began to where we are today. And I would like to also echo what he just said, that for Bhutan, the manner in which democracy was introduced is very different from so many other countries.

Also what Dasho Kinley Dorji earlier said, when he introduced this forum — we always talk about democracy but in the Constitution, there are two other words following that, Democratic Constitutional Monarchy. Ani nga chhoe sem ley jey ni mi wong zoer zhug ni ein la (We should never forget these words). That in our haste to make democracy successful we, as Aum Neten said, all of us have the trust and confidence in each other and to make sure that democracy succeeds.

But I would like to begin by talking about the democracy index. All of us know, especially from the media, about the rankings. Where does Bhutan rank on the global scale? So the democratic index, which is developed by the Economic Intelligence Unit, places Bhutan at 99 out of 167 countries. And I think that’s fabulous, because 10 years ago when we started we scored only 2 out of the possible 10 in that index. And today we score 5.08 and we have achieved 99, which means that democracy is proceeding well.

But when we talk about the democracy index, and as mentioned by my predecessors, it’s not only about the voting and the elections that take place. According to that index, there are five other categories in which countries are categorised, and that is the electoral process and pluralism, the ability to have different viewpoints. The second one is on the functioning of the government. The third is on political participation, political culture, and lastly, civil liberties.

And what has happened in Bhutan is we talk mostly about political participation. From that point of view, in 2008, when the first elections were held, there were only two political parties. All of us were in either one or the other. The elections were carried out successfully with high voter turnout. And then, come 2013, there were five registered political parties. Four went on to contest the elections, and today as we sit, we are four political parties. Voter turnout has gone down over the years, but nevertheless political participation has been very good.





So although, as Dasho mentioned, there are many definitions of democracy, for me I think democracy is about the power of people to vote the representatives from among themselves who will in turn enact laws that will rule the country for a fixed term. And therefore, if we look at it that way, then definitely we have a very good functioning democracy. However, I think what is important for us to assess is how are we electing our leaders? How are parties being elected? What is the basis of your voting for a particular candidate? And, therefore, this leads me to question the manner in which parties are seeking votes from our voters.

And I think in many ways, parties in Bhutan are also to blame. Somehow or other, we have gone with regional democracies. We are influenced more by our neighbours than the well-functioning democracies. By that I mean that, today, if we look at the four political parties, can you really segregate us into clear political ideologies? Are there clear distinctions between these four parties? When you vote for a political party, can you expect the policies and plans and programmes that they will enact over the next five years? It is entirely based on the promises parties make during the campaign period. Unfortunately, those promises are not in the national interest but on short-term interest and their haste to grab power. And that is where our voters need to be more aware, and therefore it is also important for us — political parties — to have strong ideologies on which we stand, so that our voters can predict what to expect over the duration in which the party exists.

For us in Druk Nyamdrup Tshogpa, we have always established our ideology as social democracy. We have been encouraged by the strong foundations, especially in the Nordic countries, where democracy is well functioning, and it is important that all political parties establish themselves in certain ideologies. Given the fact that, yes, we started only eight years ago, none of us are experts in democracy. None of us are actually politicians. I'm a medical doctor by profession, a paediatrician, but come 2008, with very few people coming into politics, I left my profession to fulfil democracy that was granted to us. And therefore, I know that it is just 10 years, there are problems but nevertheless it is thriving, as I said.

There are problems, if you look at the established democracies like America, although they had their independence and is one of the first countries to have drafted their Constitution, it wasn't after 40- 50 years that things started becoming better. That also only happened after George Washington left office in 1796. So for us to immediately to become a well-functioning democracy within 10 years, I think is difficult for us all to ask for that. We are striving... I know it is also our roles to establish good procedures, to behave in a manner that is listed in the various Acts and also as a political party to be responsible to our voters. So therefore we can expect that there will always be teething problems. But these are not something that cannot be solved.

Then to speak a little about my own experience, I have been in politics since 2008, and just to highlight some of the experiences that we face as politicians and parties. One is about the parties that are out of Parliament. There may be any number of

parties, but ultimately there is going to be only two parties in the Parliament. And therefore, what is the role of political parties outside the Parliament? We have been trying to engage ourselves effectively, keeping track of decisions being taken at the national level, trying to put our point of view to the voters through the media. However, and some of you may not know this, but one is a very important recent decision by the High Court in our case against the government. One of the rulings was that parties other than the opposition and the government are not answerable and accountable to the people.

Therefore, the court did not take a decision on the case that we have put up against the government because they said, "You are not accountable, you are not answerable, only the opposition can do that." So that raises a very important question. Then what is the role of parties outside the Parliament? How can we play our role more effectively? Second is on the problems in implementing the process for political parties. Again here, while we have many provisions and various Acts, to carry out political activities is very difficult.

For an established political party, if we want to carry out any activity, there are a number of rules and regulations, there are a number of approvals to be sought. It's not easy to call a meeting —you have to get permission, that also only during certain periods. Therefore, some of these are quite rigid. Second is also about making equal opportunities for parties to be able to connect with their voters. For the two parties that are in Parliament — the government and the opposition — they can meet people on a daily basis. They can travel around the country, talk about the issues. However, for parties outside the Parliament, that is not possible and therefore this is something that we have been trying to raise, saying that we need a level playing field.

Coming to a level playing field, Bhutan is unique because we get campaign funds from the government. However, here again, I think there needs to be careful thinking. I know in the past we have deliberated on the state providing funds for political parties to sustain themselves during the non-election years, and the lack of these finances. Of course Aum Neten alluded to whether money is required. Money is definitely required. You need to have an office. You need to pay your staff. You need to travel. However, the sources from which parties can source their funds is very limited.

And how many people in Bhutan can actually contribute towards political parties? How many people actually want to be part of a political party? Actually there are a number of things to talk about, but seeing that there is only one minute, I would just like to summarise by saying, and like to conclude by saying, that yes, there are problems, but democracy will succeed. It will need some time. We can see the difference from 2008 to 2018. People are now more aware. You cannot now use influence or bribe because people will ultimately vote for the person they really want to vote for.





So I can definitely see some good changes that are taking place despite all the problems and difficulties that we may have in our infant steps in democracy. I would like to be optimistic. And that is because of what is stated, at the very beginning paragraph of the preamble of the Constitution, which is the basis of our democracy. So I'll just quote: "We the people of Bhutan, blessed with the Triple Gem, the protection of our guardian Deities, the wisdom of our leaders, the everlasting fortunes of the Palden Drukpa and the guidance of His Majesty The Druk Gyalpo, Jigme Khesar Namgyal Wangchuk, we can make democracy better."

Thank you. Kadrinche.



### Aum Lily Wangchuk, Druk Phuensum Tshogpa

Kuzu Zangpo and good afternoon to everyone. Let me start by applauding all the distinguished guests representing our Parliament — past and present, various political parties, Civil Society Organisations, media, students from various institutes, including our young citizens and ladies, gentleman for sparing your precious time to be here. Your presence here is a manifestation of the importance that each of us attaches to "the state of our democracy". And I am immensely privileged to share my thoughts on "The State of Our Democracy" with such a distinguished gathering.

I also take this opportunity to thank BCMD, Bhutan Democracy Dialogue and Royal University of Bhutan for coordinating this important meet. I believe that your investment here will go a long way in shaping Bhutan into a model democracy in the world.

Today I stand here, not as the President of Druk Chirwang Tshogpa, but as party representative & spokesperson for Druk Phuensum Tshogpa, a party that I joined two months ago for the same reason — to better the state of our democracy.

My motivation to better the state of democracy is primarily sparked by my total commitment to safeguard and help nurture our democracy, the sacred gift from

the throne. Our democracy is unique from its noble birth, where His Majesty The Fourth Druk Gyalpo selflessly forsake absolute Monarchy and bestowed democracy to Bhutan. Forcing democracy onto the people by those in power is unheard of in world history. History only records democracy had to be earned through hardship, revolution, and bloodshed. Today, we have every reason to not only celebrate but also expend every resource we have to nurture a unique democracy in its truest sense and fulfil His Majesty's vision for Bhutan and the world.

However, as a dedicated citizen, I remain concerned about some forces that challenge our state of democracy and shake the core of values of unity and belonging that our Monarchs have so carefully nurtured over 100 years. Today our principle of "One Nation One People" is at great risk of being affected with divisive politics, victimisation of supporters, and differences over political choice, affecting relationship between families and friends. It is sad to observe that families, friends, and neighbours across the country have been torn apart by political parties. With such challenges, Bhutanese are losing faith in politicians and democracy.

I would like to take the opportunity to highlight some of the specific challenges, and how we can subtly overcome them to advance a model democracy.

### Politicians

Just as our democracy is unique, so are our politicians, who are unique and well-meaning. We need to stop projecting politics and politicians negatively, so as to attract the best of the best and retain them in politics. Becoming politicians is not easy and we must acknowledge this with respect, civility, and empathy. We must collectively welcome, encourage and support such politicians and not demonise them. Our laws should also be flexible to allow the best from the civil service to join politics.

### Citizens

There is no state or democracy without citizenry! Democracy is what the citizenry votes, so each one of us here also need to take personal responsibility to make our democracy meaningful by engaging in forums, holding our elected leaders accountable, contributing in making communities better and above all, upholding our unity and solidarity. It is critical we get out to vote and elect the best leaders, otherwise the opposite might happen. In particular, I would like to urge our youth and women to get out and vote by all means and be part of the change you wish to see and be the voice for women and youth who are left behind.

### Media

A free media is an indicator of democracy. However, it can also hijack election to disadvantage the better option. This danger is significant in situations where





voters lack the skills to discriminate damaging and fake messages from good ones. Social media is the devil in disguise when it comes to advancing false messages and negative campaigns that could put the future of millions and the nation at stake. For instance, political parties under fake identities to tarnish images of aspiring politicians, political parties, and candidates. This is inciting fear, anger, and resentment and greatly dividing the people. There is an urgent need to address the negative, fake coverage on social media and I humbly call upon authorities such as ECB, BICMA, and BMF to consider interventions, carry out civic education and launch awareness campaigns to educate voters to filter messages they receive.

### Protection of Institutions

It is also important for us to protect and ensure independence of important institutions like the political parties, constitutional bodies, media, judiciary, Central Bank, educational institutes and civil service. The integrity of these institutions is an indicator of the health of our democracy.

In particular, I would like to highlight the need to respect and protect political parties. Health and integrity of political parties is a measure of the success of democracy. However, over a decade, I have observed the growing division along the party lines, and the division is even wider at the grassroots level. Political campaigns are marred with negative campaigning, mudslinging, rumours, political corruption and bribery, instead of leading the people to make enlightened decisions to elect top politicians to form outstanding governments. I call upon the leaders and candidates of all political parties, let us put an end to this unhealthy political trend.

To pursue a political party's vested interest, one can even go to the extent of branding an entire party like DPT as an anti-national party. If 45 percent of the population are supporting DPT, are we saying some 45 percent of Bhutanese are ngolops? And ngolops against whom? Some 50 percent of the candidates in DPT are currently new, and all of us are there with our positive motivation. During my recent interaction with the party, the discussions have largely been around how best we can serve our country. I have not found their loyalty and devotion towards Tsa-Wa-Sum any different from any other Bhutanese citizen.

Monarchy is our most sacred institution and no Bhutanese can ever forget that we are where we are today as a nation because of the selfless contribution made by our Kings. Our King is above all of us and every Bhutanese heart is filled with gratitude and love for our King, including members of DPT. How can anyone even question another's loyalty and devotion to our King? No party or individual should claim a monopoly of loyalty and dedication to the Throne, and question another party's or individual's loyalty to the Throne and dedication to serve the Tsa-Wa-Sum.

In the name of democracy, we have greatly divided the people. Now, let us not divide the people from their King. The very word, "ngolop" should not even be allowed to be used in Bhutanese politics, let alone accuse anyone. By using such a

word and accusing one another, what kind of division, fear and discrimination are we creating amongst our citizens, what kind of messages are we conveying to our children, what kind of impression are we sending out to the world — that we are divided? Such harmful messages, when shared on social media, is accessible to the entire world, portraying a wrong and dangerous impression, leaving us vulnerable for others to meddle in the internal affairs of the country. This issue is not about DPT but it should be a national concern.

In the words of His Majesty The King, "Democracy is a timeless process in our collective endeavour to build a peaceful and prosperous nation." Let us ask ourselves today, are we moving in the right direction? His Majesty The King had stated at the last National Day at Haa, "There are two dimensions to the threats that can undermine the sovereignty and security of a nation — external and internal conditions and factors...No matter how grave the external threats may be, nothing can harm us if we are united like members of a closely bonded family." This is an important reminder for all of us to stay united. Past is past. We must learn to forgive, forget, and move forward in a spirit of understanding and unity, since focusing on what unites us is patriotism, not what divides us.

Our political leaders must be willing to sustain something greater than their own survival by not compromising our national interest by considering the following:

The institution of Monarchy is our most sacred institution, which is held in high esteem and reverence by every Bhutanese. Parties should not resort to use of the sacred institution — the Throne — to pursue their political agenda. The Throne is a sacrosanct institution and no party should exploit the institution for their interest.

**No party should use the Throne and royal prerogatives such as land kidu, census as part of their pledges.**

India-Bhutan relations is something every party considers as the cornerstone of our foreign policy. No party should distort facts and bring up foreign relations, particularly Indo-Bhutan or Indo-China.

We should not bring out national security issues and pledges to armed forces.

We should not use religion and religious bodies.

We should not use regional, ethnicity, and caste.

We should support journalists and allow free media.

We should promote regular inter-party meetings like these to develop a common understanding for united Bhutan.

For the sake of prospering our unique democracy, I challenge existing political parties and their leaders to sign a pledge here today, committing to stay away from divisive politics. Let us compete in the 2018 elections on our ideas and competence of our candidates, so that the best can win, so that the people of Bhutan can win.





Any misuse and abuse of this commitment could be resolved through intra-party mechanism by a multi-party committee within BDD, in the presence of media.

We have done ourselves, our people, our nation enough harm in the name of politics and democracy. Can we not agree to survive in peace and harmony, united and strong, as one nation, one people? There are no ngolops in our country for we all love our King and country. We are neither DPT, PDP, DNT, or BKP but Bhutanese first — can we not share this message across the country, that we are all one?

Democracy is too important to be wasted in petty arguments, wrong judgements or gotcha statements. To engage, we must connect, understand, and work in a spirit of harmony and respect.

I know it's hard to achieve this, but it's harder not to try, if you are true politicians, so I humbly call upon all politicians, media, voters — let us set our differences aside and work on setting Bhutan off on a journey towards the best democracy in the world, because Bhutan and our Kings deserve this for their sacrifices.

I end my statement with a question today. If politics and democracy mean division of our country, posing grave danger to our own national security, then it is time for all of us here to re-think today, do we really want democracy? Are we taking Bhutan towards the right direction? If political leaders truly care about the Tsa-Wa-Sum as you claim, you will not hesitate in signing our commitment pledge today.

Thank You & Tashi Delek!

# Q&A Session





**Moderator:** Is this a problem? Is the Bhutanese politician unfairly targeted and demonised?

**Lyonpo Damcho Dorji:** Well, in my outline, I have also made the same point, that the image of political parties, and in particular politicians, must be improved. And for the very fact that in a democracy, political parties and politicians are the main players and therefore, if we portray a very bad image of a political party or politicians, then it is going to create disillusion among the people. It is going to create confusion. It is going to make the people lose faith in the political system itself, and that is going to really affect the nurturing of the democracy and the flourishing of the democracy.

**Dasho Neten Zangmo:** I also believe that politicians are unfairly demonised, like anywhere in the world. I've said in the past that we cannot trust politicians. I think that's unfair. But having said that, the politicians also need to look into themselves. Is it their behaviour that actually compels the citizens, the larger mass, to have that opinion? I think that is also important, but in Bhutan — such a small country — we take pride in saying that Gross National Happiness is our development philosophy. We also take pride in saying that we are a deeply spiritual society, but can we also re-define our politics, that politics is not dirty and that politics can be clean. I think that responsibility lies with all of us. You just cannot put this responsibility on the politicians and the political parties but, having said that, I think the bigger responsibility also lies on the politicians and the political parties and particularly the leadership.

**Dr Tandi Dorji:** Nothing very different, as Fareed Zakaria, one of the well-known CNN political analysts said, I think it's a global phenomena — “democratic recession” he called it. I think this is mainly fuelled.....because politicians everywhere around the world are perceived as being hungry for power, only talking about thob thangs (perks and benefits) and how much more can I make. I think those have fuelled this belief. And as Dasho said, I think it's in the interest of everyone, especially politicians, that we steer according to our principles and set good examples for future generations.

**Moderator:** Are people voting entirely based on promises — which comes to the question, do we not have an ideology? Do the parties need to make more effort in establishing and identifying, conveying political ideologies?

**Dasho Neten Zangmo:** I think people often ask “what is your ideology?” But I guess for all the parties, their ultimate goal will be Gross National Happiness. The only thing that parties pick up, certain values, like DPT has equity and justice, but I guess that's also what other parties adopt. But I would specifically like to not go to ideology but to the pledges. It's all about winning by hook or by crook, so when you are bent on winning by hook or by crook, you will not spare anything. You can be divisive, you can in fact do anything. The experience over the last 10 years is with that attitude of “winning by hook or by crook”.

Political corruption — electoral corruption — why has it come about? So it's also about the short-term gain as well as the unethical behaviour of political parties and politicians. Aum Lily Wangchhuk also mentioned social media....all the avenues that we used in terms of maligning the other, instead of really looking at the long-term goal of the nation. So the political parties have to go beyond just five years.... the country is not only just about five years. The party is just the means, the party is not the end. And I think that is what the education.... the parties have the responsibility to advocate, and the citizens must understand, but when you look at the larger mass, it's not so.

**Aum Lily Wangchhuk:** In my former party, the ideology was social democracy because I felt more closely related to that, but currently, during my interaction with DPT as well I think that the fact the party is focusing more on equity and justice. I would say that it's also very related to social democracy as well. But having said that, I think one of the realisations that political parties had when we were in Denmark — when we were on a study tour — was that our aspirations for our country were all very similar, in a sense that we are looking at strengthening sovereignty, security, greater self-reliance, and prosperity. Our objectives were all very similar but it's just that our approaches make us different, and I think because the approach makes us different, that probably might put us in different groups of ideology. So currently, as you all are aware, I think parties in Bhutan have not really differentiated themselves along ideological differences with everyone probably coming up with similar aspirations for the country.

**Lyonpo Damcho Dorji:** I don't think that politicians, political parties, seek votes based on the promises which I would like to call pledges, not just on real empty promises and also based on ideology. So that's exactly what we did, People's Democratic Party in 2013 — we had very specific pledges, people, and we had also pledges that were to be fulfilled in 100 days. And of course we also had an ideology that is the “decentralisation” which perhaps deserves to be brought to the forefront. And therefore it has been a mix of ideology and pledges. I don't agree that political parties obtain their votes by hook or by crook, especially for PDP. We have all the time endeavoured in the interest of the people, the long-term interest of the country, as well as the short and medium terms interest of the grassroots and through these conditions, we were able to get the support of the people.

**Moderator:** Thank you very much, Lyonpo. I think that this issue really leaves the question with all of us as citizens, all of us as voters. In the absence of very clear-cut ideologies and the issue of promises and pledges, I think over the next few months, many of us would like to know, like a clear stance from our potential leaders, on the question of why should I vote for you? I think that's a question we take away.

Now coming to Lyonpo Domcho's presentation, what I remember is the gradual evolution of Bhutan's democracy over the years. In which case, now I would like to



ask the other three — then why were people so apprehensive, why were people so surprised, shocked, overwhelmed when democracy was announced?

**Aum Lily Wangchhuk:** The top-down initiatives towards greater decentralisation and democratisation initiatives were actually introduced way back in 1980s. But I would think there was more involvement with people at the grassroots level, in terms of electing their local leaders, carrying out development activities and planning. But democracy in its true sense, I think, probably we only embraced in 2006, when His Majesty The Fourth Druk Gyalpo announced that we were going to be making this political transition to a Democratic Constitutional Monarchy and putting all relevant institutions in its place.

So I think the earlier initiatives were more preparing towards the decentralisation and democratic process, but in its truest sense, for mission of political parties, establishment of related institutions, constitutional bodies... actually happened after 2006. And all of us have been very comfortable in the earliest system of monarchy where most of us did not take much responsibility for where we are today.

**Dasho Neten Zangmo:** The very fact that the notion of the King not being there, almost like a parent, and then having to vote for a party, is something that we were not used to. But having said that, I think structures are there....it's wonderful, yes, we have put in place structures, yes, we have to be happy. But at the end of the day, the crux of the matter is how much do people understand? For now when you visit — I am sure that it will also be true for other parties — that people are resigned to the fact that nothing can be done, people are resigned to the fact no matter who comes to power, it's always about themselves and not for us. People don't attend meetings and come to meetings. Voting, for example — we take pride in saying that yes, 55 percent of voters participated in the recent National Council elections.

But are we happy about it? How are we doing in terms of educating people? Five years between elections, what happens? Is there any discourse on democracy? Structures are there. We have to be happy that the media fraternity, CSOs, constitutional bodies, Parliament and other bodies are in place. The crux of the matter is the softer aspect of the democracy is what we have to be concerned about. I would also like to be optimistic.

**Dr Tandi Dorji:** I think, as Aum Neten said, since there are many students, it's like your parents have always been there, taking care of you, and then one day the parents say, I'm leaving now, you take care of yourself. So I think that's what happened in 2008, the realisation that now we have to take care of our own future.

And this really leads me to the question whether democracy is the best form of government. We were all convinced then in 2008 that we had the perfect government, why did we need to change? And today after 10 years, I am convinced that, perhaps democracy is not the best form of government, and I am further convinced because of a recent debate on BBC, where they were talking about the

best form of government. And the debate was won by the person who said that benevolent dictatorship is the best form of government. And I truly believe that all these divisions that we have been talking about earlier.... maybe a benevolent form of government that we had in the past was more suitable for us. Nevertheless, as Dasho said, we have to accept that democracy is here, and it is in the interests of all of us here to make it succeed.

**Moderator:** Going to Dasho Neten's presentation in the beginning, I was initially struck by the emphasis on divisive money politics, need of freedom from fear, etc.. But I think we've dealt with some of those issues in the discussion. So I'd like to ask the other three, starting with Aum Lily, Lyonpo Domcho and then Dr Tandi, what did you think about Dasho Neten's mask? What did it mean?

**Aum Lily Wangchhuk:** Actually, there is nothing wrong with democracy and politics. It's people who can either make it right or wrong. And I tend to believe, given the fact that it was introduced in a very unique matter, that we had every opportunity to make it a model democracy in the world. We could have learnt from the best practices from more advanced democracies, and we could have done away with a lot of demerits of democracy.

So right from the first elections back in 2008, somewhere, something has gone wrong and as a result, from the very first election alone, a lot of division has been created. And because democracy and politicians are always perceived with a negative connotation, given the fact that we are a small society, there can also be victimisation of supporters, especially if you are not elected. So I guess because of all that, I think most aspiring politicians are hiding behind a mask and not being able to reveal their true identities, especially on social media.

**Lyonpo Damcho Dorji:** Well it's really difficult for me to deduce much out of that. But I think the metaphor was that politicians do not tell the truth and that it is time that political parties and politicians face the reality, that the people need to know the truth, and that politics is not just about politics, but it is about laying the facts bare.

**Dr Tandi Dorji:** Please don't think that politicians are atsaras. But really I think the meaning was that we have a mask. And I think this is fuelled by the perception that, at least for me, politicians act one way before the elections, and after the elections they act in a very different way. And I think people think "Oh these guys just come here to get my vote. After that, maybe he will act differently". But for me personally, I would like to say that I still haven't had two faces or extra masks because I am yet to win an election. It's the same. So I wonder whether it will change, and also in our haste to get votes, I think it's important that we do not have different masks on ourselves.

**Question 1, Students from Sherubtse College:** Is democracy in Bhutan functioning like we expected and are we sacrificing our sovereignty and integrity in





this process? (Moderator explains: I think the question is asking are we in any way compromising sovereignty and integrity in the process, comparing to the kind of democracy we have expected from the start?)

**Dr Tandi Dorji:** Dasho, I would like to begin, because this is very close to me. And as I said in my concluding remarks, I don't think we will compromise our sovereignty and integrity because, as I mentioned, our democracy is unique. We have the guidance of His Majesty The King and yes, we can do better. There are many ways by which we can improve the way our democracy is functioning. And one very good example is to have a common platform, such as this BDD, where we can solve problems and issues related to national interest, as Aum Lily just mentioned, about the role of the monarchy, about foreign relations. These are things that all parties must come together and form a common understanding, because we cannot compromise our security after we change our government every 5 years. Therefore there are certain issues that all political parties must come together and ensure that it is in the best interest of the country. So yes, there is room for improvement but I don't think that we will compromise our sovereignty and integrity.

**Dasho Neten Zangmo:** May I? Now we need to act. We have very strong laws. The Electoral laws are very strong — what to do, what not to do, the responsibility of the citizens. When a youth asks that question, I think that same question has to be asked of you. Definitely the political parties have a greater responsibility. In the end of December, we had an all-party conference where we said that we would sign a written pledge. Aum Lily, you were not there. But did we even sign that pledge? We did not. In fact, we asked for more observers. If we really follow the law, there is no need for any observer at all. We will be responsible citizens, whether in the form of a politician, a voter, or a youth.

So I think these questions, we have to ask ourselves — when you vote, what is your criteria? Is it because you want vouchers? Is it because you've been promised a job? And similarly, the politicians — everything is there, the only thing is the will not just to talk but also to act.

**Aum Lily Wangchhuk:** One observation the political parties made when we made a joint study visit to Denmark in 2014 was, when it comes to issues of national interest, political parties are greatly united. There is a great sense of solidarity. That was a good take-home for all of us, and from there the idea of Bhutan democracy was born. We agreed that when it comes to issues of common interests, we would work together using BDD as a platform. But unfortunately, there have been challenges within BDD, and we have not been able to achieve so far. But if we can use this platform as a cross-party mechanism, to have a common understanding of issues of national interests, I think a lot can be done in helping our effective functioning of our democracy and not at the cost of our national security and sovereignty. I would say our democracy is functioning well, but I think

it could function better. Especially because we are a small country — and if there is political will and commitment, we can do far better.

**Lyonpo Damcho Dorji:** As my other colleagues said, democracy is bound to succeed in Bhutan because we have very strong institutions — democratic institutions — in place. We have very strong checks and balances in place, we have very strong laws in place and we have the full support of the people. Above all, we have a strong Bhutanese spirit of success and the guidance of His Majesty The King. I am very optimistic about the success of democracy in Bhutan, and through this success, our democracy will also be able to strengthen the sovereignty and security of our country.

## Question 2, Tenzin Dorji, Media Studies Teacher from Early Learning

**Centre:** How much have our students understood about democracy, their roles and responsibilities? How would you describe the state of citizenship, education amongst youth at this point, and what do you have to offer in order to improve that as well?

**Dasho Neten Zangmo:** Whenever we look at youth, we always look at our youth as problems, isn't it? Drug addiction, suicide, and so on. But I've engaged with the youth, whether it is in schools or even in my last two years in the village. So heart-warming. Even this time when I went to Tsirang and Dagana, a lot of youth are on the farm. And if youth — you were mentioning especially in citizenship, education — I think some sort of citizen education is there, isn't it? And this sort of education has to start from home.

Even when I talk to mothers, parents, I tell them don't distinguish between your daughter and son. Empower your daughter. Don't tell your daughter, you come and sweep and cook, and send your son out to play with a gun, but let the son also do chores at home. So I think this sort of education, whether it is citizenship or whatever, from childhood, is also the responsibility of the parents. So let's not look at the parties, what do you have to offer? Let's see how can we engage: Is there a space for youth to engage? There's a Youth Parliament Democracy. How are we engaging there? And if the Youth Parliament is emulating the Parliament, you better think twice. So I think we need to create the space.

**Dr Tandi Dorji:** If I may share my views. When we talk about empowering youth, I think it's very important in a democracy to fulfil the aspirations of youth themselves. And by that I think there needs to be an opportunity for them, better opportunities, and to have a future that they can look forward to. And the activities such as Youth Parliament, at least in terms of democracy, have been very good. I think it's taking up across the country and they will play a better part in strengthening democracy. As His Majesty The Third King once said, that he wished for a brighter future during his son's time. Therefore all of us, we hope the democracy in the future, in our youths' time, will be much better than today.



**Aum Lily Wangchhuk:** Back in 2006 when I was working for the UN in Bhutan, one of my findings was in countries where civic education had been done before the introduction of democracy, democracy had worked really well. And in countries where not adequate civic education had been carried out, there have been challenges. So considering the fact that, on behalf of the UN, I have really put this recommendation across to the Election Commission of Bhutan, but unfortunately, the focus has been largely on voter education and not on civic education.

And I think one of the challenges that we are having in our country, especially the relationships that have been affected over the political choice, because in more advanced democracies, husband and wife can be in two different political parties and still be okay with that. So one of the biggest challenges we have in our democracy today is we have not carried out adequate civic education in our country, and we still haven't done anything about it in the last 10 years.

So when it comes to voter education and students... I think this is... I believe the Election Commission has initiated a Bhutan Children's Parliament and the democracy forums in schools, but I'm not sure how active and effective is that, but the fact is, forget about our citizens, even our students have not had the opportunity to get educated on the essence of democracy. On the other hand, political parties and aspiring politicians have no opportunity to interact even with students. So if it was not for a forum like the Bhutan Democracy Forum, there wouldn't have been any other forum where we could have this cross-discussions of ideas.

**Lyonpo Damcho Dorji:** It would be an understatement to say that our youth are not aware of the democratic process or that they are not aware of their rights under the Constitution. I think within the last 10 years, a lot of work has gone into creating awareness, not just among the educated lot but among the electorate as well. A lot of work is being done by the Election Commission and by the schools, and of course the media. Therefore, especially in this age of technology where information is available at your fingertips, our youth have displayed a lot of interest in knowing what is happening around them. It is only a matter of time that I think our youth will become fully conscious of their roles in democracy, of their rights under the Constitution and at the same time, play a very constructive role in building our nation.

**Question 3, Question from Overseas:** Whose responsibility is it to educate people at the grassroots level amongst the electorate to unite rather than resort to divisive politics?

**Aum Lily Wangchhuk:** I think civic education across the country has to be carried out by an organisation that's neutral. It's not the responsibility of the Election Commission or the political parties. There has to be a neutral CSO that can effectively carry out civic education across all sectors.

**Dasho Neten Zangmo:** I just want to respond to the youth. I think it comes back to

education when you talk about students understanding democracy and the youth's voice in democracy. If it can be integrated into the education itself, the voice of the student, whether class is going on, if he disagrees with the teacher, the ownership of the environment, our environment, the understanding of independence — I think it goes back to education. We can have wonderful school buildings but what goes on in the classrooms, that is important, that's quite central.

The education of electorate is everybody's responsibility. First of all, I would like to go back to the statement that I made about a gup whom I found was perhaps one of the most enlightened public servants in my eleven months of political life. He said the problem created in the field, the divisive force, is actually the party apparatus at the grassroots. At the end of the day, why do you need the party apparatus? To mobilise a crowd for meetings? Why can't the local government do that? How can we really say that the local government is apolitical, just as Dr Tandi was saying when all the resources are at the disposal of the government and the opposition.... the other parties, just because they are not in the Parliament, the level playing field is not there. So even that suggestion is there. So at the end of the day, the education of the electorate, whether it is in the form of a party apparatus, whether it is in the form of voters, or children, I think the responsibility of educating lies with everybody.

The Dzongdas. What are they doing about it? Apolitical — at a distance? No. I think that we really need to re-define apoliticalness of these institutions. Gup for example, they can do a lot, teachers, political parties, have a big responsibility. And of course most importantly the Election Commission of Bhutan — they just cannot issue orders saying, you can do this, you can... I find it very obnoxious when somebody says that you can have gatherings but no political parties. Are we with horns? Why do we become different when we become a politician? Are we so contagious? Do we have contagious 22 diseases?

So this outlook, this attitude has to change. With so many nos, don't do this, don't do that, dzongdas don't come to us, gups of course. I think for me is very fundamental, education has to be everybody's duty, of course most importantly institutions, and we cannot wait for what happens between elections. We must continue to have such discourses, big and small. We have to be enlightened about democracy.

**Moderator:** Actually, the next question was on being apolitical and what it means. We'll have that question, but then since we've heard Dasho Neten's view, we'll ask the other three in the next round.

**Dr Tandi Dorji:** Actually I really wanted to start from that. What is really apolitical? We are talking about the gups at the local government. They were doing elections far before democracy was introduced. Gups were being elected at the gewog level. They are much more knowledgeable about the election process and who to pick as a candidate. I think the fundamental problem lies in keeping the





local government apolitical. There is no incentive for any person in the village to be a member of a political party because that person then becomes discarded from the local government. He cannot stand for election to the gup or mangmi or a tshogpa. They become active only during the election year. Therefore for political parties to have grassroots presence, it is very difficult with the present set-up.

So should we change? Should we make political participation possible at the local level? Should gups be members of political parties? Those are experiences that we need to perhaps study over the next few elections. Because that brings another question, is it time to change our electoral laws? Should we amend the Constitution? We've had only 10 years. So basically it is all our responsibility to educate people at the grassroots.

**Moderator:** And since the force of thought has taken us to the apolitical scene, if anyone has a brief comment including the civil servants. We were talking about civil servants being the largest body of educated people here. And they are supposed to be apolitical and are interpreted or misinterpreted as saying that civil servants cannot talk at all. So that is also worth hearing some comments on.

**Lyonpo Damcho Dorji:** There has been a lot of debate during the drafting of the Constitution on this concept of being apolitical. Well, political parties were a necessary evil in a democratic system. There was also the fear of politicising all other institutions, including the local government and civil service. And, therefore, there was a sort of a compromise that in order to have an efficient check, in order to separate politics from neutrality, we have created a lot of apolitical institutions, like the National Council, the local governments, and civil servants, which basically means that there are a lot of benefits and meritocracy in having apolitical institutions and apolitical bodies which will then act as a check and balance on the political parties. So this was a compromise between whether we should have political affiliation in all the institutions or whether there should be a clear and distinct boundary between political parties and apolitical institutions.

**Aum Lily Wangchhuk:** On one hand, democracy is a gift, and on the other hand, institutions have made a very narrow interpretation of "apolitical". Because of this, one would understand that apolitical would mean not being affiliated and associated with a political party. But here we have a very narrow definition, in the sense that aspiring politicians and political parties are not allowed to have any interaction with students, civil servants, and the educated lot because the educated lot are working with different institutions.

So especially during campaign, the only people we get to interact with are rural voters. So the urban civil servants, the educated lot, are supposed to make their choice based on media coverage, and if the media coverage is biased, it can highly influence your political choices as well. I think there is already a challenge there. Similarly, political parties are there to be the voice of the people. In their manifestoes they are supposed to have consultation with people and take the aspirations and

voices of people forward, but we have no opportunity to interact with the people. So, because of that, it isolates political parties and aspiring politicians. Wherever we go, we are looked upon with a lot of suspicion and mistrust, as if we are there to pursue our own political agenda, and we're not there for the right reasons. And I think this is one of the main reasons — which Dasho Neten also pointed out — why some people have to be under the mask. We cannot be ourselves.

**Dasho Neten Zangmo:** Democracy of the people, by the people, for the people — right now, I think ours is turning into democracy for the political party, by the political party, of the political party, because everybody's apolitical. At the end of the day, local government is highly politicised. I think we should not be in that environment of do's and don'ts. If we can build trust....that's why I think trust is so important. That confidence is so important. Perhaps, we'll be more professional.

Let's take that example of what Dasho Kinley mentioned about civil servants being apolitical. If we work in an environment, build that trust and confidence. I'm sure the civil servants....because at the end of the day, civil service is the pool that all the political parties will also fish their candidates from. But if you have that trust and confidence, that professionalism... the civil servants, once they decide to join, they must have the moral duty to resign. And I think civil servants have to engage. They cannot say that I'm going to join and wait until June, July. So again, let's not be governed by do's and don'ts. When you're governed by do's and don'ts, that's why you have to wear masks....not only the political parties. Otherwise our democracy will be democracy for the party, by the party, of the party.

**Moderator:** The growing gap between the rich and the poor is a national concern. What measures should we take and the idea is — from another question I'm bringing this quote — to avoid creating a poor country with rich people. The growing gap between the rich and the poor.

**Dr Tandi Dorji:** I would like to say that for our party at least, this is at the forefront of our priorities that you need. I think that there are many things that can be done. We have not addressed this very effectively over the last two elections. I always say that there are two main reasons why this gap is increasing. One is creating equal opportunities....not only creating more opportunities, but more opportunities for those who are at the bottom. And the second one is on policies and plans adopted by the government. It must be focused for those who are left behind. If the policies and programmes are for the rich, then this gap is only going to widen. And I hope that, in the coming elections, all of you will be excited to see what we have planned to narrow this gap situation.

**Dasho Neten Zangmo:** I think long ago we had this balanced regional development. If we can really focus on that... and the other thing is of course policies, investments, resources like capital availability for sections of citizens, and I think balanced regional development has to be there. The other thing is empowerment, citizens' voice. I think that is important. Again, the space for a



citizen's voice. Accountability for example.... I think these are things that we need to promote and create the space. Whoever comes into power... or it is the local government.... seek opportunities, engage the citizens where there are opportunities?

I think we need to build opportunities and I'm sure the citizens have a lot of ideas. For example, people want to invest in small investments but look at the services. I remember my friend wanted to make an investment.... he would have benefitted, plus he would have also created jobs.... but these clearances that you have to have.... six months no clearance, one year no clearance, after some time you give up. So if you can really help in terms of making our service delivery more effective....I know the successive government has been working, but perhaps, not hard enough.

**Aum Lily Wangchhuk:** The challenge in our country is not only income, but also development gap, gender gap, and generation gap. And I believe our nation can truly progress if our citizens are empowered. So our party's ideology is centred on equity and justice. It's also focused on intervention to address the gaps at all levels: Income, development, gender, and generation. And coming up with special temporary measures and interventions especially for those left behind, so that they can be genuinely and sustainably, accessed.

**Question:** How do we avoid becoming over-dependent on one neighbour for economic growth?

**Dasho Neten Zangmo:** Over 60 percent of our development fund coming from one source is perhaps unhealthy. As citizens, we have to look at it.

**Aum Lily Wangchhuk:** We declared self-reliance as a goal 30 years ago, but today we are not any closer. We have rather become more dependent on aid than we ever were. The answer would be trade and not aid. As a small nation, our biggest asset is human resource, and the country must invest in human resource development and capitalise on it. For sustainable development, the country would need adequate foreign reserves, and to increase the foreign reserve, there is a need to step up on local action. The country must focus on reducing import by increasing export. Coming up with sustainable policies and plans is key to sustainability.

**Dr Tandi Dorji:** We have come thus far with support from our neighbour, India, and we will continue to have this relationship. While it may not be healthy in the long-term, we must also accept our geopolitical reality — we are a landlocked country. On three sides is India, on the other side is China where the border is closed. Every Bhutanese must be aware of the geopolitical reality. As we move on, deliberations must be held on this issue, and find avenues — as we graduate to a middle-income country — to find other avenues of funds and strengthen self-reliance to meet expenses from our own revenues.

**Moderator:** This one is quite a pointed question to political parties. It's coming back to divisive politics. What can the parties do to unite themselves and unite a society? I'm combining two questions here, to avoid divisive politics, what initiatives can parties take?

**Dasho Neten Zangmo:** What can the political parties do? We can do a lot of things. We can work together. Maybe we should remove the party apparatus and the local government help facilitate all the parties on the same platform with the same disposition in mobilising the crowd. Because I think it is the party apparatus....but what sort of instruction comes from the leadership? I think that is also important because I have also heard in the past: "Oh we do not know what happens on the ground." I think that's a lie.

And we can work together. For example, recently we were out in the field ... DNT was also there. I heard that three parties, the candidates are moving around together, how wonderful. "You have different things to say? It's okay." But it was such a wonderful example and I think we should do more of that. Even our discussions, the Bhutan Democracy Dialogue, there must be a spirit of solidarity. At the end of the day, we are choices that we are offering to the people, can we work together?

Challenges that we face are common to us. Can we discuss about it together? I think so. And the 25 leadership....I think it's so important that the leadership has to very clearly instruct down the line that they should not be worried about losing votes, even though you have to remove a very influential coordinator, just because he or she is being impressive. We should have the courage to remove him.

**Dr Tandi Dorji:** To wish for no division at all when there are political parties is a little far-fetched. It is inevitable that people will be divided along party lines. It is inevitable, right here today there are people leaning to one of these parties. It is inevitable. What is important is after the elections — the parties that are forming the government have the greater responsibility. To discriminate between people as your party supporter and other party's supporter even after the election — this is unacceptable.

And that's why I always feel that the parties that win the elections - they have a greater responsibility to bring unity and harmony after the elections - to tell people that we are Bhutanese and that all plans and programmes are for the larger interests of the country. This is everyone's responsibility irrespective of what party you support.

**Moderator:** Thank you very much Doctor. We did introduce our speakers as party representatives. We have four parties represented here, and if we didn't know where they came from, I think the dialogue didn't show any divisions at all.

**Aum Lily Wangchhuk:** I would say firstly we'll need to carry out adequate civic





education so that, while a certain amount of division is inevitable, people are not largely divided because of the political differences, so civic education, educating people on the essence of democracy, is the key.

What would also help is if the political parties agree to stay away from divisive politics and commit themselves to compete only on ideas and competence of candidates. And as proposed earlier today, signing a commitment pledge where disputes and non-compliance can be resolved through inter-party mechanism, through multiparty committee, through BDD. And I think the most important part is the will and political commitment of all party leaders to safeguard and nurture our democracy so that we are able to shape our democracy, make that into a model democracy in the world and fulfil His Majesty The King's vision for this country and the world.

Lastly, as Doctor pointed out, victimisation and differentiation of people after the elections does more harm. Once the election is over, leaders should conduct themselves in a manner like they are leaders of an entire country, not just for certain political parties. There should be no differentiation, and between elections, we should put in a lot more effort. And BDD would be an ideal platform in strengthening our unity and our solidarity and working towards a more harmonious political environment.

**Lyonpo Damcho Dorji:** I think it is very important for all political parties before and after the elections to keep the long-term interests of the people at heart. While, as Lily said, it is inevitable that certain division of opinion will be there — which is healthy for a democracy — parties should encourage themselves so that there is a great understanding of what the national priorities are.

And, after the election is over, there has to be a vigorous healing process where the party leaders can play a constructive role. Well, in the case of the People's Democratic Party in the elections of 2013, we have made concerted efforts to heal the divisions that were created during the elections. Even after the elections, and until now, we have always made concerted efforts to ensure that the government treats every citizen as equals and not as party supporters or as supporters of other parties, so this has been on the mind of the government, mainly because politics creates division amongst the people and disharmony.

**Moderator:** I think the democratic term is that we all agree to disagree. I think we can sense that. I'm not going to sum up this discussion. I think it is better that we leave this place with hundreds of questions to be asked and with the enthusiasm to continue this discourse. The last comments I would request from our speakers.... we have two very strong groups here — the role of civil society and the media group. So the role of civil society and media in democratic governance. So as the last comments, may I request the four speakers to comment on this?

**Dr Tandi Dorji:** Both the civil society and the media are critical components

of the democratic process. What is heartening is that numbers of civil society organisations have increased tremendously. However, in the area of democracy, I think there is limited number of players who are actively involved in the democratic process. And as Aum Lily also pointed out, I think it is also important that we have, for example the BCMD, and we have other CSOs that help to organise such forums, that bring political parties and civil servants, students, all together where we have this kind of discourse to further strengthen our democracy.

On the media — absolutely important for our democratic process. Unfortunately they have not had the progress that we all expected. Again, we all know the realities that are faced by the media in terms of finances and sustainability of the media itself, being a very small country and having a very small number of resources from which they can access funds. But it is important that any government that comes to the power supports and helps CSOs and the media to improve and get better.

**Dasho Neten Zangmo:** I've worked in a CSO, and I know the potential CSOs have in strengthening democracy, whether it is in governance, whether it is in people's voice or whether it is in developmental activities. But how much of space do CSOs have? While we have documents and speeches, how much actual engagement is there? There are about forty civil societies, and how are we engaging them and do we have the space? I think that is important even in terms of resources, can we also outsource some of our activities, whether it is in civic education, democracy? Can we also outsource some of our activities to the CSOs and some of CSOs have done such wonderful jobs, so thank you very much. In fact, I also believe that politics is a very big CSO.

Media, I would like to be politically correct in saying that sustainability of media fraternity, the fourth or the fifth state of democracy.... but I would like to ask the media fraternity, how independent are you? Are you also one of the sources of division? How independent are you also in encouraging, stirring, constructive public discourse? I would like to ask this question to the media. Sustainability is fine but what role — how independent are you?

**Aum Lily Wangchhuck:** There is no doubt that the roles of CSOs and the media are crucial to ensure the success to our democracy. Your integrity is a strong measure of the health of our democracy. And CSOs and the media are very much a part of the political process. Democracy is not made up of politicians and political parties alone; you are very much a part of the political process. And you are important voices of people, and I think because political parties and aspiring politicians don't get opportunities to interact with people. You can be the very strong and powerful media to carry forward the voices of people, and to engage in more dialogue with political parties so we can carry the hopes, aspirations and challenges of the people forward in our respective party policies and manifestos and programmes.

Before I touch on media....earlier on, I mentioned that civic education is best



addressed by CSOs, and the reason why I say that is international practices have proven that if civic education is carried out by political parties, it can be largely politicised....and not even the Election Commission. So the 27 international best practices say that CSOs, which are neutral, can play an effective role in carrying out effective civic education. And I think that could also be a food for thought for CSOs. Media has a very important role to play. Having worked with media, during my term with BMF, I'm aware of that you do work under a lot of challenges, you do work under a lot of constraints, but having said that, you can play a key role in ensuring the success of our media by reporting in a free and fair manner, free from fear.

**Lyonpo Damcho Dorji:** Well, there's no doubt that media as the fourth pillar of democracy has a very important role to play in a democratic set-up. So it has a very crucial role in shaping a very healthy democracy, because it acts as an interface between the people and the government. And it also acts as a general communication that helps to guard public interest. However, the media must also be careful and move away from adversarial politics. Media must also refrain from reporting people as helpless victims of the state and the political institution.

Moving on to civil society....again, civil society is a mechanism to limit control and the power of state, but on the other hand, the civil society can also promote political participation. They can also help to develop other areas of democratic life such as tolerance and compromise. And above all, they can complement the government in its efforts at the local level, both in terms of implementation of policies and programmes. And at the national level, they can be involved in the policy-making decision.

**Question:** What is being done to improve the inclusivity of section of the specially-abled persons?

**Lyonpo Damcho Dorji:** Lots of deliberations and assessments were carried out at different levels to bring about change in our system, including the infrastructures to be more disabled-friendly. Studies were done in health and education to understand the needs of the specially-abled persons, following the recommendations from the Cabinet. Accordingly, plans and programmes have been included in the 12th five-year plan. Based on the advanced understanding of the needs of specially-abled, plans to construct six special-needs school have been included in the plan (Summary).

**Dr Tandi Dorji:** Every party would have their own plans to promote a more inclusive society for specially-abled persons (Summary).

**Moderator:** And today, to our international friends here, and also our Bhutanese friends who represent international organisations, I want to say thank you very much. Please keep working with us. Bhutan is a very cautious country — not telling us what to do but working with us, that is very much appreciated. Thank you very much to the international community.





## Panel I

### Introduction

#### Moderator, Dasho Kinley Dorji

I will start by thanking the Royal University, BCMD and Bhutan Democracy Forum for inviting me to be a part of this conversation on democracy. This session is being recorded by BBS to be broadcasted on BBS.

So just to place a kind of perspective on this conversation, we are talking about democracy, it's an on- going discussion, discourse after the first decade we are going to take stock, look where we are and issues if there are, obviously there are issues and then the way forward. We selected a theme, which is 'Democracy: a Path to Good Governance' for special purpose being that we must understand the context we are discussing, and the perspective. When we were discussing in the beginning 2007 and 2008, we noticed that in many countries democracy wasn't working well. They saw it as an election and in other cases they saw it as a goal.

But we have the advantage of GNH vision, Bhutan's vision. And we place 'democracy as a path to good governance' in that vision that good governance has always been there as a national vision. The systems evolved, we had monarchs reigning from palaces and courts. Then we had the former government, ministries, department, and agencies established. And since 2008 we have had elected executive power, elected government in power. So that the vision does not change, the path has been changing. So that has been the basic perspective. Both democracy and good governance is such a broad topic that we expect the kind of discussion to be very wide ranging.

Honourable speakers are all veteran politician already, meaning having taken part in elections and taken part in debates. So while they are from four different parties we request to please be yourselves and not necessarily share the party line but a conversation for all Bhutanese citizens, and we know that this is a conversation that is growing, gaining more depth.

So the speakers, I am going to call them in alphabetical order. So we will start. We will give 10 minutes. First speakers will share their thoughts on democracy, where we are? Where we are going? Where we should be going? Where we are not going perhaps? And then we will open the floor for discussions. Questions and answers will all be recorded. So thank you very much. For speakers we have Sonam Tobgay from BKP, MP Dil Maya Rai from DNT, Lily Wangchhuk from DPT and Kinzang Wangdi from PDP. So may I ask Sonam Tobgay or Tobler to start the conversation?



**Sonam Tobgay**  
Vice President,  
Bhutan Kuen-Nyam  
Party

Good morning. How many of you in this room really truly trust politicians? Very few. For that matter how many of you trust political establishments? Political parties? BKP, DNT, PDP, and DPT? For that matter how many of you here trust national institutions of importance say constitutional bodies like ACC? You have my president and former lyonpo (minister) having worked in ACC, OAG, RCSC and in so many constitutional bodies.

How many of us trust these bodies of national importance because if the trust is lacking, then we lack the essence of any collective negotiations for any sustainable solutions. Say, for example, hydropower development, tourism policy, unemployment. If there is mistrust, then fear creeps in, then creeps in the mask of not being yourself. So, therefore, it is very important for an elected government comprising of politicians both inside the parliament and outside the parliament to restore public faith and confidence, political trust in a politician and, in our institutions.

Do we lack trust in our society? Has trust come to a breaking point? Or as some say are we experiencing trust deficit because if we do, we really need to do a lot of thinking, contemplation, and reflection on ourselves. Because as a politician we have to understand clearly the kind of actions we take, the kind of decision we make, the kind of laws we implement to restore trust and faith listening to people's views, public feedback promising no less than what you can deliver.

And I am sure and I only cite these examples as a citizen not as a BKP Vice President. We have had headlines on 3-5 million Ngultrums being siphoned on hospitality and entertainment expenses. And can institutions that are supposedly the custodians of public fund for limited public resources excuse themselves for lack of a guideline, for lack of rules? A thousand Ngultrum is a lot of money to a farmer of Dorokha and Samtse or for a farmer in Zhemgang, or a farmer in other dzongkhags (districts). And I cite example as a citizen rather than as someone wearing a party hat.

And then we have also had headlines on eight babies being, of having died at the Neonatal Intensive Care Unit. Do we have accountability? I am sure everybody is



trying hard. They all mean well but these instances break the trust. Shouldn't there be trust between the people and the elected government? So my talk this morning is mainly focusing on trust and accountability as main pillars of good governance.

Let's look at 10 years of democracy. What have we achieved in terms of measures like voter turnout, women representation in the Parliament, Local Government participation? Maybe we have had some success rates but in the course of time, do we still maintain camps? Are there still subtle camps existing, I am DPT or you are PDP, I am BKP or you are DNT. Can't we afford to cast these political differences aside and coexist as the Bhutanese first in a small society like ours, highly vulnerable in terms of geopolitics?

When these creep in every other election then we become vulnerable, we become weak as a society. No matter what if the crack doesn't heal, they'll remain to be weak. So therefore 10 years of democracy, we need to reflect upon ourselves on what have we achieved. Do we continue to see polarisation on the rise? Is everybody happy speaking politically correct? Is popularism the name of the game? Or should someone come up and say let's do something, which is right, or let's do what is correct? And I really applaud some of the statements made by DNT Government saying, "If we lose the next election, it will because of our taxes". And I encourage our Prime Minister and his team to make difficult decisions for that will help the country in the long-run.

Let's look at the macro level in terms of 10 years of democracy. Have the past governments steered the economy to create further employment? The issues of Earn and Learn Programme, I am not here to judge who is right or wrong but there are some of our young brothers and sisters out there having a difficult time. Has our trade balance improved or do we still experience a 30-billion trade deficit as was reported a week ago by Kuensel.

So, I think these are the things we need to question ourselves in the course of democracy. Now, I think this is a perfect space to be no more sensitive. Let's enjoy the discourse. We talk so much about happiness, domains, variables, pillars, so on and so forth. I live in Debsi. My office is in Motithang and I am sure some of you live in Taba and Dechencholing. We don't have a drinking water. There is a lack of 24 hours running drinking water.

I think it is the duty and the responsibility and accountability of every government to provide basic conditions as simple as drinking water. Otherwise how can we pursue happiness? For all of us it will be drinking water. For some people it will be a luxury home or for some people it will be a luxury car. For others it will be a roof over the head.

Our bounds differ in terms of happiness but governments in power should provide the basic conducive environment for all of us to pursue that happiness. And I was

watching resource person from Singapore speak on "nation branding". We have first branded ourselves as the country of happiness and I heard the moderator at the session, Dasho Kinley speak on TV: "Are we living the ideas of happiness in a our conduct, in our behaviour, in our habits, in our construction patterns."

Of course, we have seen that plastic ban. But it has to go beyond the ban in terms of pursuing happiness. Do we import more than what we require? Do we consume more than what we require? One of the pillars of happiness, equitable sustainable development for instance: Are we practicing what we preach? Are we walking the talk? So, I think these are the questions we need to ask to assert what democracy has given us aside from electing a government every five years.

What if we leave everything as sensitive? Then we don't get along discussing anything. For example, immigration, I see a lot of problems but no body dares to discuss immigration.

I think have to bring things to the fore because I think RUB and BCMD – I'd really like to congratulate the two institutions for giving us this space to express ourselves. You know, even foreign policy, I mean the foreign minister is here. We cannot say it is sensitive, we cannot say it is cast in stones. We have to discuss as intellectuals, as academia, as in public discourse. When we have ideas, I think politics is where the best arguments win. We have to have good solutions that have to emerge in back and forth dialogue as compared to putting everything under the rug and taking it as sensitive, and no one taking the responsibility.

Let's talk about 'apoliticalness' before my time runs out. Everybody blankets themselves under being 'apolitical' and yet I was telling my colleagues that the 'apolitical' ones are the ones who are most political. So can we evolve as institutions? Thank you.

### Dil Maya Rai, Member of Parliament, National Assembly

Our colleague, very esteemed vice president of BKP really touched on the components of trust and I was really amazed that he brought this out and it's really true, without trust nothing exists in this world. Least developing, countries like us, for example, would never be where we are today if the developed





countries did not trust us and give us aid. So along that line I guess trust with each other, trust within parties, trust with institution is really essential.

I would like to reiterate what he mentioned although we come with the best of intentions as political parties. Each manifesto I am sure is, you know, drawn to serve our people, the country in the best of intentions but as one of the parties take up the government cap, we see the trust deteriorating, from the very voters, who voted. That is a sad reality I would say and I would like to urge every citizen, every voter and electorate to build on that.

Like I mentioned about technology and change, we cannot stay idle, we cannot be stuck anywhere in terms in time. We cannot help but change. I mean change is constant but of course change has to be for the positive and for the welfare of the people and the institutions. That way I think democracy is one of the key components or democracy is the driving force to good governance. I am not saying this just because I am one of the politicians or one of the Members of Parliament but that was how I was educated when I was reading and studying about democracy and politics and political parties in my college days.

And we have that famous writer Amartya Sen who wrote about ‘development as freedom’. We love the word freedom. Freedom connotes happiness but one is that we do not have trust on democracy, that there is deteriorating trust in democracy and freedom comes only as a part of democracy. I am sure all of us have experienced ( democracy) in the last one decade. We are into the 11th year now. So, the system set up as of now in our country, the bureaucracy for example is nearly six decades old, started in early 60s whereas democracy is just one decade old. Maybe the bureaucracy is already so well established and functioning and the system is so well in place that no body raises eyebrows on it. But democracy, one decade old, is still struggling to put so many things in place.

As a Member in the Parliament, I would say there are still so many things to put in place. Gara bey me tsha sey zhuni inn la (Not everything could be achieved). There are still some things to be put in place, we are still building up, we are still evolving, so it’s just a matter of time. And I bet in the next 60 or 50 years maybe democracy will be as respected as the bureaucracy is at the moment. But only if we learn to trust a little, make space for each other then we are really heading to good governance.

On the role of political parties outside the parliament, what could political parties do outside the parliament? So, now I am in the parliament, I also have party affiliation. Sometimes we meet and sometimes our General Secretary, you know, post some, tweets to meet and sends some agenda that we will be discussing, and I appreciate his efforts. I bet it is the same with other parties.

I have heard other parties too attending meetings. And we also get advice. We get feedbacks from them as the third party observer. So that’s what parties outside the

parliament can do. Be objective observers give constructive feedbacks to the parties in power or in position in that matter they can do better, and not just show the weaknesses and pinpoint and try to bring down others.

And of course, parties can maintain constant touch with the constituents which the elected members can improve because they are already into so many nitty-gritties of the day, trying to fulfil the Terms of Reference, requirements, the everyday works. So, we tend to get a little lesser time to keep in touch with the constituents. So political parties outside the parliament can take up and be more active because to make a democracy a vibrant one we will have to keep in touch with the constituents.

Ways to enable parties to develop stronger mandates I guess we need to have educated, informed and somebody who will be really objective. We need to have such missionaries in the parties. If our party missionaries are not educated, then they cannot give you objective feedback. Then I think it will just crumble. So, the missionaries, the people functioning inside the party should be educated about democracy, should be educated about politics also and how it functions. And they should be given more exposure to the functionaries of the parliament especially during the assembly session, if they can attend and learn or try to mix more with the elected members. And of course, we have the Election Commission of Bhutan to help give them skills in capacity building.

On the apolitical note, I too think along the same way as the previous speaker/ colleague. I think there is nothing called ‘apolitical’ in our country or anywhere else for that matter because politics affects everybody, each one of us. The decisions made by the Parliament and the government affects everybody. So, when it affects everybody, when the work we do is coming from an elected government there is no one ‘apolitical’. And with this cap of apolitical when citizens, when bureaucracy tries to stay away from especially during the election campaigns and once when one of the political parties becomes the government, what I have observed is, suddenly in front of us comes the whole Five- Year Plan which we have no access to before. And then there is just no time to redo it or to review it well. So there is like lack of information or access to information. But this party already elected to government has to rule, has to go by it somehow, it’s like learning by doing. I guess if we are to have good governance to deliver, I think we should not be apolitical but should work together on this. Thank you.



## Lily Wangchhuk Vice President, Druk Phuensum Tshogpa

Kuzu Zangpo, La and Good Morning. Allow me to express my deepest gratitude to all the distinguished guests present here: The honourable Foreign Minister, Honourable speaker, former Cabinet minister, former speaker, former chairperson of National Council, Members of the Parliament, representatives of political parties, CSOs, various organisations, students, ladies, and gentlemen for sparing your precious time to be here.

Your presence here is a manifestation of the importance that all of us attach to our democracy and I am immensely privileged to be able to share my thoughts on 'Democracy: the Path to Good Governance' with such distinguished gathering.

I would also like to thank BCMD and RUB for initiating this very important forum. Such dialogue and forum will go a long way in shaping Bhutan into a model democracy in the world.

Both democracy and good governance are not new ideas for a country. It's nothing new. A democratic system of governance in fact existed even before the formal introduction of democracy in 2008. In fact, democratisation in 2008 was merely a combination series of political reforms initiated by our visionary and enlightened monarchs. His Majesty The Third Druk Gyalpo established the National Assembly in 1953 and several other democratic institutions. This was continued with further decentralisation initiatives through the 80s and 90s by the father of democratic Bhutan, His Majesty Druk Gyal Zhipa.

Most of the structures and systems were already put in place, and the political transition that we made was an eventual fruition of process of sustained political reforms. Furthermore good governance as one of the four pillars of our Gross National Happiness (GNH) has always been the cornerstone of a development policy. Democracy and good governance are mutually reinforcing. Good governance is one of the preconditions of democracy and GNH. Our top-most priority is to achieve GNH and democracy is a means to that end. In this context the role of good governance is even more fundamental. As it in turn seeks democratic principles, good governance promotes the rule of law, accountability, transparency and participation in decision decision-making processes. And these

values and principles can be effectively put to practice and executed only in a democratic environment. That is why bad governance is the central characteristics of undemocratic region.

In Bhutan democratic participation quite often ends with an election process while in fact election is merely one of the spokes in the wheel of democracy. To institute a strong culture of good governance we need a much greater level of participation of the people beyond elections, in public policy and national decision-making. For in the end, this is what government means.

While Bhutan has witnessed much remarkable progress both in terms of democratic processes and good governance over the last few decades, the political transition since 2008 has exposed our nation to some unhealthy trends. These challenges are largely related to flaws of democracy including political cynicism for politicians and politics, voter apathy, political alienation, the political immaturity, decreasing involvement of people in social and political participation, lack of effective political participation of women in politics and declining confidence in elected leaders and government.

Further, we are confronted with a number of issues such as limited press freedom, victimisation of party supporters, and tendency for people to vote on their own interests rather than what is better for the country as a whole. Inability of the educated population to exercise their choice based on informed choice given the lack of interaction with aspiring politicians is another issue. Short term goals and empty promises, wasteful government time and resources, erroneous decisions by elected leaders, immoral practices, bribery and corruption political corruptions during elections, unfair trade practices, misuse of media and social media, bias media reporting polarisation, fragmentations of the society along the party line and huge expenses on elections.

One way of addressing these challenges is by educating our population on the essence of democracy, thereby, raising the political consciousness. This can also largely help reduce the political cynicism, voter apathy and enhance political participation. Gender sensitisation programmes will largely encourage high female participation. More flexible interpretation of electoral laws could address the challenges related to political alienation of aspiring politicians, while strict monitoring and implementation of election rules can help reduce immoral practices, bribery and political corruption, polarisation as well as fragmentation of the society.

Promotion of greater transparency, responsibility, and accountability could prevent wasteful government time and resources and erroneous decisions by elected leaders, unfair trade practices, and victimisation of party supporters as well. More flexibility in the civil service rules and electoral laws could also encourage competence in aspiring politicians, thereby, creating a pool of effective leaders with enhanced confidence of the people with longer-term objective.



Greater press freedom could help promote greater transparency, accurate reporting and doing away with primary elections and most strict rules dealing with resignation of elected leader could help prevent huge expenses and wastage of funds on elections. It is also important for us to scrutinise the party pledges; unrealistic short sighted expensive populous pledges should not be allowed since such pledges will not only cost a country dearly in the long-term but such pledges will also land us in a perennial state of dependency on our neighbours and donors.

Besides electoral participation people at every level of public life must become involved in the decision-making that affect their lives. Policies are more likely to be stable and sustainable when they enjoy popular understanding and support. This requires some means of public consultation to help input into government decision and some means of protecting policies and actions that do harm to national interests. The elected leader should be responsive to the needs and concerns of society and be held accountable to the people.

In an ideal democratic environment the elected government should be open to criticism. There is a need of press freedom and government policies and actions if they are exposed without fear and favour. Then we can truly say there is a meaningful participation, responsive transparent accountable government. While government fully responds to the interests of every group given the large differences of yet different groups must be heard. People must have access to the parliamentary committees and there must be regular and frequent interaction between the elected representatives and the society. There should be some degree of political equality amongst citizens.

It is a known fact that political equality can be the link to the economic equality and those with money and high social status has vastly more access to power and influence of a government than the poor and the middle class. The elected leader must also possess good understanding of people's challenges, issues and ground realities backed by a professional civil service. To boost the morale of the civil servants which play an important role in productivity and functioning of the organisations will require an effective performance management system led by dedicated leaders. It is also imperative for us to avoid meddling with the intangible and important part of the organisation.

Transparency requires freedom of information (including an act) and ensures that citizen can acquire information about how the government makes decisions, conducts business and spends public money that can also promote good governance. Effective oversight requires open flow of information and effective check and balance by which different institutions check and hold one another accountable.

Democracy and good governance can also build social capital in the form of networks and associations that draw people together in relations of trust, reciprocity, voluntarism and cooperation for common objectives. The deeper the

country's reserve of social capital, the more these will be based on horizontal relations of equality and the more vigorous coordination and commitment for public good. Governance can only be good when it is restrained by law, when the constitutional laws are widely known, when the law is applied equally to the mighty and the meek.

To conclude, the promotion of good governance goes beyond the government sector and includes all relevant sectors from the private sector and society with effective communications and greater partnership between them. Democracy and good governance are, therefore, two of a kind in the sense that they help to strengthen each other in any given political system. Democracy can effectively lay the foundation of good governance, which is key to sustainable development in the country and we must make every effort to ensure that our democracy is a path to good governance.

Thank you for your attention.

### Kinzang Wangdi, PDP Bartsham-Shongphu Constituency Candidate

I must also thank BCMD for providing this forum to interact with the gathering here and with the panelists from other parties. I have been quite faithful to the theme that was provided: "Democracy: a Path to Good Governance". What I will try to impress by my delivery is to say that it is not the institutions, the systems that is important in delivering good governance but the person behind it and the intention that delivers good governance. And I will basically be making references to our own developmental democracy over the last 10 years or 60, 70 years. Democracy has been quite a popular system of governance since ancient times and dating back as far as 5th Century BC. But world history and recent developments now tell us that democracy probably is not the best form of government.

It is the political parties and the leaders as the gatekeepers of democracy who make a



difference in providing good governance. Recently now we know that the biggest and the oldest democracy, the United States of America, has been downgraded in the democracy index from full democracy to a flawed democracy. And recently if you look in the news, democracy is not doing too well. Having said that I think Bhutan, prior to 2008, was an absolute monarchy but we had our visionary kings. And the kings who had been empowered with all the powers by the people of Bhutan since 1907 yet choose deliberately to embark on the principles of democracy and good governance was one of their prime aims.

To put my case in point His Majesty Jigme Dorji Wangchuck, the Third Druk Gyalpo established the National Assembly in 1953 to provide a forum and voice for the people and also to inculcate political consciousness among the people so that they can participate in what's happening in governance. To induct liberal principles in the system a clause was also promulgated in the procedures of the National Assembly then whereby a vote of no confidence to the king himself and also he had withdrawn veto power in the assembly which he voluntarily surrendered.

This was followed closely by the father of democracy, His Majesty The King Jigme Singye Wangchuck by refining good governance all the while nurturing a vision towards democracy. He instituted the DYT (Dzongkhag Yargye Tshogdu) in 1981 and GYT (Gewog Yargye Tshogchung) in 1991 to empower the local government through decentralisation to allow decision-making process right down to the grassroots level. This has led to rich dividends for Local Government leaders now where they identify what they need for the community and they can plan better.

Then in 1998 the National Assembly was empowered to elect cabinet ministers thus devolving the power of the king. And finally our drafting committee was set up to draft a written Constitution of Bhutan in 2001 while instituting requisite constitutional offices to provide the required democratic checks and balances. The nurturing of democracy by our successive kings finally culminated in the successful conduct of the first parliamentary elections in 2008 and the enormous task of ensuring successful growth of the nascent democracy fell upon His Majesty Jigme Khesar Namgyel Wangchuck.

10 years and three parliamentary elections later we have reasons to be proud for the success in democracy and thank His Majesty The King for his selfless service to the nation and being the driving force in strengthening democracy that we cherish today. In the golden words of His Majesty The King, the security, tranquillity and happiness of the Bhutanese people has been achieved through hard work and sacrifices of our forefathers and the selfless leadership of successive kings since Gongsar Ugyen Wangchuck, the First King of Bhutan who has shown that there are no other duties for a king than to serve the people.

Democracy as I see it now has been strongly rooted. People have faith and trust in democracy. The voter turnout in the recent third parliamentary election was 71.4 percent. The economic intelligence of unit has upgraded the democracy index

ranking from 94, five notches up from 99 which was procured last year by the foreign Minister. However like all good things democracy has come at a cost. I do not want to sound too bleak but if we have to do all part in fulfilling the visions and aspirations of His Majesty The King in strengthening democracy we need to know and share what plagues our democracy. It is not too late and something that is doable if we as citizens, if we as political parties put our hearts together.

So, what are the challenges? Traditionally we Bhutanese are a very close society. We love our families, we respect our elders, we respect our parents, and we respect our fellow citizens. But in the name of democracy, this may have been diminishing and we may have been fracturing the social fabric, which is one of the pillars of GNH. The consequences of which in the long-run could be devastating to the unity and the stability of the nation. As two of the previous speakers mentioned, the society is now divided along party line, along the ethnicity, along social standings, but most visibly along the party line. We are a small country where we cannot afford to break apart. I think we have always been together and as a landlocked country I think the unity and not withstanding diversity, nourishing the unity and the stability of the nation is seen to be very important.

With democracy there has also been very unrestrictive media voices especially in the social media under false names. A lot of character assassination, defamation is going around. I think this is not Bhutanese. Some of the writings on the social media I find very pertinent, very true and very productive but yet people feel the need to hide behind false names and speak this. I think as a Bhutanese, if you love your country it is desirable that we come in front as Dasho Neten said last year, 'remove your mask and then have your say'. There are a lot of hate speeches. There is misuse of mass interest to score a political point. There is a demand of the electorate, which is not scientifically proven or economically viable. Yet politicians tend to make these pledges.

Most of all I think today if you look at citizens, the loyalty is aligned to your party and, as Sonam Tobgay mentioned, do people still maintain camps? I think yes. This would be detrimental to our nation, to our security, and to our sovereignty. What we need to do, my request for the other political parties is that we put our heads together and that we do not have our alignment and loyalty to any party. I think once the elections are over, let us have our loyalty aligned to "One Nation One People" under the wise and visionary benevolent king.

Thank you very much.





# Q&A Session



**Question:** Many people didn't raise their hands when one of the speakers asked if they trusted the political parties, does it indicate that people do not trust the parties? I have heard through some sources that some political parties are being funded by wealthy individuals, so would be nice if you could clarify whether funding from such sources are allowed?

**Sonam Tobgay:** When I asked the question to the audience, all looked to their left and right and very few raised their hands. However, I didn't ask the question because I expected everyone to raise their hand. As a democratic nation, our national priority should be or if we have to achieve the goals of GNH, there should be trust between the government and its people. If there is no trust between them, we cannot achieve anything. It's not just between the government and its people, among public there should be trust, among the political parties, and to work together towards a common goal is very important.

To answer your last question, democracy comes along with elections. During the elections, there are so many manifestos and campaigns conducted and during such campaigns I am sure none of the speakers will disagree about the huge expenditures involved. And as I have stated earlier constitutional bodies like Election Commission of Bhutan, Anti-Corruption Commission, RBP, etc, all work according to the laws to conduct a fair and a transparent election. For example, if there is a conduct of corruption in the form of bribery, there is no way such an act could go unnoticed in a fair democratic country because our nation is small with less population, and our public is innocent and illiterate. I see with the help of education the future of our democracy will only give a way to good governance.

**Lily Wangchuk:** Just to add on the relation to trust. I believe there are two things to that. One is maybe because of one or two bad examples there is a generalisation that all our aspiring politicians are the same. There is a tendency to generalise. Two, is I think worldwide there is always this negative perception of politics and politicians. So as a result all of us whether be aspiring politicians or your elected leaders I think there is this very wrong and negative perception that we are all there to serve our own interest. And I think this is a really wrong and misconstrued, a negative perception because the fact is, we never wanted democracy, the democracy has been gifted to us and most of us in politics, I think, we are all there responding to the call of the nation. It is time for us to give back to the society. We are what we are because of the nation and its time to give back and I think we are all there for a bigger cause in ourselves but unfortunately there is this huge conflict of mistrust in aspiring politicians. And I think you need to trust us, the aspiring politicians, the political parties, the elected leaders better and engage more with us to be able to serve you better.

**Question 2:** Each political party have their own principles, vision and mission, and also ideologies. Do the political parties practice these ideologies only during the campaign or do they even practice this after elections even if not elected and

beyond? Because after elections we feel that the non- elected parties do not play any active role after that.

**Kinzang Wangdi:** To be frank, my own party, PDP we have practiced equity very well during the last five years of governing. And everyone has observed that, we have improved the status of Local Government. But now because we are not elected, we can only give suggestions or as advise to the current government. Otherwise our ideologies do not have any space. It never happens that a political party boycotts their ideologies if they don't get elected. If we just discontinue with a party because we lost an election and come up with a new party after five years because election is near, then that's the end of democracy. That's why the ideologies and vision should be followed or rather I would say we follow whether we are ruling or opposition and as long as the political party exists.

**Lily Wangchuk:** You stated as ideologies and from my opinion ideologies and mission are two different things. Ideologies if I explain, for example, any challenges faced by a political party and the means and ways to tackle that challenge would be an ideology. And in Bhutan, different political parties have many different ideologies. So I cannot say definitely that this party's ideology is this or that.

If we talk about the mission of a party, then every political party has their own. For example, Phuensum Tshogpa has their mission as equality. Nyamrup's mission is also almost similar. You all know that DPT's mission is not just only about equality but also concerns national interests, listening to people's needs and concern. We have been practicing this since the party's existence, we still do and we hope to do better in the future. We conduct party meetings, we also make a point to raise people's issues in the Parliament and we will continue to serve in the same way.

**Dil Maya Rai:** Your question about if we political parties implement their respective ideologies only during the campaign or do we also stick to them even after getting elected. I really think that we have to live by our ideology and then you know objective aim and vision. So Nyamrup Tshogpa we had our ideology or whatever you call as "Narrowing the Gap" and even after being elected as the government all our efforts are geared towards it. In fact even while implementing the 12th Five-Year Plan objectives we try to align with our vision, with our "Narrowing the Gap" ideology.

We have already started with the class 10 cut off point. We have lifted it up to class 12. Children can study on state expenses. So that is one effort we have already implemented. So many things down the line, for example, maternal allowance. Also we are trying our best to give employment to those households who just do not have anyone employed. All our efforts will be geared towards narrowing the gap and even other parties for that matter who are not elected they should I think uphold their ideologies and their objectives and work towards it.

**Sonam Tobgay:** For Kuen-Nyam the broad ideal is the means are equally important while achieving a successful end. So we will not win by hook or by crook. We may appear like fools in the game of politics but in the long-run in terms of sustainability, in terms of the robustness, the vibrancy of democracy we have to inculcate as GNH citizens, means should equally justify a successful end.

If you want to attain enlightenment, you must work for it. And for that following the right path is important. Just like that any political parties or any ruling government, to work with a mission is very essential. In 2008, DPT governed with the mission equality and justice and everyone is aware how successful and what challenges they faced. Likewise in 2013, PDP governed with equity as their mission and that too everyone knows how many challenges, and how much success, trust, and faith people had.

We Kuen-Nyam also have our own mission. Along with the mission, it is important the people are aware of culture, tradition, rules and laws, responsibilities and duties, plans, and policies. Until now, Kuen-Nyam never had the opportunity to govern but if we do get the chance to govern, our mission, while keeping the means as important in achieving a successful end, one of our core business is to minimise corruption. In the present day, we as a whole, I think has not been able to confront corruption. We couldn't prove that during the election results. And as I theorise I feel like people have a problem with corruption. In future, let's not have regrets. We have live examples, in Africa, neighbouring countries. We have big elections in India right now, BJP and Congress. We all need to reflect properly. Thank you.

**Question 3:** During the recent elections, we were not informed and could not stay updated about the elections because the news were delivered verbally and there was no one to interpret it for deaf people like me. I could not understand the manifestoes of the four political parties. People with normal vision and hearing could understand what was being broadcasted on BBS but for people living with deafness and hearing impairment like us, we couldn't understand. So my question is, in the future, what measures are you going to take so that people like us are not left behind?

**Dil Maya Rai:** We all know that our country is a UN member and we have adopted SDGs (Sustainable Development Goals) since the last government. Since 2015 we have been implementing, aligning SDGs with our national key result areas of our Five-Year Plans. So being a member and party to SDGs, our NKR is closely aligned with the SDGs with the theme, 'leaving no one behind'. We will definitely make our policy inclusive and definitely will look into this and we may not have started working on it with concerted effort straight away but we will not leave this behind. And 12th Five-Year Plan is supposed to be implementing 16 SDGs that have been aligned with our NKRs so definitely no one will be left behind.

**Sonam Tobgay:** I am proud that an interpreter for the people living with deafness and hearing impairment is being provided here and I also appreciate you all for



taking interests and participating in such political forums and democracy. You have our support. Even our government through the developmental support from the United Nations has been putting in place the culture and policy to support the differently-abled. And I also have faith in our present government that they will also provide necessary support without a doubt. And I wish you best in all your endeavors.

**Lily Wangchuk:** It is said that some three percent of our population are disabled which is actually a huge percentage for a country that is on the path with GNH as a development goal. It is also a known fact that we are actually not a very disabled friendly country in terms of our policies, access, needs and responses. And I think one of the reasons for that is maybe there is a lack of space and platform. Whether its political parties or leaders we have not probably had an opportunity to have this platform where we could have this exchange of concerns and challenges faced by a disabled population.

As far as DPT is concerned, in our manifesto we had put in a lot of policies and programmes for addressing the needs and challenges of our disabled population that I think is key. It is also heartening to know that DNT also has plans of addressing your challenges and needs. And we are hopeful that we can work closely together with the government to address the needs, concerns and challenges of our disabled population. I would also encourage people like yourself to be an effective voice for the disabled population and to interact with the leaders, interact with the government and make your voices and concerns known. I am sure if it were known, the government would be responsive to your needs and challenges.

**Kinzang Wangdi:** Three percent of the total population is very huge in our context and it is very important that we provide our support towards them. When PDP was the ruling government, we brought up a discussion with one of the NGOs, before the end of its term, about coming up with plans and policies for the differently-abled people and we have even included these policies in our pledges and manifestos. Not just differently-abled people but also how to support the youths dealing with substance abuse and people with all special needs. And to know that the present government having included such policies and supports towards them is a great initiative and we all should support it.

**Question 4:** Is our country moving towards good governance and are we following democracy properly or not?

**Dil Maya Rai:** I think we are. We already are because we have already done the elections and our voters, with each time they are becoming more and more educated and aware about the whole process. Even the turnout is improving with elections so that shows that we are on the right track in following the democratic principles in that matter. Good governance, yes it requires all of our efforts not just the elected members but also the citizens' because it has to be a two-way effort. And to hold the elected members accountable, and the government accountable is the citizens'

responsibility. So that way we can really move towards good governance but with each individual's effort we will be there and I guess we are already heading towards it.

**Sonam Tobgay:** I think we are on the right track in terms of good governance but the larger question is, is it enough? Should we continue to be complacent? Can we do better? Can we excuse ourselves from saying we have done well in the past comparing with neighbours in the regions or comparing with the LDC fellow countries? Small as we are, 700,000 and landlocked, I see big opportunities if we get ourselves together, if we restore public trust and public confidence in our institutions, in our politicians.

**Lily Wangchuk:** I would say yes we are on track but at the same time given some flaws associated with democracy I think we are also making some mistakes. And we are conveniently overlooking some of the mistakes because I think there is this assumption that countries have taken 100 years to have a matured democracy.

We are only a young democracy and we also have to go through the process and make some mistakes, learn, and rectify but I believe as a small country we cannot afford to make mistakes. A small country, a small population and yes the advanced democracies may have taken 100 years to realise their mistakes. Maybe everything is addressed now but then we have the luxury of not making any mistakes. We have the luxury of learning from the good practices of more successful democracies. We have ample opportunity of not replicating of what has not worked and thereby it is very important that we have dialogues such as this where we openly discuss challenges in every frank manner. The flaws related to democracy and find solutions in addressing a way forward. So we can work towards His Majesty's vision for this country and making this a model democracy for the world.

One of the challenges we have been going through in the last few elections is the polarisation and fragmentation of our society along the party lines. And the fact is parties do take advantage of the situation and if we don't address this now and if our society is further divided. 10-20 years down the line it's going to be really difficult to rectify. Our monarchs have taken 100 years to achieve the strong sense of unity and solidarity we share today. And with 10 years of democracy we have literally divided our society and if you don't do something about this now, I think 10 years down the line it's going to be even more difficult for us, our own security and sovereignty maybe at stake. So I believe that it's really time that we take stock of things. We are on track but not everything is perfect. There is a lot more that we can do to promote and shape Bhutan into a model democracy.

**Kinzang Wangdi:** I think we have the good fortune of having His Majesty The King and the people constantly reminding the politicians if they go wrong. So because of that as of now I think democracy is fairly on track, is going good. But having said that I think we are not free from risks of going astray, going wrong because the world over if we look at democracies they start off well but once they



get that power, you know, it goes to the head and there is a possibility of going wrong. So that's where you and I as citizens we have to make sure that this doesn't happen. And democracy as perceived to be unique for the Bhutanese context has to go on. We have to be custodians for that.

**Dil Maya Rai:** Just a humble reaction to Aum Lily's comment on the party line division and the society being fragmented. I think because this is democracy, because there are parties to choose our electors have no option but to choose one of them. And in choosing one of them, I don't think that's party line affiliation or society fragmentation. But after the whole process is over I do not see much fragmentation. Calls come, supports are asked by people from all the parties for help. I mean I don't think they are only our supporters, I am sure they are from across all the parties. And even as we go as MPs to our respective constituencies, we don't talk as DNT candidate anymore. We talk as the Member of Parliament for the whole country and the whole society. So I do not see the fragmentation as perceived.

## Conclusion

**Sonam Tobgay:** Now as a summary of this morning's sessions, I would like to give due respect to Member of Parliament's pertinent questions, the three questions he raised. I would not make it explicit. But I think to satisfy your concerns and my concern and most of our concerns here in terms of addressing interest groups, in terms of geopolitics, in terms of partners in parliament and there could be many more in the future, horsetrading, as someone was saying, so on and so forth. Therefore not that it would work perfectly, my suggestion this morning is all of us should take politics sincerely and seriously.

We cannot embrace politics as a last resort or I'm going to superannuate in two years time. I would jump in. I will want to join the party once I retire. You cannot take a shot in politics. It is proven, it is self-serving. You have to make a sacrifice. I know, I understand, it has incredible risks. It's my 11th year in politics and has given nothing but that's fine because I have a cause, we all have a cause, we have a belief so therefore we have to engage in politics with strong beliefs, deep values and with that inflamed passion. If you work then only we can address many of these issues in the future. Thank you.

**Dil Maya Rai:** Going back to the theme "Democracy: a Path to Good Governance" in the closing what I would like to say is as much as parties, members and candidates are working hard to make efforts towards our good governance, voters and electors should also come together. I mean to giving voter education and giving them good access to all the awareness of how a responsible voter should be and not expect the elected members only to run their personal errands or do personal favours but rather expect the elected members to do good to the country as a whole. I was also a citizen, a voter in the past 10 years before I was elected. I did not

expect my elected members to do any personal favours for me because that will be asking too much. But that has become the trend, and that awareness and education responsibility lies on election commission as well as all of us to put institutions in place to educate our voters as citizens. That way only we can really move towards good governance.

**Lily Wangchuk:** Our topmost national priority is Gross National Happiness and the fact that it has attracted a lot of international attention. I think there is even lot more pressure on us to make GNH work in our country. And democracy is a means to that end and that again puts us, leads us with more responsibility to make our democracy work. I think as I shared earlier while we are very much on track there are some flaws associated with democracies, some mistakes we are making along the way. And I think what could really strengthen our democracy is probably having more dialogues, public forums together to identify challenges to address some of the flaws, some of the mistakes and targeting a model democracy.

I think this is really key. We as a small nation we cannot afford to make mistakes and it's important that, in a very frank manner, we address a lot of these issues. Also in the past I have had the privilege of participating in many forums like this but we talked and little is documented and taken forward. And I think it will also be useful that any dialogue or conclusion that's drawn from such forum. You know, we should look at taking that further and if there are any good ideas look at possibility of implementing as well.

I think it is also important that we encourage more public discourse. I am sure the society must be engaging with the parliamentarians but I think there is a very little interaction with the political parties. And it's the party that is probably going to be addressing a lot of our concerns whether be it party policies or programmes or being your voice or pushing that to the Members of the Parliament. There is a lot we can do. During elections there are lot of restrictions in the sense that parties don't get to interact with except for the private sector and the rural population. We don't get the opportunity to interact with the educated lot. And I see there is a lot of scope and opportunity for the educated, the think tanks, the CSOs, you know, the people of all walks of life to have more interaction in between elections so that parties would be able to understand the needs and concerns of all sections of the society and be able to address them effectively.

I think on this fragmentation there is a bit of a wrong perception amongst ourselves but when I talk about fragmentation a lot of damages happen during the election with lot of negative campaigns. And I think I agree a lot of that is done by the party workers but I think once you become affiliated with a party, you are permanently stuck with that label and then there is so much mistrust, you know, this person is with DPT, that is DNT so on and so forth.

Not enough has been done over the last 10 years by the two parties that have been in power. And there is a lot of opportunity for the current government to address a





lot of challenges we have had in terms of polarisation and fragmentation in healing the wounds. There is a lot we can do and I think it's also important for us to be able to embrace our democracy with a greater sense of unity and solidarity.

**Kinzang Wangdi:** I would just like to reiterate that democracy and politics go together and politics is basically about human behaviour. So the success of democracy will be dependent on what human behaviour does. Two things I would like to say in terms of the constraints, the thing that we need to address. One is I think we see a lot of frustrations on social media and this is basically about the fundamental rights of the citizens but we never talk about our fundamental duties. I think there has to be a marriage point somewhere, you know, where fundamental duties and fundamental rights is balanced. I think we cannot just cry about and demand fundamental rights without putting your share of fulfilling fundamental duties.

The other thing I think Sonam Tobgay mentioned in his deliberation was the involvement of civil servants in politics. I think they are labelled as 'apolitical' but I don't know what that 'apolitical' means and they are even barred from attending political meetings in common forums. So my suggestion to ECB would be, in the next election, perhaps allow the Local Government officials and civil servants to attend the political common forums at least because I think just for attending I don't think they are going to be political. If they were political, they will be political any way. I mean like Sonam Tobgay said some might be more political than the politicians. So if we can invite some of them at least they know what the parties are talking about? What their ideas are? What their plans are? So this is what I want to impress. This basically has to do with our own human behaviour and that people are more important than the system.

## Panel II

### Moderator Sonam Wangmo, Royal University of Bhutan

Now from the 2nd Panel we have a diverse group of people. As the organising team what we had actually said was, we hear from the political parties, but what about the citizens? In the 2nd Panel we have a diverse set of people, a scholar, politician, parliamentarian, gup (block headman) and a journalist, la.

The first panelist Kencho Pelzom works as the International Relations Manager at the Royal Thimphu College and before that the two of us worked together in Sherubtse College where she taught political science, la.

### Kencho Pelzom, International Relations Manager, Royal Thimphu College

I am not going to define but look at good governance and democracy from one particular angle that is inclusive participation and under the umbrella of inclusive participation as everybody knows that inclusive participation is very important in achieving democracy and good governance at all levels. So under inclusive participation, particularly focusing on Bhutan, I want to look at the 'apolitical' status of civil servants, women's representation in Bhutan with a little bit of stats and youth participations in politics in Bhutan.

So the 'apolitical' status of civil servants, CSOs, and bureaucrats if we/I actually did a little bit of research online to see what 'apolitical' is and went through all the ECB's press releases and on their acts on what 'apolitical' means. I couldn't find any definitions but they did mention that civil servants, bureaucrats and public servants have to be apolitical. And I find that very interesting and in this theme of good governance and inclusive participation we leave a lot of people behind. In the earlier panel, a few panelists also discussed about many definitions to being 'apolitical'.



I found that quite interesting at a personal level because I am a political science tutor myself who has worked in civil service before. According to our constitution only people with undergrad degrees can participate in and stand for elections. So that accounts to somewhere around 11.8 percent and that is interesting in a sense because then, we want graduates who are educated to participate and be politicians, but we want our educated lot to stay away and be 'apolitical'. That's a big contradiction I see... because according to 'Civil Service Report in 2015', there were some 26,611 civil servants with the annual growth of 1.1 percent that would make around 27,000. And if you would look at our voter registration today in the last elections some 438,000. So if you look at that our voter percentage for civil servants is around 6.6 percent.

The Royal University of Bhutan (RUB) has some 10,000 students and some 1,000 faculty and staff altogether. That accounts for around 2.6 percent voters who are 'apolitical' as well. So what does this mean to our democracy because if we cannot participate and be actively engaged in forums and in debates, what are we supposed to do? Are we supposed to just watch and read and make our assumptions from there?

Somebody also mentioned in the morning panel that 'apolitical' means people going online and writing whatever they like. I also feel that sometimes this 'apolitical' status puts this burden on civil servants not talk about politics -- to shy away from politics and this somehow gives this leeway and room to manipulate and write online. I could be, maybe putting two things altogether wrong but it is possible. If you look from this perspective, because if you do not want to engage the educated lot in decisions and discussions -- how else will they participate than on social media? This I see as a big issue. I don't want to talk about how we have been achieving good governance and democracy because it's already been done. But I observed this as something of a major issue for democracy and good governance in Bhutan.

We need to actively engage because being from subjects to citizens, it requires practice. To be a democratically informed citizen requires practice. That means not only voting, but debating about issues, informed debate. And from my teaching experience I know that most Bhutanese generally, we make a lot of opinions, we don't read reports. So if we want to engage people in meaningful debates we need to redefine what this apolitical is or at least define for ourselves, what apolitical means for people who are involved. That's one.

The second one is on women's representation in Bhutan. We are saying that we will achieve SDGs according to the plans of 2013 which would mean 50/50 representation in the parliament. Where we are at is some 15 percent right now and 11 women representation are in the parliament, four in the National Council and 7 in the National Assembly. I am not sure how far we will go with this percentage if you look at it from the first elections we had 8, then we had 7 and 6 and again 11. There is no guarantee that we are going to increase (women in parliament).

And this is interesting because PDP pledged in their last government that they would have at least 20-30 women but in 2015 they came out with the report involving other stakeholders that maybe we don't want to reserve a quota (for women in parliament). Now I see this not only as a woman but also as political science person. It is very important and there is so much emphasis given on why there has to be equal representation and when we say this there are only 11 women representing Bhutanese women who makes up to according to our population statistics almost 47 percent, it is quite bizarre from a statistical perspective.

Also if we also look at our global gender gap index, our rank is 122 out of 149. And in the measurement indicator in the political presentation we are sixth out of seven South Asian countries. So this is something we really need to think about. I know that most people say we have equal (representation) and we tend to say that we are better than South Asian countries but my question is why do we want to compare ourselves with South Asian countries when we are a GNH country? Why can't we look it at differently?

Why do we shy away from this? That's something that I thought was interesting and also again because the current government's pledge is narrowing the gap. I wanted to look at how we define equality in Bhutanese society. Is it a meritocracy? Is it competing and going beyond and leaving our women behind? Where is the GNH value there? Is it equality of opportunity that we are aiming for or the equality of outcome we are looking at? I think there needs to be a little bit of discussions and debates on that because quite often whenever we talk about equality there is not enough emphasis on quality of opportunity versus equality of outcome. What are the differences and what do we want to achieve as a GNH nation?

The third one is the youth. As we know 45 percent of our youth population is 24 and under. According to the ECB democracy club there are 205 and some 7,190 students and I know there were lots of issues raised about whether the students should participate in politics. I am not saying that we should engage directly but I think if you want informed citizens, leaders who are better than now for the future, we need to make them realise what is civic engagement, teach them what is civic engagement and as I said practice is very important and that has to start at schools.

I am not saying that we should have students politically aligned to political parties but there must be other ways of making our students more engaged and active. How do we do that? That is something that I thought would be very interesting. There was a club in Sherubtse College, it was called the STARS: Sherubtse Thinkers And Rationale Society. It was initially started with a political science initiative and it actually ran a signature campaign to change the FINA Forum for the national and international student body. We did the signature campaign in 2009 and in 2018 they elected a female president. So if that is possible there I think it is possible at national level.







### Tashi Wangmo, Eminent Member, National Council

Just about a month and a half ago, the parliament of Bhutan launched a report 'National Human Development' report in the context of 10 years of democracy in Bhutan. And that was jointly prepared with UNDP and over there we have taken stock of things in the last ten years. How far we have come? In terms of human development index trends, we have improved from 0.566 in 2010 to 0.612 in 2017 and among the South Asian countries, there are eight members we are on the 4th position.

In terms of poverty level, everybody knows we have improved a lot. We have decreased the national poverty levels from 23.2 percent in 2007 to 8.2 percent in 2017.

And likewise overall unemployment rate has also reduced from 3.7 percent in 2007 to 2.4 percent in 2017. And these are only explorative indicators. But if we look at the GNH survey 2015 that was conducted by the Centre for Bhutan Studies and GNHC, the GNH index overall has improved from 0.743 in 2010 to 0.756 in 2015. So Bhutanese, are a little happier.

So all these statistics are some indication of whether our democracy has worked in the past ten years or not. I would say we are fairly on track. Nonetheless after listening to the earlier panel, the speakers and the questions that were thrown by our audience here, we are far from being perfect. And then We need to be bold enough to recognise these challenges, the issues, and the risks. For every problem there is always a solution. But then solutions we need to identify who else the responsibility lies with whom?

In the morning I think the dialogue was going more so. In terms of making democracy work, the responsibility lies solely on the political parties or the politicians. Maybe that was not the intention but somehow it was giving that kind of impression. So I would like to bring those other actors to the forefront. While politicians or political parties or Members of Parliament or parliament may be in the front line of democracy or maybe they are the face of democracy but then there are so many other actors behind the scene and we need to bring their roles and responsibility to the fore. Those institutions I would like to point out here is, one definitely is bureaucracy in the form of civil service or whatever.

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The other one is media. On civil society and the local government for example. I think we are missing out a very important component of our governance, local government and constitutional bodies and judiciary. There are so many actors who can actually collectively you know work towards making our democracy a success. I was happy the first speaker Sonam Tobgay brought up that trust deficit in democracy. I would like to point out here that all these actors also have a role to play in restoring that trust.

One thing I would like to share is, the role of media here. I'm sure here Ugyen (other panelist) later on will also have his side of the story but the whole purpose of such a forum is so that we hear out each other and come to a common understanding by listening to each other's reasoning and justification and then also at the same time keeping a space within ourselves.

The media, I look at from both angles. One is in Parliament for example, the kind of job that I do, we use media very seriously in the sense that what is being reported in the media it actually triggers a lot of things in us also. Now what issues do we need to look at? There are many sources that we use to really understand what problems that are faced in the society about it. So therefore it is very important that media also take on that responsibility.

The other side of media is that it has also projected members of parliament or politicians as some sort of like hyped-up you know, it's always anything to do with Parliament or a politician is bad, bad, bad. I am just speaking out my mind here. When you do more and more of this sort, we probably don't realise it now. There are so many good things happening in politics or parliament but a lot of the times, it is sensational news where it's something bad, it's something that you can thrash the Members of Parliament or politician or whatever. But the long-term implications it will have on the rest of the population is especially our youth who are growing up reading all negativity about the politics or the Parliament or whatever, and more and more you are fed up with this kind of negative feeds automatically you have no choice but to believe in them.

So it's here where objective reporting would really be necessary from the media side. No matter what kind of policies or legislative framework that the politicians or Members of Parliament come up with but ultimately we have to use the bureaucratic tools and mechanisms to enforce them and within that bureaucracy, do we have again those who really know how to implement seriously or whatever is being envisaged, is it being translated into the right content?

Then civil society definitely what the government can not reach out, they (civil society) can fill up the gaps. Ultimately everybody's working towards the betterment of the society and taking the nation forward. Definitely I would like to congratulate in fact what civil society here is doing. Civil society is doing a wonderful job particularly in the context of, in recent times, recently good governance committee in the National Council. We have been carrying out a review



of alcohol abuse situation in the country and I was so touched that our civil society how they have actively taken their role to address this in their own little ways by reaching out to the grassroots.

And Local Government definitely is the direct interface between the people, citizens and the central government. Whatever decisions are being taken in the Parliament ultimately through bureaucracy and then Local Government must reach out to the grassroots. So by looking at all of this and then of course not to forget judiciary and constitutional offices which has a separate mandate enshrined in the Constitution. All these actors must come together with a common goal of enhancing or maximising GNH for our country or for our society. So if we have one vision and you internalise it and you put into practice in everyday life, every activity single moment that you live with, there is nothing that we cannot achieve. All we need to really be aware of is the responsibility that each one of bears. Thank you.

### Ugyen Tenzin, Nubi Gup, Trongsa Dzongkhag

A very good morning to everyone who is present here today. I am really thankful for the opportunity provided by BCMD and Royal University of Bhutan to talk about “Democracy: a Path to Good Governance”. The way to “Democracy: a Path of Good Governance” has been discussed thoroughly by the first panelists representing political parties and I won’t be talking about it much as they already gave a lot of information.

In my case, I don’t have enough educational background. But the government has assigned me to work with people in local communities and I am going to talk about how government works with the local communities. It has been 35 years working in my profession, without changing my position I have served in the same organisation. During the time from 90’s in the difficult times I have been a Drungpa in Phuentsholing and Doroka. I served most of my service in Gelephu, Tsirang, and Samdrup Jongkhar. Those who know me will know that during those times we didn’t have a degree but after the ICSE examination in 1975, after my class 10 I have been placed in this profession based on our merits.

### Ugyen Penjor, Managing Editor, Kuensel

So a long time ago, in 2001 when I joined Kuensel (newspaper) soon after my graduation from Sherubtse college, my mother was very happy. As the eldest son getting a job means a lot of things but she never really understood my job and I never bothered to explain. Working in Kuensel was different. Every night I go home late. After some time she got used to it, so when I go home at 9 PM she thinks I’m home early. But one time she asked me if I’m paid extra or if I was really working. Then I tried to explain my job to her and then she listened to it. “In other words you are a “phungzay”. Phungzay in dzongkha roughly translates to someone like a troublemaker”.

So I joined Kuensel as a reporter but my mother thought I was the “Phungzay”. Why should you tell people that an officer has embezzled money, or there is no drinking water here, or there are potholes on the road? Why would you tell that? With that job she thought that I am going to get into trouble and then she wanted me to become a teacher, a noble profession. But today, this is my 18th year in Kuensel, with a two year break from journalism, today my mom is my best source of new stories. Every now and then she will say why didn’t you write about this? Why didn’t you write about that? And sometimes she would also say, why don’t you put this in Kuensel?

So I wrote this personal story to link it to our theme today, “Democracy: a Path to Good Governance”. I was doing some reading last night and I came across something very interesting which I would want to share. I was going through the Constitution actually and in article 2 on the executive states that the government shall protect and strengthen the sovereignty of the kingdom, provide good governance, ensure peace, security, well-being and happiness of the people. So that provision actually defines the overall responsibility of the government.

And in the words of former Chief Justice Lyonpo Sonam Tobgay who did an analysis on the Constitution, is the chairperson of the Constitution drafting committee. Actually this is a very good book which I recommend everybody to read. So in his interpretations, he says that this provision the executive envisages a dynamic government for the responsibilities mentioned above, for maintaining peace well-being of the people. So drawing from this interpretation, I want to put it like this, good governance is the basis to ensure that all other responsibilities are fulfilled because there will be no happiness or well-being without good governance as there will be no peace or security without good governance.





I will not give you examples but if you look around every day as soon as you put on the TV in the morning we see a lot of news, unfortunately not good news. You see examples of how democracies are failing or in crisis because of a lack of good governance. The examples are plenty from South Asia to Africa and America. It's all over the world. And then actually it is the constitutional duty of the government to provide good governance. It is in all the Constitutions but the difference is not implementing it or not living up to the values enshrined in the Constitution.

In our Constitution, good governance is emphasised a lot. In article 15 on the political parties it says that political parties shall ensure that national interest prevail over all other interests and for this purpose shall provide choices based on the values and aspirations of people for responsible and good governance. So personal interest over national interest I think that is the root cause for suffering and conflict. And in Buddhism the usage of "Nga" I don't know how to put it in English but the message is that you should transcend the personal, 'I'. So in political terms if we can, if the I overshadows We, then we are in big trouble and then it undermines the responsibilities enshrined in the Constitution.

Coming to media, the role of media was recognised long before democracy came in and the immediate thing that we can relate to is the liberalising of media in 2006, two years before Democracy was formally introduced. So from just one paper in 2006, there were three in just about 2 years. Today we are about a dozen newspapers. I'm sure some of you must be thinking 'Yeah but what are you doing?' There are expectation especially now with the audience or the readers becoming very demanding. They are becoming sophisticated. They are not interested in bridge inauguration stories. They are not interested in potholes, I mean in training of trainers stories. They want hard news. They want investigations. They want exposes. There is pressure from the public and then every time something happens the first question is where is the media?

However I think, as a senior in the industry, at least in terms of years, I should give some credit to my colleagues in the media. I think we are playing our role. We are questioning the government on their policies, on their decisions, through our articles, through editorials, we have challenged government decisions. We have provided suggestions. The most important thing is that we have provided that platform for the people. I'm happy to say that today a lot of people come to the media. Today we see, every now and then, a lot of people in our corridors with issues they think that the newspapers or the media can bring in, highlight and give them the space and the voice.

There are challenges for many reasons or the media maybe not living up to the expectations, the expectations are really high but I believe our responsibilities first is to the citizens and then we can fulfill their responsibilities by reporting but I think our first responsibility is reporting. We report on ACC findings. We report on Royal Audit Authority finding, even if we cannot do our own investigations or

exposes and then when we put this to the public forum. I think there are a lot of questions asked on decision-making.

We had examples recently about the hospitality and the entertainment budget. So at the same time I would also like to say that the media is becoming bolder and if not more responsible as Dasho Tashi pointed out. There is hope among the people. Our readers are now demanding more. In the context of today's theme I would like to borrow a word from our former Chief Editor Dasho Kinley who is here. He believed that democracy is not our goal, our goal is good governance, to serve the people and I think the media will play an important role in this.

Back to my mother, I have made enemies, I have lost friends but I'm happy that at least there are people who trust the role of media and then they come to the media. So on this note I would like to end. Thank you.



# Q&A Session



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**Question:** What is your advice to the students to help promote and understand the importance of good governance?

**Tashi Wangmo:** What is advice to students like you? It will be very difficult for me to give advice as such, but again I want to re-emphasise on the points that I have actually have been alluding to in my 10minute statement. The roles of each of those institutions and then who runs those institutions? Who are the building blocks to those intuitions? Individuals. Be it in the form of bureaucrats or private individuals or students for that matter, so it ultimately boils down to individuals. How seriously you want to take on that responsibility of making a system work and when it comes to you as a student I think the message from His Majesty the King in the recent convocation was very clear.

His Majesty is looking for in every individual: professionalism, hard work, trustworthiness. And these three things you can, as a student, instill in yourself. When you grow up believing in these, practicing, internalising, living with it, definitely there is no way, you can go wrong. So I just want to re-emphasise on the characteristics of each individual. Then coming to youth although it was just your just general comment, how do you engage youth in politics? I don't know, my understanding of engaging in politics is not necessarily by being or joining as a candidate. But there are various ways of actually staying engaged. Of course, 50 percent of youth that you have talked about cannot get voted in to represent in the parliament. So you have to, through voting, send your representative to Parliament. And today the system, how it works in a Parliament is at least that I know of, my other colleagues, elected members, they always go back to the Constitution.

I think some of them spend a lot of time in staying in the constituencies, really listening to the issues and problems faced by their constituents. They bring back those issues to the National Council, that's how we work, and we sort things out and see how can those issues be addressed. Not necessarily everything that is raised by the constituents in their respective constituencies can be addressed in a form of deliberation in the Parliament but a lot can be addressed at the local government level or some at the administrative level. So if the youth can also actively participate in those meetings. When the Members of Parliament after you have voted in, when they go back, make sure that they come for the meeting and raise their concerns, right? And then the other one was it always seems to be on the social media grievances that sare being posted.

While on the one hand it's good, for us to understand people are not happy but I was also really reflecting on it and thinking who else could those be? Because if you look at the Members of Parliament, the elected members, they go back to their constituency. They seem to be constantly interacting with people in the constituencies, in the rural areas. Could it not be those from the urban areas, where they are neither in the constituency nor they have the opportunity to meet the elected members directly to raise their concerns and issues? So how do we take care of this floating population? Do they really represent the people in the constituencies and their feelings and sentiments?





**Kencho Pelzom:** For students I would say because you are a student, and in a few years you are going to be voting, so the only thing I can think of right now for you is read about Bhutan, Bhutanese news, know about it. Get proper information. Don't just look up on social media and look at fake news because most students are very vulnerable to them. And at the same time when you're voting, make sure you know your candidate and the party you are voting for. That would be much more effective for the good governance not directly but indirectly because you have to be actively engaged as a civic person or citizen for making a democracy successful in Bhutan.

I think politics can be defined in so many ways and because we have such a huge youth population. If we look at it, quite often I have worked with youth, especially in the tertiary education for the past 10 years. I see a lot of our young students always want to say like, they want to get in to politics, or suddenly achieve a lot within a short span of time, which is never possible especially in politics or in any field. So I think actively participating in any civic forum or even at local level in your village is very important and that I would convert you into being youth who is politically active, not just standing in election but taking your village, your gewog, your dzongkhag or your community forward at any level possible.

**Question:** For deaf students getting information and news is difficult so how are media houses planning to reach out to deaf students?

**Ugyen Penjor:** Honestly, I have no answer, la. I think she's talking about the newspapers. We encourage a lot of schools to subscribe to Kuensel and I think there's also a scheme for schools where they get a cheaper price than the real subscription price. I doubt if a lot of schools are keeping newspapers in their library because I think this is important not only students with physical disabilities but even otherwise. I think one young lady from there was also asking about how to engage in good governance, and I think one way is to keep in touch with what is happening in the country and one good way is through the mainstream media.

**Question:** Is there a freedom for media in Bhutan?

**Ugyen Penjor:** I think in Bhutan, we are a lot better. In that sense we are a lot better compared to a lot of countries and recently maybe you must have also seen that, how the freedom of media ranking has also improved. I take pride in being able to call the Prime Minister or the ministers late at night, ring them up and then ask questions. But the problem stressed earlier is it's actually not with the elected government or the politicians, the problem is with our civil servants. There are rules that discourages civil servants from talking to media. A civil servant will have a lot of information about his department but he's not expected to, I mean he's not allowed to talk to media about this. So in terms of freedom I think here rather than the government trying to clamp down on media, it's not, sharing the information with the media.

**Question:** More people are taking on to social media for news and information because the mainstream media is falling behind so how is media houses trying to live up to people's expectations of informing and educating the masses?

**Ugyen Penjor:** When you talk about expectations I really don't know what the expectations are? If you're talking about spicy discussions on what you see on Bhutanese forums then I would say I would apologise for not being able to provide that but I think it is important to know how to differentiate social media and mainstream media. Even in Kuensel we consider social media as a challenge to mainstream media not solely because of the competition from breaking news or being the ultimate source of news but ours is mostly how the stories and the articles are shared on social media. When we talk about expectations I think you cannot expect the mainstream media to be as ... we cannot be spicy as the social media like Bhutanese forums. But in terms of freedom I think freedom also comes with some responsibility like someone said when I stretch my hand, my freedom ends where his shoulder begins. So while there is freedom I think it also comes with responsibility.

**Question:** Would you like to suggest or share some mechanism of the sort to prevent or at least change the negative perception of politics spread through media to youth?

**Tashi Wangmo:** I do see contradicting comments coming, on one hand somebody saying is there a freedom of expression? Is that adequate enough? Then on the other hand how do we cut down on the unnecessary material that's been projected in social media, so these are two conflicts which is again good, diversity of views and that's the beauty of democracy. And no matter how we try to justify our stand it will be very difficult to make everybody happy, 100 percent of the people happy.

There will still be people whose needs will not be addressed. Coming back to whether there is freedom of expression or not. Today I think we should be very grateful that we have the social media freely available to anybody and that's why we do see a lot of comments, anonymous and sometimes good, most of the time, bad. So that was the message I was trying to give earlier on how we maybe either more and more into this kind of negative information we send it out through media and social media or whatever and people read more and more of such materials how the mindset of these people start actually believing the politicians or the elections being bad, so that kind of impact. I do foresee it's going to happen. So, therefore, whoever uses while on the one hand, you can use your freedom but responsibly. You not only just you meet your demand but also see what kind of impact it may have on to others, you know others who are reading it. So it again comes down to individual censorship, individual's policing. So this is, that is the only way I could share right now.

**Kencho Pelzom:** I will just speak from the perspective of a citizen and how do we make democracy successful? Like I mentioned earlier democracy definitely



requires a lot of practice so does political culture, civic engagement. And because there is youth and politicians and aspiring politicians here I think we need to think about what kind of citizens do we want to be? Do we want to be the entitled citizens? Or do you want to be that active citizens, who take proactive roles, who do not need to be told what to do? Even when you can consume media news of any sort and I think I would like to just summarise my talking points on this that what kind of citizens do you want to be, so that democracy in Bhutan is progressive?

**Tashi Wangmo:** Just like how I started in my opening statement, democracy is not just for politicians, parliamentarian or political parties. There are a lot of actors who can make it a success and eventually leading towards good governance and which again enhances Gross National Happiness of the country.

**Ugyen Tenzin:** My request to all youth who are here is that after your degree, you're welcome to the rural areas. We have a lot of jobs for you, a lot of engagement. Please don't look to civil service or business. Come down to villages, we will work together, form a good team, you will grow up from a local leader to a national level. That is my request and because to have a good parliamentarian you have to have a basic understanding of your locality. If you have a good knowledge of your locality to be a leader of gewog, chiwog whatever it maybe, then you will grow up to be a leader of a nation with good governance. That is my request.

**Ugyen Penjor:** Instead of talking on the role of media, I see a lot of young faces here and then the issues they brought out, it's very important, very pertinent issues. And actually to be honest, this is my first time facing a big crowd like this where a majority is youth and then the kind of interest that you have in the political discourse and on the media, it is really impressive. In this panel I think two things that came out really strongly, the need for the policy to include people with special needs and also how to engage the youth in this kind of dialogue and forum.

# 2021

## Being Apolitical in Democratic Bhutan





## Chencho Lhamu, Executive Director, Bhutan Centre for Media and Democracy (BCMD):

Forums can be seen as an intellectual exercise, but they also serve as productive forces that shape our thoughts, ideas, beliefs and values. And what we think, believe and value influences our behaviours and actions.

In this digital age, we are swamped by global narratives and ideologies the minute we log on to the world wide web or turn on the television. In this vast sea of information, what is Bhutan's story of democracy and its state of affairs?

The opportunity to carve out a democracy of our own cultural liking and relevance is only possible if we share our narratives, engage in deliberation, out of which emerges collective knowledge, meaning and wisdom that inheres the potential to influence practices.

Premised thus, Bhutan Democracy Forum was conceptualised with the aim of creating an interactive, open and safe space for different actors in Bhutan's democratic landscape to deliberate on and deepen our understanding of pertinent issues with the overarching goal of strengthening the foundations of democracy.

In the past, we have organised forums on the state of Bhutan's democracy, and democracy as a path to good governance with panellists from different political parties including non-political actors like the National Council, media, academia and the local government.

On behalf of the Royal University of Bhutan and BCMD, it is my pleasure to welcome all to the forum on "Being Apolitical in Democratic Bhutan".

Our moderator for today's session needs no introduction. But nevertheless, Dasho Kinley Dorji is the Editor of Druk Journal -- a biannual publication of BCMD and he has worked in the Bhutanese media for over three decades and has served as the editor-in-chief of the national newspaper -- Kuensel. Dasho retired, not long ago, as the Secretary of the Ministry of Information and Communications.

Once again, welcome to the forum and hope everyone will enjoy the session and we look forward to an interactive and constructive discussion.

*Kadrinchey la.*

## Dasho Kinley Dorji, Moderator:

This is going to be a very informal session. We are not calling it a discussion, there are no lectures, we are going to call this a conversation. We are undergoing a historical and political transformation; some people call us a young democracy, new democracy, small democracy, but I think, in this context, we should see ourselves as a learning democracy -- learning to learn.

Today we are going to have a very apolitical conversation on the topic 'Being Apolitical'. We have a society with a multi-party system without very visible ideologies and political parties. So the idea of the conversation is that we understand this very important aspect of democracy function, the important value of democracy -- being apolitical.

My understanding of apolitical, in many ways, is a state of mind -- talking about being politically neutral and being fair. But in our small society with the multi-party system, it's taken on a different meaning. So that's what we would like to look at. For the conversation, we are going to look at the issues, but more importantly, we'll try and look at the way forward and solutions. What do we do from here to understand the evolution of a political system?

To briefly introduce the speakers, we have Tashi Dema, an Assignment Editor for Kuensel; we have Dasho Karma Tshiteem, Former Chair of the Royal Civil Service Commission; we have Dasho Sangay Khandu whose political career is as old as the Bhutanese democracy as he was among the first batch to stand for elections; we have Attorney General, Dasho Lungten Dubgyur; and then we have, Ms. Tan Lian Choo from Singapore joining us via Zoom, she is the international expertise. We want to bounce ideas so we want to involve international ideas in this conversation. Tan Lian Choo knows Bhutan and the world very well. She was a veteran journalist for many years, then advisor and coordinator of media for the Singapore government, then a diplomat for many years. Now, I personally see her as someone who knows what's going on. To me, that is the best credential one can have these days. So we welcome Tan Lian Choo from Singapore.



### Tashi Dema, Assignment Editor, Kuensel

Kuzu Zangpo everyone, good morning. I will basically talk about how this requirement and need for our public servants, especially civil servants, Local Government (LG) members, National Council (NC), and civil society organisations and other organisations to remain apolitical effects or hampers the media in fulfilling our role to inform the nation.

Why does the media need public servants? For the media, public servants, especially those in the civil service are the professionals; they have the technical expertise and they have the information. So the media needs them to explain to us how certain policies, plans and activities would be of larger interest to the country or would not succeed. But because of this need for them to remain apolitical, it is interpreted as not being allowed to talk so they do not talk to us openly. Today if I want to do a story, our public servants will only talk to the media if it puts their company, ministry, department or divisions in a very good light. If there is a government policy and I approach an NC member and say “Dasho, what is your opinion on this?”, they would say “I am apolitical and I am not supposed to talk about this”. So what happens in such a situation? We have to convince these sources and we have to tell them “Please give me the information”. We have to literally beg and say “I’ll keep you anonymous, I will not name you as my source, I’ll just say a source”. So what happens then? Then the credibility of our particular story is lost. A lot of people then question us, “What is this story from Kuensel? You say a source, this person, that person and use no names”. Then they think that the media cooked up the story. So even if the information is right, without a credible source, it is very difficult.

It is especially very difficult during the elections. If a particular party pledges free Wi-Fi to all and as media, if we want to do a story, we want to know whether that is doable and whether that pledge is achievable. We would want people from the Ministry of Information and Communications to talk to us and say, “This is how it’s achievable and this is how it is not achievable”. We would like to talk to officials from the Department of Information Technology and Telecom but if you approach them, they will always say, “We are apolitical. We cannot give any comments”.

Very recently, I was doing this analysis of the Bumthang bye-elections on who is likely to win. I quoted a local leader saying, “It is not going to be an easy win for the other candidates. It is not just about their capability, there are many other

factors.” A day after the story was published, I received a call from the Election Commission of Bhutan’s (ECB) media arbitrator who asked me who my source was. Before I could say I cannot reveal my source or I need source protection, she asked me, “Is it a serving local leader or a former local leader?” And she reminded me that a serving local leader is not supposed to talk to the media because he or she was supposed to remain apolitical. I had to protect my source, so I said it is a former local leader. Two days after the call, I received a long letter from ECB’s media arbitrator. They had issues with me not stating that it was a former local leader and with my vote prediction. Luckily, I did not cite my source as a public servant or a civil servant. I just said source X or Y, so that person was saved. We also had senior ECB officials walking into Kuensel and they had an issue with us doing a story on the three Thrompens and their intention to recontest. For the media, that is a story. We thought people should know why they want to recontest but ECB officials had their own reason. From the media’s side, if we do not do the story, who will do it? How will people know? This limits the public discourse. When the media cannot write, then people will not know and there is no engagement from the public. If the media can write and report and if public servants are free to talk, then I think it will divert people’s attention from social media posts and fake accounts.

The problem right now is that Bhutan’s mainstream media’s role has become that of authenticating fake accounts on social media. When there is no discussion, when people do not talk about democracy and when people do not talk about issues then it limits the discussion on democracy. As Dasho said, we are all learning and keeping in mind the cliched statement, “Media is young and democracy is also young”, let us learn from these experiences.

### Dasho Karma Tshiteem, Former Chairman, Royal Civil Service Commission

I will try to make three points. Firstly, what it really means to be apolitical -- I think not talking or talking to media may be one aspect of it but also in terms of what is actually there in the civil service system. Secondly, highlighting apolitical in terms of more common speak, and thirdly, make a case about why having apolitical institutions are critical for strong vibrant



democracies that we are all aiming for. When it comes to what it means to be apolitical, it is mentioned once in our constitution, four times in the Civil Service Act of Bhutan and very explicit provisions are there in the Civil Service Rules and Regulations. The conversation does not have to be about the opinions of people. It is actually quite explicit. What it says in section 3.3.5 is:

A civil servant shall be apolitical, nonpartisan and not stand for election under electoral laws of the Kingdom. Any communication relayed by a civil servant in support or opposition of a political party or a candidate shall be treated as political advertising and in direct violation of civil service values and conduct if so alleged and proven. And further, our code of conduct is very explicit. It says, a civil servant shall:

1. Remain and uphold the political neutrality of the civil service at all times.
2. Provide forthright and impartial advice to the government.
3. Speak truth to power.
4. Discharge official duties without fear and favour.
5. Institute a fair and transparent system with proper documentation to ensure that decision making is not politicised.

Further, it goes on to say, a civil servant shall not:

1. Be a candidate for any election conducted under the electoral laws.
2. Canvas for a political party or a candidate.
3. Attend political party meetings and support or carry out such activities
4. Express any opinion on politics or political parties either explicitly or implicitly.
5. Perform or neglect his duty based on his political view.
6. Impose or influence another person's or group's political views.
7. Indulge in any communication via telephonic means including individual, or bulk SMS, internet, social media etc.
8. Make contributions or fund any election campaign in favour of or against a candidate or a political party.

Now, if I summarise that, what it means is civil servants at all times should have the ability to tell political leaders, whichever government is in power, what they need to hear even if it is not what they want to hear. Having done that, whatever the decisions the government of the day takes, it is the job of civil servants to implement those decisions as long as they are legal.

The second is to provide the best advice to elected governments irrespective of or in spite of personal political preferences. The third is to ensure that the advice is from the institution with the benefit of institutional memory and the professional expertise of people and not their personal opinions. And fourth is to ensure that all our laws, policies, rules and regulations are implemented without fear or favour so that we can uphold the good governance principles of efficacy, transparency and accountability.

Finally, if I may say, why is it important for civil servants or institutions to be apolitical? They become the main foundation. Why? Because all administration is carried out by the institutions of the civil service. And therefore, if they are able to remain apolitical since, by design, they are more permanent, they can ensure that irrespective of political leadership, national interest is always protected and promoted. So, this is extremely important to bear in mind when we have the conversation around why institutions, in particular like the civil service and the Judiciary, must be apolitical.

Thank you.

### Sangay Khandu, Co-founder and Associate, Center for Local Governance and Research

So in 2008, when our journey began, I remember us discussing the Constitution, the election laws and also the respective house laws in the National Assembly Act and the National Council Act. We debated the issue of political affiliation and being apolitical. What did it actually mean? Many people had different views and perspectives. I think the bottom line was that defining what was to be understood as being apolitical at that point in time was a bit overwhelming because it was still really very new for us. But we all came to a consensus at the end of the debate that so long as you register yourself with a political party, you would be political and if you do not register yourself as a member of a certain political party, you are apolitical. From that, I think the basis sort of flowed down. When Dasho Karma mentioned that a civil servant cannot run for office or cannot canvas for a candidate or a political party -- I think precisely that flows down from there. So within the governance in parliament, we have the National Assembly and the National Council. The National Assembly Act itself does not refer too much to this apolitical view. The National Council Act actually has two provisions that talk about being nonpartisan and being an apolitical institution. Prior to the elections in 2008, we had mock elections. As a National Council candidate, my experience was that when we went out for the first round of the national elections, a lot of the constituents would say, "Ngachey dari tshaktu na lu mi joe. Naba nangsey ngomba di na lu jo ni in" (We will not go to this election, we will go to the real one next time). So there was a reference to the National Assembly election as being the real election and that sort of implied that the National Council election was not a real one. I link that to the fact that the National Council was projected as an apolitical house and it was also seen as the house that



just worked on laws and did not provide any developmental activities. So a lot of the rural constituents and voters actually saw that the National Council made laws but did not necessarily bring roads or amenities and therefore by definition or reference, the National Council was not really important.

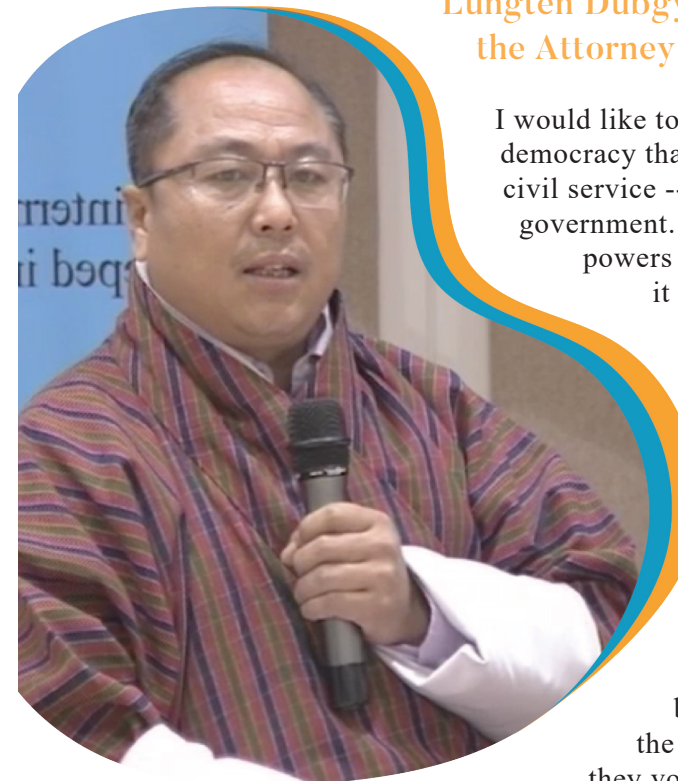
Second, in the first and second elections, as a National Council candidate, when you went out, a lot of the people were okay for you to come to their house and talk to them. But we hear from our colleagues in the other house that when political party candidates come, the supporters would openly welcome you to their homes and provide you whatever support they need. But if they did not support you, they would shut their door and not even let you in. But in the last few elections, I think that things have improved. People are more amicable to sitting down with whatever shade of political colour or representation that may be there. However, increasingly, there is also a sense that if you identify yourself with a certain political party and if they do not come to power, then you might not be in the good books and, therefore, you might lose out on certain privileges -- such as quicker access to government and the ministers and any of kind of support that may be possible. From that perspective, I think apolitical has been stretched in the sense that some of the voters probably feel that remaining apolitical means not really declaring your support openly for a candidate or political party.

Tashi from Kuensel talked about access to information and in the beginning, we also had a lot of difficulties, even as a serving parliamentarian in the National Council to get access to information. One of the experiences was when we had a gap in communication when the second government tried to bring in the right to information legislation. So access to information is not really just limited to the journalists, but you also see that within the parliament, parliamentarians also struggle to have access to information. In there, I think we have been lucky to have successively good parliamentary leadership and there have been improvements in terms of sharing information with the government. But I think there is a long way to go even though we have made a lot of progress.

In terms of politics, there is a lot of fake news and I think the credibility of mainstream media has been questioned many times. Because we are an old society and rumour works very well, and also because partisan politics, as we have seen in the West, can garner a lot of votes for elections, this seems to be a very dangerous mix. Without strong media and the involvement of academia and commentators, debates are becoming very subjective. If one was to share an opinion, and a lot of times this happens without enough research, it seems to be easily called political depending on the convenience. So somebody might say you are politicising the issue, which is not a bad thing because you are trying to highlight the issues so that it is debated. But then, it can be easily said that you are supposed to be apolitical, therefore, you cannot raise it. For example, in my experience in the National Council, when the National Council raises issues that are of national importance, we have had successive governments call the National Council the default opposition. This has even come out in the media. When it does not suit

the convenience of the government, sometimes even the National Council, which actually takes an apolitical stance, is also labelled as being very political and by default, the opposition. I think there is a need to define and give a clear definition of what it means to be apolitical as opposed to how the civil service rules are because I think the other areas are still not well defined. We are still stuck with the idea that so long as you are not registered with a political party, you are apolitical. That is one area, but the other area is that whenever you say something that might actually make sense, it gives the people in positions of authority to quickly call it political, biased, non-neutral and therefore, discredit the information by saying "Since you're supposed to be apolitical, whatever you say violates the rules and codes".

### Lungten Dubgyur, Attorney General, Office of the Attorney General



I would like to really touch on the basic idea of structural democracy that we have adopted -- an apolitical civil service -- which supports the three arms of the government. In a democratic function, the separation of powers is very important, and, therefore, we term it as a horizontal check-and-balance where we have an equal level playing field in terms of law-making, interpretation by the courts and execution of the laws and policies by the executive government led by the Prime Minister. Therefore, in terms of this design and idea, we should have a structure of a vertical check-and-balance. Dasho Sangay has pointed out why the National Council needs to be apolitical. The vertical check-and-balance in the National Assembly is that the government of the day has a majority so they vote on bills, laws and legislation. Therefore, to have a check-and-balance and to ensure it is not unconstitutional, the very design of the National Council as an apolitical institution was very desirable.

We have seen the changes within the government in the last 14 years as our constitution transitioned. We have learned to survive and to experience the political culture where the cabinets have changed three times and our civil servants have remained apolitical. Like Dasho Karma's stance and what Tashi pointed out, chances of becoming a politicised civil servant is a tension I see here. What we ensure is that right from the Secretaries down to the Ministries, civil servants





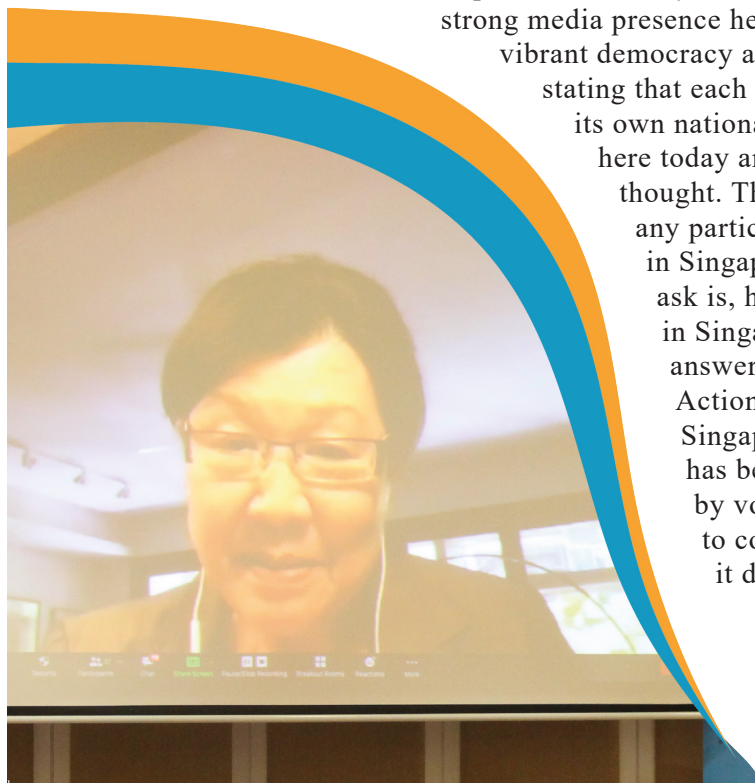
are bound by our legislation. But at the same time, the political masters -- the parties who won the election -- are mandated to fulfil the obligations, policies and manifestos they have taken. Next is political morality and political correctness -- once the government is elected, it should be the government of the people of Bhutan. There should not be any hinges or interference or non-interference in terms of political decisions that civil servants should be worried about when they execute their functions in accordance with the law.

Attorney General (AG) is actually the advisor to the government and to the state. My duty as an AG is to ensure that laws are followed, as it is of civil servants down the line. So you have to be very clear in terms of our roles in a transitional democracy and the Constitutional design that we are supposed to be bound by. We are the balance between the political institution in a democracy and providing independent, fair, transparent and equal administration of justice to the people.

His Majesty the Fourth King says that the civil service needs to be apolitical to support the government, to make it functional and also to ensure that civil servants provide a continuum of services during election cycles so that there is confidence from our people that there is a free and fair election being conducted. I think the design is very good, we have the best of the Constitution, if not the best. We have gone through all the structural research behind it and that is why we can look forward to a vibrant and functional democracy.

### Tan Lian Choo, Senior Consultant and Trainer, Potential Project

Thank you Kinley for giving me the floor. The fact that you have gathered such eminent speakers from key branches of the government and the strong media presence here today, are certainly hallmarks of vibrant democracy at work in Bhutan. Let me begin by stating that each country determines what is best in its own national interest. Therefore, my comments here today are made in the spirit of food-for-thought. They are not meant at all to advocate any particular mode or practice that we have in Singapore. So the question you may ask is, how do we understand democracy in Singapore? There is really no simple answer but the fact is that the People's Action Party (PAP), which has governed Singapore since independence in 1965, has been given mandate after mandate by voters, after each general election, to continue governing each time after it delivered on its electoral campaign



promises. We know that behind any success is a lot of hard work and commitment so the PAP's political longevity in Singapore, even its critics will acknowledge, has to do with its ability to deliver better and better living standards for successive generations of Singaporeans -- better housing, better health care, better education, better transport facilities, jobs, etc.

This brings me to the crux of our discussion. What does it mean to be apolitical in the public service for us in Singapore? The Singaporean government succeeds in its endeavours largely through ensuring the integrity, competence and commitment of the public sector to carry out its political, economic and social agenda. So public servants are subject to the rules established by the public service division and they must serve the legitimately elected government of the day. Civil servants who are part of the public sector, there are 86,000 strong, must remain apolitical and this means that they should not be affiliated with any political party and to stand for election under a political party affiliation, the individual must necessarily resign from the civil service.

Let me say a bit more on what we understand by being apolitical. It does not mean that the civil servants will not talk or argue on their own to take positions, one different from the other, in front of their respective government ministers. They do have their own political attitudes and biases for certain policy implementations. After all, it is in the role of the civil servant to work with and for political leaders in a political environment and yet maintain a detachment from politics. There is always a fine balance between being neutral and non-political and between a civil service that is politically sensitive and responsive. So in Singapore, civil servants have to be politically impartial and not campaign for or against any political party and definitely should not misuse state resources or powers for partisan political purposes. But this does not mean that civil servants, especially senior ones, should shy away from carrying out their duties when a matter proves to be politically controversial.

Once internal discussions have taken place within government and political decisions are taken, the civil servants are expected to implement policy decisions and this often involves engaging the media. Otherwise, public policies for the greater good of society will not be understood nor accepted by the people for whom these very policies are designed for in the first place. There is no doubt that mass media plays an important role in shaping public opinion. This is even more important in the age of social media where fake news abounds. So the mainstream media has the responsibility of gathering information that is accurate and conveying views that are fair. The effort has to be made to understand the background thinking that went into any important policy. Our experience in Singapore is that the media can only be expected to come on board after senior government officials or elected political office holders share pertinent background knowledge with the media representatives. This is a process of building trust. For one, the media plays an important role in a democracy, media representatives are not the equivalent of elected representatives who have a responsibility to the constituents who elected

them. In other words, the media should not perceive its role as one of being an institutional check-and-balance against the government. A professional media with high standards of competence should inform and communicate accurately and effectively. By all means, report or highlight public dissatisfaction or disquiet over certain government moves or decisions if it exists, but do so in the spirit of wanting to improve things by being able to provide better alternatives or suitable amendments. Now that implies a substantial knowledge of the matter at hand.

**Dasho Kinley Dorji, Moderator:** Before we go into question-answer, I would like to give all the panelists an opportunity to comment on what they have heard so far from each other.

**Tashi Dema:** With all due respect to all the former officials who worked in drafting the Constitution and the Civil Service Act, I feel that it could be a slightly borrowed idea from developed countries where their public servants are large in number. In our case, we have a very limited number of people and we not only know who is supporting whom but we also know who voted for whom. In this context, especially for the civil service, people who have the information are senior bureaucrats whose promotion depends on the recommendation of the government. When this is the case, how do they talk freely of plans, policies and activities of any government?

**Dasho Karma Tshiteem:** I think civil servants' promotions are not in the hands of the political leaders. That is one of the reasons why the Royal Civil Service Commission (RCSC) is established as an independent autonomous body under the Constitution. It is to ensure that we do not create a system of spoils. Countries where they have such systems where elected governments can just change top leadership, those countries have not been doing well and we know the examples like Greece, etc. That is one of the mechanisms in place to make sure our civil service can remain apolitical for the reasons I mentioned earlier. This idea that in the name of 'apoliticalness', civil servants are refusing to talk to the media is more an excuse rather than a real reason because as you heard from what I mentioned, which is the explicit code of conduct, there is nothing which stops civil servants from talking. I think maybe there are also unrealistic expectations from the media's side. When civil servants speak, they can only give you facts but that is not what many reporters want. We just try to protect and promote the country's interest.

For senior civil servants, one of their responsibilities is also to speak to the media when necessary. But most of the time, when it comes to selling policies, it is actually the politicians who do it because that is at the heart of politics -- selling policies that get them elected if they are good. Once elected, those policies are implemented by civil servants to the benefit of the country. Just like the civil servants have to learn how to behave in this new environment, there's also a lesson for the media. I think that whatever comes from the media, even established media, is not necessarily true. If you look at the West, you can turn on CNN or Fox, and for the same issue, you will get two totally different perspectives. We do not know

whether that is happening in Bhutan. But I do recall in certain conversations, people saying "Oh, this paper is more favourable to this political party". What we should all be after are the best ideas that serve the country well and in doing so, there is space. In the government, there are all sorts of processes we have created to make sure our country can learn and keep on growing and we should all seek to do that.

The idea that as soon as there is a debate or a viewpoint expressed, especially if it is against the government's view, it is taken to be political. I think this is simply a lack of maturity. We have to reach a stage where we can talk about searching for better solutions because we should always seek the best solutions and we should not be attached to our positions. Can we try to move away from framing everything as political? I think that it is actually unfortunate and maybe that has led to a higher level of self-censorship than necessary. We do not want to upset people unnecessarily, but we need to create a safe space where this new culture can come. So I think it is just about learning to engage in this new space including with the media so that the purposes of good governance are promoted. I wanted to read this quote the Prime Minister of Singapore said in a speech to the civil servants, "In Singapore, we often think of policies as the real purpose of governance, while politics is merely the sometimes messy means of choosing a government. Ministers live in the land of politics, civil servants in the land of policies, and when you cross the border between the two, there is a rigorous checkpoint, you are frisked as you enter a different country. Government is not so clear-cut and simple because life is not so clear-cut and simple. Policy and politics cannot be separated so neatly." I wanted to highlight this to say that while we talk about an apolitical civil service, the fact is, they are actually engaged on a daily basis in terms of translating the visions or the directions the elected leaders have into policies that can further the interest of the country. So clearly, while we talk about being apolitical, civil servants by the nature of their job have to be involved in translating politics into policies for the benefit. The apolitical stance is only important to ensure that when they do this, they bring on board the full benefit of all their past experiences and their professional expertise and not be influenced or discoloured by their political preferences

**Sangay Khandu:** I thought Dasho actually elaborated and gave it a really good context. This is perhaps one of the biggest challenges that I confronted many times as a serving Member of Parliament. Whenever you wanted to raise an issue you thought was pertinent, their immediate reference was that you either side with us or you are with them. There is no objectivity to any discussion. A rational logical argument is out of the window and you are given a political colour. I think this has put a lot of pressure on my colleagues and me, and I imagine this is also true for local government leaders. That worry makes you remain inactive. "La bedawachin kha tangwu, di wa di ma beu da, ngenkha ma bani gi daen ley" (If you work, people will bad-mouth you, so it is better to not take the risk). So people fall back to being inactive and you will see slow response or no response as a result. There is also a group of people who push the idea that policymaking is the lone





spear of the executive and nobody else has any hand in it. I think a lot of us would agree that that is not true because, in the first place, our five-year plans are drafted by the civil service. It takes 2 and half years for them to work around and draft the policy, which forms the basis of the development activities of the next government for the next five years. So to say that policymaking is the sole spear of the elected government would be wrong from that perspective. Second, once the elected government comes into power, all the manifesto promises are not necessarily made a part of the plan. Not because political parties do not want to but there is already a plan drafted by the Planning Commission and then the political parties have been given a mandate but marrying those two have been a challenge. I think there has been a lot of progress but that is what the current Prime Minister also shared in the parliamentary debate once that the plans may be outdated and we are not able to act quickly enough in situations.

Similarly, I think you have political parties who are not necessarily elected in the parliament, but they are there nonetheless representing viewpoints of certain segments of society and that also needs to be included. If you do not have a platform for open discussions, it can quickly be labelled as being political in nature to tarnish the image of the ruling government and, therefore, immediately be discounted rather than being inclusive.

**Lungten Dubgyur:** The constitutional fundamental right that every citizen above the age of 18 years has the right to vote itself is political. We have to also have the understanding that once there is a duly elected government, that being a civil servant, you should be apolitical. The design is that we can not shun our civil servants from not having a certain ideology and that we have to build it into the system.

**Tan Lian Choo:** Tashi Dema, I completely sympathise with you because the media always wants to have information to write a story, to do a report and how do you get anything when you are not part of the process of any decision making. This is a major challenge not just for the media in Bhutan but all over the world in any media organisation. To come to the point that was raised by Sangay Khandu, a policy is not just the purview of those in government in the policymaking machinery. I think here, there is a slight gap between those who have worked within government where the policy-making machinery is fully entrenched and those who are outside of the government. What is very often forgotten by those who are not in the administration is that policy is actually a process. It is not a product that comes from nowhere. A lot of it has to do with crunching numbers, looking at the rationale and why things are being done. So there is a major challenge within any administration to come up with a policy, not to mention that a newly elected government would want to do things to try and deliver on its campaign promises. And sometimes, it is not very easy for a single official -- because it is almost like a food chain -- to be able to talk to the journalist so readily unless he or she has been given the okay or green light from the higher-ups. But very often, it would be better

for the political office holder to actually talk to the media directly and say, this is what we want to do for the policy and so forth.

And as for the issue of voting, I agree with Dasho Lungten that every official, every civil servant, every public servant in any country has a right as a citizen to exercise his vote and that is entirely a personal choice. So, if he or she is going to cast the vote without knowing what different political parties are saying, that is really not very healthy. In some ways, you do want an informed electorate and it is obviously very important to actually follow what is happening, being said or at least advocated by different interest groups, but at the same time, you have to remain professional as civil servants by being politically neutral at the time of execution of your duties. Thank you.



# Q&A Session



**Karma, Audience Member:** My name is Karma Loday and I am one of the candidates of Bhutan Kuen-Nyam Party (BKP). In 2018, when we had the common forum, we had four political party representatives debating live on BBS and seven people in the audience. It struck us -- is this really a vibrant democracy? Like Ms Lian said, if you are to vouch for a political party, you have to be informed and to get information is that you be allowed to at least attend some of these common forums.

It has been an embarrassment for us, all the representatives -- sitting there with seven to eight audience members when there were seats for about 300 people. When it comes to 'apoliticalness', it boils down to the RCSC rule. The Constitution states that it is your right to vote, but it is also part of the Constitution, to be very specific 7.3 in the fundamental rights, that you have the right to information. Now, if you do not have the right to information, how do we say that it is a vibrant democracy and that you are voting based on the information that you have been given. So, these are the challenges the political parties i.e. we face. I think it is very fair to ask people to at least be given the opportunity to attend a meeting. That is all.

**Ugyen, Audience Member:** My name is Ugyen and I am from Kuensel. I want to stay on the same point which Karma raised but I want to take it from the voter's point of view. If someone is a voter and a civil servant, why should we restrict them from attending campaign meetings and asking questions to the politicians? From our experience in the last three elections, we accuse civil servants of being very influential in deciding whom to vote for. Especially in villages, they can really influence their parents or even their communities. Keeping that in mind, they should be allowed to question the political parties.

**Dasho Karma Tshiteem:** Why do they not attend common forum meetings? They are allowed to attend common forum meetings that ECB authorises because we believe in those same ideals -- they should be well informed. But they are not allowed to enter political party meetings. Why? Because we said civil servants must be apolitical and for being apolitical, it is important that they are not only apolitical but they must also seem to be apolitical. We feel that if civil servants start attending political party meetings, it will really impair the ability of that individual to then function independently and raise all sorts of questions in the eyes of maybe their workmates or maybe their political leadership of the day. So for these reasons, I think the design of the system is fine. I would not support the idea of civil servants attending political party meetings, my personal opinion, and as far as rules presently concerned also, they do not encourage that. But common forums, they are allowed to attend and we tell civil servants also because they raise these questions with us. I think it may even be there in our annual report. But civil servants choose not to attend. So then, of course, there is nothing much we can do. Maybe it reflects other things. I do not know.

One question you raised was -- during the elections, for instance, political parties make pledges, I think the specific example was Wi-Fi -- why does the Ministry of



Information and Communication not give its views? But you can see in the design of the system why that would not be a smart thing to do. While there is an election debate going on and political parties are pitching their pledges, if the civil service institutions like the Ministries begin trying to influence the voters by saying, “this is good, this is not good”, I think that itself is meddling of a very high order which would not actually be desirable because that itself must go through processes and we have to ensure that those processes itself are again impartial.

So I think there is really no issue in the design of the system but it is more about how the individuals/actors play within those systems. That is why I was saying that culture does play a part. People do not change their behaviour or their mindset overnight. I guess like every country, we should give ourselves some time.

**Sangay Khandu:** Attending political party meetings -- I think this is a challenge that we would have to, at some point in time, address. Because while we may say civil servants are not allowed or not expected to make political statements or show their likes and dislikes for political parties and candidates, but because of social media -- if you go through the timeline on Facebook -- I think we have come to a point where there is a lot of free flow of information. In fact, a lot of our civil servants are there interacting, sharing information on work progress and seeking input from citizens, which is the positive side of it. Perhaps what is a little more grey is the political statements being made out by civil servants on Facebook and Twitter. I think that is a developing area that we need to look at.

In terms of access to information, I think when Karma talked about informed choices, something the local government leaders have expressed to us when I was serving in the parliament is that during general elections when candidates or political parties, their presidents and vice presidents come to the constituencies for campaigns, our local government leaders are expected to hide away and not really interact with political party personalities. This, they say, puts them in a very awkward situation because they are elected and are office-bearers but when political party candidates do come, they are not able to actually receive them. I think the experience may not be the same everywhere but this is something some of them actually shared, and this is similar to what the representative from BKP was saying that in terms of engagement and information, they are not able to access all that they can.

**Dasho Kinley Dorji, Moderator:** I will ask Lian Choo one or two questions which I would like to ask you to respond to. One is, how do we involve youth in politics? I am asking this because we all know Singapore has been very successful in getting youth involved in all the national activities including politics, in this case. Then, in terms of not being allowed to attend meetings, is there anything that Singapore does to enable the voter? To understand the tension between political pledges and policies that are made. So how is that defined?

**Tan Lian Choo:** I will start with the second question concerning attendance at political meetings and so forth. In Singapore, we make a distinction. Obviously, the civil servants and public servants are expected to be neutral, and obviously, as individuals, they have every right to be informed whichever way is possible. As Dasho Lungten says, it is a question of political maturity. Over time, people become confident enough to say things that they feel very strongly about and they are saying that as individuals in their own right. However, just like what Dasho Karma has said, it is not okay if the civil servant is actively campaigning within a political party and he or she goes to draft the platform for election. This is definitely not something that happens. So I think with maturity, you are right, individual civil servants will be able to make that call. At the local level, for example, in schools when you are organising activities to draw in the community and so on, it is not normal for teachers to not be involved, the teachers are part of the civil service as a teaching service. So this brings me to your first question -- how to engage youth in the activities of the day. I see there are many, many young Bhutanese on your forum today because I see a lot of college students. Singaporean youth, just like in Bhutan and everywhere else in the world, are very interested in environmental issues and climate change issues. Today, this is a major policy for all countries and it does not make sense to not include the public and not have officials involved in providing information as well as seeking inputs from the ground. The ground-up inputs are more and more important in policy areas like this.

**Dasho Kinley Dorji:** This question has come up a number of times. I have also personally come across this recently from students that apparently some of the political meetings are held in school campuses and the students and even teachers seem a little perturbed that they are not allowed to attend. I guess they are not told to go on a hike but they are not allowed anywhere near the meeting. So they are asking why. Since they are interested, why can they not listen to what is going on?

**Sonam, Audience Member:** My name is Sonam and I work at the Election Commission of Bhutan. I would also like to talk about issues and challenges that ECB has had with media houses so far. Sometimes, I believe the media houses even raised the idea that ECB is untouchable but that is not the reality. We have our own perspective on why we should be silent and at the same time, why we should be strict with the task at hand. Sometimes, the challenges we face between the ECB and media is basically in the interaction. It depends upon how you approach an individual or office. Sometimes, trying to be so open with the media backfires.

Coming to the voter education part and the school students attending, as an institution looking after the promotion of democracy in Bhutan, we actually encourage our kids to engage in such a discourse and in politics and other democratic processes.

**Dasho Karma Tshiteem:** I am giving my opinion. I think just because civil servants do not attend party meetings does not mean they are not well informed. From my personal experience, I know and I am sure that you all do also, that civil



servants are probably the most well-informed. However, that does not mean they have to go and attend political party meetings. Information flows in many ways. As I said earlier, it takes some time. I think we have to be a little patient. We cannot change overnight. I would say that these are pangs of growing up and becoming a democracy and I think conversations like we are holding today, that BCMD facilitates, is helpful in shifting norms and the underlying behaviour. Thank you.

**Dasho Kinley Dorji, Moderator:** “Politics does not interest you. Why? Is it because you have no interest in changing a world that suits you well.’ Does this statement resonate with you? Is this the outlook one should be having or sharing? Isn’t being apolitical a class privilege?” This is the question from Sherubtse.

**Tan Lian Choo:** I share many of the sentiments that you have expressed earlier about how challenging it can be for a small population where everybody knows each other. But I think the challenge that we all face today, big or small, is the advent of social media and the possible damage it can cause with manipulation through false news and reports. I think we all have a responsibility, young and old, whether in the civil service or in the political arena as politicians. If we really have an interest in how our country, our families and our communities are going to evolve from here on, we have to take an interest and we have to be engaged. Thank you.

**Tashi Dema:** I live by the principle that I am first the citizen of the country, only then a journalist. I believe that all journalists have the national interest as a top priority. So please give us information for public interest and not for the individual voter. That does not mean that we are perfect or right all the time. We, the media, have our own shortcomings, but we can learn together. If I file a report, my editor or my team would go through it so we also have mechanisms in place. That is why, I feel that so far during the last three governments, we have done it professionally. We are always accused of writing against the government but I think that we are doing our work. However, please do not reprimand officials for talking to the media. Please let people talk to the media freely. That is it.

**Dasho Karma Tshiteem:** On that last question about being apolitical, apolitical does not mean civil servants or other apolitical institutions are not interested in politics. They are interested. It is just that in the discharge of their functions, we do not want their political views to be an influence. It is this simple idea for us to keep in the back of our minds that being apolitical is not a bad thing. It is a good thing. It would be terrible if the whole civil service was politicised. We could not imagine what sort of conversation we might have had to have. In closing, I wanted to say that the conversation we are having today is really in the context of creating a vibrant democracy. I would say that throughout this very difficult time, -- the pandemic -- one shining light has been the leadership of His Majesty the King, as a result of which we are in a far better situation than what would actually be normal for a country of our size in our situation. Since we are a democratic constitutional monarchy, maybe going forward, I think we can continue to seek

the blessing of His Majesty the King who is eventually the head of the Royal Government of Bhutan. I think the recent Royal Kasho presents a great opportunity to begin addressing some of these kinds of issues.

The second thing I was going to say is that maybe what we do need more of to address some of the issues we discussed is to have more independent think-tanks. This is something that is missing. If there were independent think-tanks that did very good independent research during electoral cycles where when the pledges are made, they give evidence to the people to make better choices, it would really help with the informed choices we are talking about.

Finally, I think we should continue to do more of what we are doing today - have more of these open dialogues, so that we begin to shift the norms. Culture does change slowly but if you have more of these kinds of open discussions, then those norms can shift much quicker. In that regard, I thank the organisers and everyone here.

**Sangay Khandu:** One can stay away from registering oneself with a political party and call oneself apolitical but does that achieve the national purpose? To me, the focus should be more on achieving the purpose. Civil servants and office-bearers could be forced to be apolitical but if the processes become politicised, the outcome may not be achieved. That is why I always keep going back to the policy process. When political parties and candidates come out and make promises, I think one thing is certain, that you want informed choices. To assume that what political parties and candidates say is necessarily the truth may not be correct. Dasho Karma Tshiteem talked about evidence, and think-tanks, commentators and critics coming in to chip in their version of the truth to give the voters a broader understanding of what may be closest to the truth. I believe that is very crucial.

However, I think the process does not stop with that. We already have a planning commission that has drafted a five-year plan. All policies go through the policy protocol and if it is found to be not favourable to GNH, we drop the policy. But in reality, many policy decisions are also made which are never filtered or tested. So, I think that the process is what we need to focus on first. Second, when we test through the policy protocol, from what seniority are the people who actually do the testing? What kind of expertise do they bring to the table when they assess and weigh the policy? That is also an area that we need to discuss so that we know that we are in safe hands and so that not only the civil servant and ‘man’ is apolitical but the process itself is also apolitical.





**2022**

***Equitable Prosperity  
through Inclusive  
Economic Growth***



## Introduction

### Chencho Lhamu, Executive Director, Bhutan Centre for Media and Democracy ( BCMD)

Bhutan Democracy Forum is a platform for elected leaders, policy-makers and citizens from diverse walks of life to deliberate on issues of national importance. It is a manifestation of democracy in action as citizens engage in issues of concern to play a part in offering constructive suggestions and recommendations.

I think the desire for equity and inclusivity are ingrained in our DNA and that His Majesty's vision of a "just and harmonious society" is a recognition of this innate human need.

The theme for today's forum originates from a place of concern. Pre-pandemic, Bhutan enjoyed the most rapid economic growth in the world at 18.5% but suffered the highest contraction at 10.08% during the pandemic. Our external debt is 126.8% of our 2021-2022 GDP. The situation is far from the vision of our monarch and our own needs.

Different sectors of society are to work in tandem to contribute to inclusive and sustainable development. However, the private sector is struggling; the civil society organisations are yet to be recognised as credible partners in development. Therefore, as we look beyond the pandemic, here is an opportunity to shape the policy environment that could take us closer to the national vision of a "just and harmonious society"

BCMD, in partnership with the RUB, has put together two eclectic panels of international and national speakers – one joining from New York and another from Sherubtse College. It is my honour to introduce to you the moderator for the Forum - Dasho Kinley Dorji. Dasho has served as the Chief Editor of the first national newspaper – Kuensel. He is a prolific writer with a sharp sense of wit and retired not long ago as the Secretary of the Ministry of Information and Communications.

## Dasho Kinley Dorji, Moderator

The very important component of the vision of achieving a just and harmonious society is equity. Since the 1970s and 80s, we keep hearing about the policy of de-monopolisation and equality in our somewhat hierarchical society.

I will start the discussion on the premise that we don't have equity or that we need more equity in our society. That is the theme for today's forum. In the past, we have talked about Gross National Happiness (GNH) and its misconceptions - that GNH means we don't need money - but we have been corrected there and directed to understand that a sustainable economy is an important pillar of GNH. So, the prosperity of a society is important. Here, I am not talking about individual wealth.

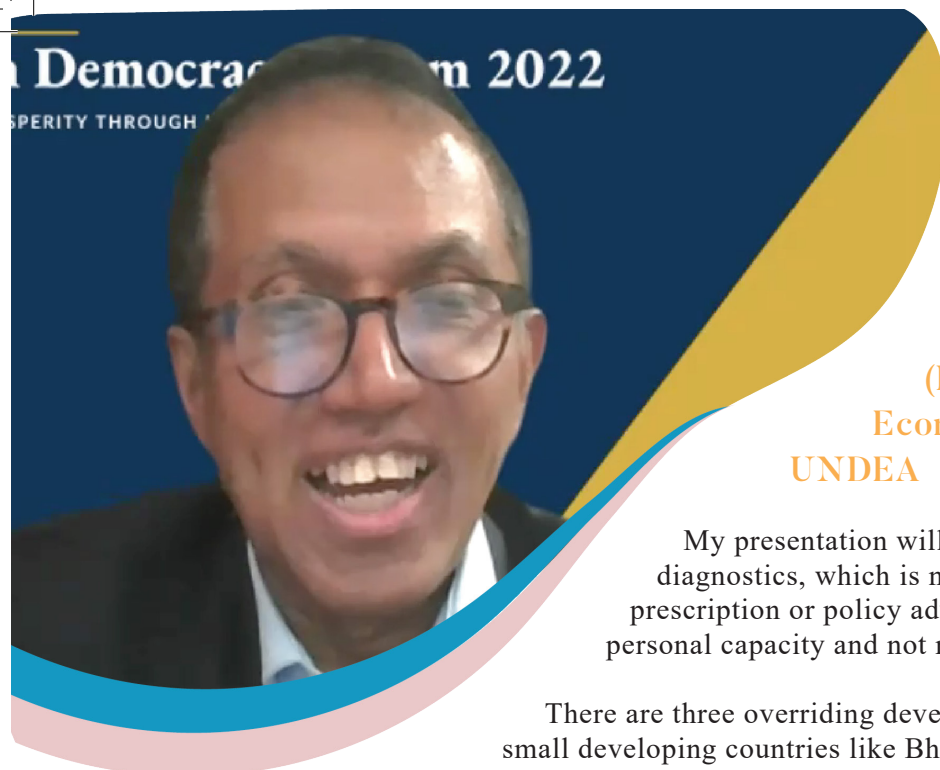
At this stage, when we are coming out of the pandemic to reimagine or re-plan Bhutan's future with initiatives such as the economic roadmap, we hear the UN's buzzword on "leaving no one behind," and we have our government who declared a pledge to "close the gap". If I may quote His Majesty in one of his speeches, "The economic development of the state ultimately affects the livelihood of every common individual in the country. Therefore, it is important to achieve a sustainable economy that benefits every family and ensures the overall health of the nation." This is something that we have to keep in mind.

Today, we have two-panel discussions. We have Hamid Rashid from UN, Gopal Giri from RMA and Member of Parliament Kinley Wangchuk in the first panel. In the second panel, we have Rikesh Gurung representing the entrepreneurs, Tshering Dema from RENEW Microfinance Ltd. and Rinzin Wangmo, a lecturer at Sherubtse college.

I would like to invite Hamid to start.







## Panel I

**Mr. Hamid Rashid  
(PhD), Chief, Global  
Economic Monitoring,  
UNDEA**

My presentation will be mostly about diagnostics, which is not necessarily any prescription or policy advice. I am speaking in a personal capacity and not representing the UN.

There are three overriding development objectives for small developing countries like Bhutan. The first objective is achieving and sustaining steady economic growth, which is necessary for shared prosperity, but it is not a sufficient condition.

The second objective is reducing growth volatility and vulnerability, and the third is managing inequality because growth often comes with some side effects. We need to manage growth in a way that does not increase or exacerbate inequality. These goals can be mutually reinforcing and complementary, so we can pursue all three goals simultaneously to achieve the objectives of inclusive and sustainable development.

If we look at Bhutan's growth performance over the last three decades, it did very well during 2001-2010, but growth has decelerated significantly in the recent decade (2011- 2020). Even if we exclude 2020, which was a bad year for the world economy, Bhutan's growth performance in the last decade was roughly 60% of what it achieved during the previous decade. So, the question is whether growth is slowing down for Bhutan? Has its growth been more volatile or less volatile compared to other countries?

When compared to other countries within the region and among the LDCs, it has done relatively well. The average growth rate in the last 30 years was 6%, but others have done better. Laos People's Democratic Republic's economy is similar to Bhutan's, and its average growth is 6.6%. India's average growth is 5.8%, and South Asia's average growth is 5.5%. But what is significant about Bhutan's growth is that it has been more volatile in comparison to its peers. Bhutan's growth volatility has been 0.76, which is significantly higher than other countries with the same level of economic development. This is apparent from the shocks of the pandemic. Bhutan's economy shrank by 10.1% in 2020, but other least developed countries (LDCs) did not shrink as much. Average LDCs slightly grew in 2020. India's economy shrank by 7.3%, the global economy shrank by only 3%, but Bhutan's economy shrank by over 10%.

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If you look at Bhutan's vulnerability to the global financial crisis, it barely affected Bhutan; Bhutan grew by over 6.7% during the global financial crisis, whereas in 2020, it contracted by 10.1%. So, over the last ten years, one might conclude that Bhutan has become more vulnerable to global shocks; this should not come as a surprise because the economy is more integrated through tourism and trade. This calls for better policy measures to manage those vulnerabilities.

The global data shows Bhutan as the sixth most indebted country among the developing countries in the world in 2019. It is not bad news for Bhutan because almost all the debt incurred was to invest in hydropower; it was not for consumption but for productive investments. However, if the average growth rate of Bhutan is what it has been in the last ten years, then the country's debt to GDP ratio and GNI ratio will exceed 200% by 2030, and at that point, debt will not be sustainable. Bhutan would need to think about a severe debt crisis or debt distress that may affect its growth pattern and slow economic growth. On top of that, large global shocks can tip the balance anytime. Bhutan has to account for that in its planning and policy considerations.

We need to recognise that equitable growth is steady and resilient. When growth is equitably distributed, it produces long-term benefits. Earlier views of economists from the 1950s and '60s argued that rising high growth has the side effects of increasing inequalities, but that has been proven wrong. An economy can grow fast and still keep inequality under check. Once inequalities are under check, growth becomes much more steady and resilient, and that is the sort of argument that needs to drive the policy considerations in Bhutan.

When an economy is overly dependent on one particular line of product or commodity export, hydropower export in the case of Bhutan, then it can be very vulnerable. We have seen that Bhutan is facing the risk of becoming a monoline economy, with just one critical product -- hydropower -- driving all economic activities. To move away from that, Bhutan can think about three ways to stimulate growth: i) by adding more labour, ii) capital and iii) efficiency to the economy. An efficient economy is a more resilient economy and is called productivity-driven growth. This is where Bhutan needs to focus since productivity-led growth is more resilient, inclusive and equitable. There needs to be more policy discussion as not every sector can contribute to productivity-driven growth.

Coming back to the issue of one line of exports, Bhutan's hydropower share in total exports increased from 33% in 2011 to 57% in 2020, a fairly sharp increase even in dollar terms. However, while hydropower export has increased, total export has declined during the same period, and it is alarming because it indicates hydropower has crowded out other exports. The share of non-hydro power exports as a percentage of GDP declined from about 25% to 11%. This means hydropower exports are dominating and the overall exports are not increasing as much. In GDP calculation, net exports in Bhutan, exports minus imports, have not improved as much as they should have.



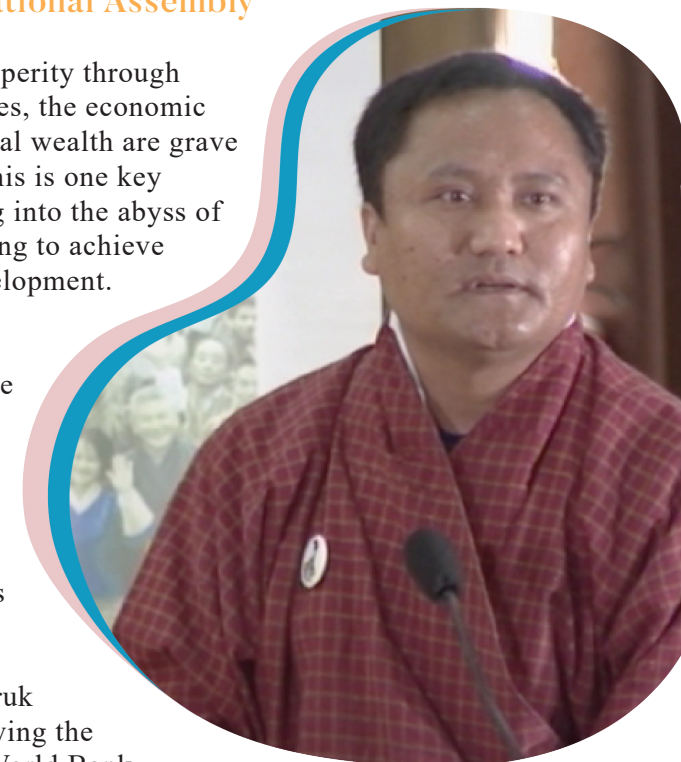
Bhutan's story is that the agriculture sector, which employs almost 50% of the people, has very low productivity. One good measure is the gross value added by a worker. If you look at agriculture in Bhutan, almost 50% of employment is in this sector. But per worker, it generates 2,500 dollars compared to hydropower, which generates 77,000 dollars per worker employed. The hydropower sector, in my calculation, employs about 4,100 people, but it produces 350 million dollars of value-added every year. This is significant because with a small labour force there is a large economic output, whereas in the agriculture sector there is a large share of employment but small value addition. This is where the focus needs to be, as observed in the tourism sector too, which is quite labour-intensive but has low productivity. Similarly, other sectors such as hotel, transportation, wholesale, retail, and manufacturing also have low productivity.

60% of Bhutanese live in rural areas; the rural-urban divide in Bhutan is quite startling. The rural GDP per capita is around 900 dollars per person, whereas the country's overall GDP is \$3,200. If you calculate the urban sector GDP, it is about \$8,000 per capita. The urban sector GDP is about 10:1 - meaning the urban sector is ten times richer than the rural sector. This is challenging for a small economy because this inequality may grow big if there is no productivity growth in the rural economy.

The second challenge for Bhutan is that the population growth rate is low. If the projections are correct, Bhutan's population will grow by 0.8% per year between now and 2032, which will make Bhutan one of the slowest growing populations in the world, even slower than that of the European Union and many advanced economies. This means that there will be an ageing population and more people depending on a small workforce. Therefore, relying on small sectors in terms of employment and hydropower to generate all the economic growth is risky. Growth has to come from other sectors -- especially those that can release an abundant labour force, are underemployed or under-utilised and have low productivity, so they can move to high-productivity sectors and can lead to greater productivity and inclusive led-growth in the long run.

## Hon'ble Kinley Wangchuk, MP, National Assembly

For today's deliberation on "Equitable prosperity through inclusive growth," of all the economic issues, the economic crisis and inequitable distribution of national wealth are grave concerns we share globally. For a nation, this is one key aspect to take care of or else we risk falling into the abyss of economic and social crisis. Bhutan is striving to achieve an equitable society through equitable development. Today, I also like to keep it in a personal capacity, but by default, I think I represent these three institutions automatically. I hope there is nothing to politicise, as I will be as honest and candid as possible. I have divided my point of view into three broad topics, all observatory in nature. One is the political point of view, followed by the government's point of view, and the third is the legislative point of view.



The main reason that triggered the party Druk Nyamrup Tshogpa (DNT) to adopt "narrowing the gap" as a slogan was because in 2017 the World Bank published a Gini coefficient reading, and it was valued at 37.4, and as per the status, the gap between the rich and the poor was eight fold higher, which was quite alarming. The party thought that this was something that we need to do - narrow the gap. To be honest, "narrowing the gap" and "narrowing the gaps" have huge differences. We drew a consensus that we will keep it as "gap" but it means "gaps". We have to look at public services and delivery issues as other aspects of the gaps.

Now with regard to the government's point of view, in the first six months, because of the budgetary independence, not much was achieved. But if you now look at the budget allocation, we have 60% of the budget allocated to local governments; to narrow the gap we focused on the local governments. Additionally, the water flagship was also an important programme initiated. If I speak from my constituency point of view, there is a budget of Nu. 50 million allocated to just two gewogs. This shows that we are working towards contributing to bridging the gap between the poor and the rich. As per the statistics, the local governments have more people underdeveloped and in low-income categories.

[Another gap is the access to markets for agricultural products.] Therefore, we have been mindful of the road condition; 205 roads were granular sub-base (GSB). We are also about to allocate more budget to come up with better road structures in the coming financial year.





The digital gap is also something that we really need to close. Through the Ministry of Education, we have provided laptops and desktops to almost all the nooks and corners of the country. Although the Mines and Mineral bill could not be passed, the government has found a middle path and handed over the dolomites and coals to the State-Owned Enterprises, which will also contribute to narrowing the gap.

However, from the legislative point of view, if you look at one of the important bills, which is customs and duty, there are problems. There is corruption and there are many issues, so we flattened the customs duty to 10%, which is a huge achievement from the Parliamentary point of view. To resolve the gap between the ruling and the opposition, we have created a conducive environment where the ruling and opposition work together with a clear heart. There are more to speak of, but I think I'll be able to address it during the question and answer session. Thank you.

**Gopal Giri, Director, Macroeconomic Research & Statistics Department, Royal Monetary Authority**

Before we prescribe anything, I would like to set the stage with the fundamentals of the Bhutanese economy. Bhutan is still an import-led economy and we have a twin deficit problem. Historically, we have a peg exchange arrangement and the key drivers of domestic economic growth are led by the government's capital expenditure. Now, I would like to ask people to go back to the first Five Year Plan inception and compare it with the 12th Five Year Plan. Has the structure changed? To be honest, the fundamentals haven't changed much. It still remains the same and now we are heading towards the 13th Five Year Plan, and under these fundamentals, we are trying to prescribe economic policy options and pushing the private sector to act as engines of growth. I think we are asking someone to eat an elephant, without understanding if they have the appetite to do so.

These are the basic problems. It is important to understand the factors of production. When we do any economic activity we have to rely on the factor of the production. The basic factors of production are land, labour, capital and skills.

Sometimes when we talk about inequality, I think Bhutan is blessed with His Majesty's leadership. We are not a laissez-faire economy, we are a welfare state and a lot of the fundamentals have already been provided by the state. The land is provided by the state for the landless; His Majesty provides land kidu. Labour is one of the constraints that we have been facing, even today. We have been dependent on labour imports for major industries and the construction sectors. Capital is definitely a very important factor in production. Although today, I don't represent the Royal Monetary Authority (RMA), I'm here in my personal capacity, capital is a factor of production which drives other factors of production. We are definitely lacking in technology and that is why right now, even from His Majesty's initiative and the Ministry of Labour, a lot of skilling programmes are in this sector. These initiatives are intended to bring about more equity in society.

Sometimes when you look at the ease of doing business, access to finance is looked at in isolation, but it's important to understand how each factor of production is interlinked. It is important for private sectors to understand that even if access to finance is given, other technology fronts and bureaucratic processes make things very tight. This will limit access to finance. We call Cottage Small Industry (CSI) one of the important jewels but there are a lot of risks involved in this sector, therefore financial institutes have been reluctant to provide easy access to credit to these sectors. Combining all the factors of production together is a challenge and we haven't done this. So, to achieve high factor productivity for a higher and inclusive growth we have to look at the different processes like bureaucracy and licensing in a holistic manner.

Another thing I notice is our growth dynamics. The private sector is in its nascent stage and everything is driven by government expenditure. This is a lesson learned from the COVID-19-- if there were no hydropower and agriculture sector, our growth could have contracted below 10% and more. So the hydropower sector cushioned the economy from a deep recession. When talking about growth, without the government's capital expenditure there is no action, even in the domestic credit. We call it three triggers of economic growth, capitalised expenditure, private investment and domestic credit. The private sector has very limited space for economic growth and the government has to continue to be the driver until the private sector can do so.

The key lesson to learn from the recent pandemic is to question if hydropower is good enough to take our growth further. On the one hand, we are faced with high unemployment challenges, especially among the youth, and on the other, the private sector is still nascent and the pandemic combined has been putting tremendous pressure on the economy. Dr Hamid said that economic diversification is one of the solutions. I think diversification is definitely very important, but I think it is important for us to know alternative sources of growth besides hydropower. This is one of the interests of the finance sector-- to know how to link the finance sector to real economic development.

If you look at the banking sector, more than 60% of the loan comprises import and consumption loans. This is not going to help because we have to channel these resources to productive growth sectors that generate employment. When we talk of the earlier fundamentals, Bhutan is put in a very difficult situation right now. We have a peg exchange arrangement, we face impossible trinity issues, a trilemma, we have capital control and we don't have independence because of the currency peg. We also can't pump in as much liquid as desired at the cost of the peg, because of the hydro debt; if the peg is distorted, there is a risk for debt servicing, which is one of the challenges because we cannot pump in as much liquidity for economic recovery. Therefore, by looking at the situation from this perspective, we have to understand the calibrations required to achieve this smartly for Bhutan.

Now moving forward, when you talk of inequality, I see the finance sector playing an important role in this because financial inclusion itself is a means of bringing an equitable and inclusive society. We know that Bhutanese finance management is very poor compared to Indian culture, maybe it is because of the demography-- we are a younger population-- so we don't care about the future and present consumption is more important than the future consumption. Therefore, financial inclusion should also include financial literacy. We have to give these values to our younger generations to help them manage their funds to the best of their ability. So that in the long run, Bhutan will be financially independent. Right now, Bhutan depends on aid and grants for financing our capital expenditure. To become financially independent, we need to understand how we put our efforts into bringing our productivity gain to a higher level, add value to our skills, become more productive and generate good income. This entire gamut of issues from the income generation to the tax revenue paid to the government is not working in our case.

To conclude, I think these are the areas we have to look at with this.

## Panel II

### Rikesh Gurung, Founder and Managing Director of The Green Road



After being in business for seven years, building about 120 kilometres of plastic road, reusing more than 700 tonnes of plastic waste and employing more than 65 people, my company is able to sustain itself; but I don't think it can ever thrive if the economic situation remains as it is.

Every time a law is passed, you take the privileges away from entrepreneurs. I say this because last year on October 31st, I stopped my plant in Jigmena, which was established in 2014. I was asked to apply for another land, (I leased the land for my plant from the Dzongkhag Office) there was an ad hoc circular that came from the Royal Commission for Urban Development stating that no private individual will be allowed to take government lease land. Therefore, my plant hasn't been running for seven months. I think it is just a matter of time before I start relieving my employees. This has really affected me, although I like challenges I didn't know that it would take a toll on my health.

Every time we have a new government, they talk about economic growth that is resilient and green, which is good as it benefits the society but it has also become divisive as the vast majority of the GDP goes to a very small fraction of the society. That is also where everything comes to a halt because we focus on acts and policies. I'd like to share an example. An entrepreneur started a company, a Manufacturing Unit in the startup centre and availed a loan of 1.2 million through the Cottage Small Industry (CSI) bank. After running the business for six months, she got a notice saying that the plastic ban implemented in 1999 was reinforced so she has to stop her business. So after three years, she is running around to make ends meet. I couldn't help her and or her husband who had mortgaged the family land in Mongar as collateral, now both of them are litigated.

The officials were saying that the notice was not sudden and there are acts and policies. However, if they are keen on taking up these policies and acts, there are policies and acts in the National Environment Commission (2009) stating that the government may establish fiscal incentives for environment protection and compliance, however my company (Green Road) till date has not benefited from this.





Last year, I was appointed as the independent director of a State-Owned Enterprise called Green Bhutan Corporation Limited. It was alarming for me because even though we claim 70% forest cover, our forest isn't healthy. In the last three to four years almost 5000 of the catchment area that produces water has dried up in the country which is a very serious concern as we talk about hydropower projects. I came up with this strategic plan for the SOE to really diversify income. I found that if we grow agarwood in an area of 1,000 hectares we can generate more income than the hydropower sector. So, there are opportunities that we can really explore.

Coming back to the earlier conversation, the circular actually left me ossified. It was a tricky situation to be in. When I say the government, I mean the ruling party. The bureaucrats, the government and the private sector don't get along well and are unable to perform better. Sometimes, I imagine that I'll be able to do much better if I go abroad. It is very sad that when the last lockdown happened, 32 of the entrepreneurs doing the business for the last five to six years quit their business and sat for the IELTS exam. That is very concerning.

In terms of the government, they are in a situation where there is no income coming in, so they came up with the Goods and Services Tax (GST) regime, which was to be implemented this July. I've been part of that review team and I shared that if India took 19 years to study GST to implement it in the 20th year, then this can't be implemented straight away,

As Dasho said, we Bhutanese seem to know everything. When I started my business in 2010, it took me three years to get my licence, and now people claim that they know more about my business than I. This is the kind of society that we are living in, and it's quite sad really.

We have Mr Gopal here today and I wanted to talk about the interest rate. We talked about financial inclusion at the CSI forum and I questioned about bringing the interest rate down to 3% to 4%, to encourage businesses in the rural areas. The person told me that 3% won't be enough to cover the administrative costs. However, Japan currently stands first in entrepreneurship development and the interest rate is just 0.40%. The Japanese earn more than what we earn. So why can't we do that?

There are a lot of things to consider - GST and innovations in a lot of fields like agriculture and the environment. I understand that they want to bring about big developments in the country but neglecting the small ones and not giving opportunities won't take us far. If we talk of employment opportunities, the private sector employs 70% of the working group of the population but this is where we are heading.



**Rinzin Dema, Economics and Statistics lecturer, Sherubtse College, Kanglung**

I would like to share some aspirations of our youth and my views on how academia can prepare them for inclusive growth. What I have observed with my close association with young people over eight years at Sherubtse and elsewhere are -- first, the youth are striving for an increase in freedom from the system and from the controls of adults as our system restricts students to plan and carry out activities independently. I feel our leaders should be bold enough to take risks and facilitate activities in the interest of students and promote more civic engagement for the students.

Second, the current education system is more on imparting subject knowledge, be it in schools or tertiary educational institutes and our focus on 21st-century skills is minimal. So once they get out of the education system they are not able to make significant decisions in their lives. They're not able to navigate their personal, societal and economic problems and also the academic challenges in the institute. Right now, when a student has a brilliant idea we often become sceptical about it and start thinking about its adverse outcomes. For instance, when a student engages in collaborative activities, which might require their presence elsewhere, the first thing we ask ourselves and the students is if it would not affect their studies or attendance. We are too focused on academics and I think this obstructs them from realising a sense of responsibility.

Third, while I converse with the young people, each of them has different needs, values, strengths, interests and weaknesses as well. Some of them dream of becoming civil servants while others want to be an entrepreneur. However, it is very sad to see their dreams already dying before they even start budding. This is because of society's pressures and expectations. While they feel and understand that the nation needs them, they are certain that their ultimate destination is going abroad for economic opportunities. The youth expect the adults to listen and respect their opinions as well. These democratic values should start from educational institutes because these people are going to practise the same someday.

We need to work towards ensuring inclusive education, giving everyone equal opportunity to learn irrespective of their gender, economic capacities and physical abilities. Besides the provision of technologies and tools as a learning aid, we also need to design inclusive infrastructure in the institutes, including tertiary education institutes for disabled students.



From the economic perspective, how can we make education more inclusive for students coming from diverse backgrounds? According to the 2020 TVET report, it showed that a majority of the TVET students/trainees, as high as 60% of them, are sons and daughters of farmers with no formal education background followed by children from armed forces and private-sector workers. So what does this indicate? Is our education inclusive? Are we giving equal opportunity to all? I think there is an opportunity for the policymakers to intervene and make education more inclusive and avoid problems of representation at a higher level.

I would also like to emphasise gender in education. Over the years we have received increasing enrollment of girls both in school centre tertiary education. In the arts and social sciences, we have somewhat equal enrollment however, if you look at science courses there is still lesser enrollment. In Jigme Namgyel College of Engineering, we have as low as 30% female enrollment and the College of Science and Technology in Kharbandi doesn't even have 30% female enrollment. So, we need to start thinking about why there are fewer women in STEM education and how we can improve their involvement and participation? We may be able to do it through positive discrimination, so rather than selecting these students entirely based on merit, we can have a certain quota for women in STEM education through positive discrimination. This is the era of technology and a digital-driven world, and due to inequality, the disparity of gender in terms of income will widen because of the work they will be taking up later. Further, the disparity in representation at all levels is likely to rise as well. Therefore, positive discrimination must also apply to other subjects in arts and social sciences making it inclusive of all gender. We must keep quotas for males wherever necessary as well.

There are different avenues from which students learn life skills, one of these is their participation in sports and co-curricular activities. We can see that female participation is less in sports, so we should encourage and facilitate such activities for female students. That can be done again through positive discrimination, sometimes we just need to give them a push rather than leaving it to themselves. For example, we have a football field and the opportunity to play football is given equally, however, every time a woman tries to go and play the field is populated with men. There is no way that a woman can play with her male counterparts at the same time. So why don't we allocate particular time for women to come and play? For the first few days, we might see the football field empty, however gradually few will start playing and then more and more will start turning up to play. Therefore, such positive discrimination should be practised even here to ensure inclusive economic growth at a later stage.



### Tshering Dema, Deputy CEO, RENEW Microfinance Pvt. Ltd

I come from a sector that caters mostly to the rural community, but I think what I will talk about will also apply to every section of the population. From my experience, providing microfinancing in 11 Dzongkhags for the last seven years, what I have learnt is that rural people or Bhutanese in general need to be more proactive. I think the inactiveness or the reactiveness comes from the fact that the government has been taking care of us historically. So even today, medical expenses and education are paid for unlike in India. I feel that this lack of proactiveness is because we have this mindset that the government is responsible. Of course, the government is accountable, that is why we elected them. However, I feel that putting your and your family's future into the hands of the government is not a very wise thing to do. If that were the case we wouldn't be discussing all the challenges that we are discussing today. There are so many challenges and issues that we want the government to address, but we also have to understand that there is only so much the government can do and I think it is our responsibility to make a better life for ourselves and for our families.

Therefore, as a microfinance service provider, in my experience, especially in the agriculture sector there has always been this issue of not having access to the market. It is due to the transportation issue or lack of cold storage, so people want the government to install it and they want the government to fix the roads. However, I feel like the community can come together and decide if someone can take up the business of installing storage in their community. If the roads are bad they can proactively come together and fix them. I understand that it is expensive to take over these projects, but I feel like waiting on the government does not help either. I think the government will act but it takes time for them to act. That is why I feel it's important that if we want equitable and inclusive economic growth we take the responsibility. The government and the regulators will do their part, but it is our responsibility to do ours.

I also feel that there is this lack of urgency in our people, we are pretty laid back and I do not mean any disrespect to anyone when I say this. Even if you are unemployed or take some time to find a job, you can always depend on your family to take care of you, so this mentality affects our sense of urgency even for the entrepreneurs. I have also attended several pitching sessions and I've observed that our entrepreneurs do not come as business people, they come as people seeking "favour". I think no investor would want to put their money in your business if you do not bring something substantial to the table. They have to be convinced that you mean business and are not asking for a favour. If I give a typical example, I've seen a lot of pitchers say that we are a local company promoting local produce, so please support us. Investors will not invest their money to support your local produce, you





have to bring value to the table. If you cannot compete in quantity then you have to compete in quality. If you want to thrive, there has to be something that you should be able to bring to the table.

One more challenge that I've seen is that it is difficult for entrepreneurs to find the right kind of balance. A lot of the time, the pitchers are too timid and when you're not confident then the investors will not have confidence in your endeavour. Then there's the other side where the entrepreneurs are too arrogant, which is not good either. I think it's very important to find that balance; you have to be respectful and stand your ground to show that you mean business.

We hear from our fathers and uncles who shared that when they graduated, companies would come to them asking them to join their company but that's not the case anymore. Bhutan is getting very competitive, so if you're just good enough it will be an issue and the unemployment rate will continue to increase. So this is the reality; you have to have your own back, you cannot depend on your family and you cannot depend on your government, because there is only so much that they can do for you. This is more from the demand side.

Now if I talk from the supplier side, from the government and from the regulators, I think we try to replicate what other countries have implemented in Bhutan, assuming that it will be successful. However, so many policies have not worked in our context, so it is important that our governments spend more on research and development. We have to study the market to see what is applicable in our context and in our community. We have to talk to the people and have discussions with the relevant people who would actually be affected by these policies. I think this is what the government could do from the supply side.

From my experience, we also need to provide financial literacy as well as business literacy. I know the Minister of Agriculture and other agencies are doing a lot in the rural community to boost the agriculture sector, giving access to the market and technology. However, if the client is from a rural community, most of whom are illiterate and if they do not know how to make a forecast for their business or if they do not know how to budget their income and expenses, the business will only take them so far. So it is critical that we invest in financial literacy too. If you provide the needed financial and business literacy the loan will take care of itself. The client will know how much they earn and need to pay for the Equated Monthly Instalment, and their ability to take this loan, so the client will make sound decisions for themselves.

I think even banks and financial service providers like us need to think outside the box and not follow the conventional way. For example, we have the collateral that decides if you get the loan or not, instead of a more holistic evaluation. We also have to sit with the borrower and talk to them to understand their business plans, their income, and their capacity. I think a consultation with the borrowers is imperative because we want to be responsible lenders. If there are more questions then I will be open to them.



# Q&A Session



**Kinga Tshering, President of Druk Thuendrel Tshogpa:** I remember 10 years ago, you spoke in a similar forum and wrote a paper. That was in the context of the Rupee crunch in Bhutan, and now here we are 10 years later. What is the difference that you see during these two specific points in time? What have we implemented upon your recommendation back then or have we not implemented and what has been the impact that you saw?

**Dr Hamid Rashid:** It's a very good question but there's no easy answer to it. I try to follow Bhutan on a regular basis, not only as a head of global economic monitoring in the UN but also out of personal interest in Bhutan. What I have seen is that there is not much change in the policy messages in the last 10 years. I discussed this in 2011-12, the challenges for Bhutan in terms of the resource curse, which has now materialised. Bhutan is more dependent on hydropower than it was in 2010-11 and that has affected Bhutan's full growth potential. So, there needs to be some serious rethinking in the policy circle about how we avoid further downward slide of the economy and further concentration on just one sector. This will require immediate sacrifice or trade-offs even if it requires shedding a 1% or 2% growth rate by investing in sectors that have more potential. For example, Bhutan has the lowest electricity tariff rate (per kilowatt/hour) in the world. I've seen the tariff rates in neighbouring India and other countries in South Asia which are priced at the lowest possible level. Electricity should be harvested for the right use to generate new sectors of the economy but I haven't seen this new sector's development in Bhutan. I have heard about the IT sector, however, when I look at Bhutan's export of services it is still very limited; there are no IT exports from Bhutan. So that is something that Bhutan can think seriously about how to utilise other countries in the region or even beyond that don't have cheap electricity. Although I wouldn't say that the crypto mining sector would be good for Bhutan, as it has crashed globally, we can focus on related sectors like blockchains and other technologies, which are energy-intensive. Bhutan has to think beyond hydropower, it hasn't thought beyond hydropower during the last 10 years. Thank you

**Aum Pek:** Bhutan is slated to move into the middle-income category. I would like to hear your views on this, the pros and cons in the light of the current situation.

**Dr Hamid Rashid:** I think Bhutan is a middle-income country group already and is considering graduating from LDCs but these are fungible thresholds. A low-income country is eligible for concessional financing, a middle-income country can borrow in blended terms -- meaning it can be partly concessional, partly hybrid and partly market rate. So it is very tricky for a country like Bhutan to join the group of middle-income countries; it could face significantly higher borrowing costs. One good thing is that almost all external debt is in Indian rupees but if the borrowing is in dollars, then the middle-income country's status will affect its borrowing cost. Just to give an idea, LDCs borrow from the World Bank or other multilateral development banks at under 1%. The moment they become middle-income countries, their borrowing rates increase to about 3% - 4%. If you borrow from the international capital markets that can be 7% - 9% in dollar terms. Therefore,

borrowing costs increase exponentially once it becomes a middle-income country. I think there is also a grace period in between but as far as I know, Bhutan hasn't been borrowing in dollar terms in significant amounts, so there is no need to worry for now.

**Sri Naryan, Election Commission of Bhutan:** Good morning, Bhutan is a kidu-ridden country or a welfare state. My question is to Mr Gopal, how can Bhutan change its welfare state status?

**Gopal Giri:** Each one of us continues to depend on the state from every front. I think that notion should not be prolonged in the longer term. We are talking about graduating to a middle-income country and we are still dependent on the state for basic necessities. Due to the economic vulnerability index, we are not able to meet the threshold of graduation, this is a problem as it mirrors inefficiency in economic fundamentals.

**Question from a student:** The speaker has mentioned hydropower as being a major source of income for the country. Does the government also look at the long-term environmental impact of hydropower? I consider the environment to be a long-term asset of the country. Are people and the government aware of the impact of hydropower on the environment?

**Gopal Giri:** Bhutan is an environmentally rich country, and hydropower is the main natural endowment. We know that nature conservation is very important because we depend on natural resources and as you rightly mentioned hydropower is not free from vulnerabilities; climate change will impact the hydropower sector. If we lose the river sources, a huge investment that we have put in hydropower is going to suffer. This might have a lot of implications on debt service repayment in the longer term if we are not able to make a repayment by that time.

That's why now the important question is, should we diversify our economy away from hydropower and how to identify the sources of growth. That's the challenge we have.

**Kinga Tshering:** This is a valid concern in terms of the environmental impact, however in Bhutan, there are no big dams for hydropower; it is all run-off from the river dams, so there's no major impact on the stream. Additionally, there's a very strong Water Act, which says that there should be a minimum flow of 10% of the river. I think, yes these are valid concerns, but the contribution Bhutan is making to the regional and global renewable energy source diversification is huge. During the pandemic, the maximum contribution to the revenue is from hydropower, so hydropower has been COVID-proof and market fluctuation-proof. We have a guaranteed market with India. I think there's no other project we can pay back in 12 years and then earn billions of ngultrum for the government.

**Kinga Tshering:** Then just a follow-up question with Mr Gopal, one is the





interesting component that during COVID only Bhutan has registered negative -10% economic growth. So what are some of the things that make Bhutan special in terms of registering the highest negative growth?

And regarding your argument on pegging that we may end up paying higher for the imports we are making, I think there is a substantial cost that you're bearing whether it's from the export or tourism or the money that you are getting from grants or from donor aid. So you are paying the money whether you have the peg or not. I want to request and see if the central bank has done any study on not utilising the only option that we have, which is the currency peg.

**Gopal Giri:** We have to look at endogenous and exogenous factors affecting the growth. The endogenous factor, like hydropower, has been a cushion and continues to be the main driver of growth. On the other hand, we are exposed to exogenous factors like tourism and hospitality. The drag on this sector has been severe during this pandemic phase, which is the first shock of the pandemic. The second shock was faced by the mining, construction and transport sectors. It is important to understand that sectors are not in isolation and that they are closely linked. The good thing in our case is that hydropower continued to be resilient during the pandemic, without it, we would have been in dire circumstances. Bhutan's growth paradox is that we have high growth driven by hydropower but we still have high unemployment. Hydropower is a capital-intensive industry. The service industry suffered during the pandemic, many were laid off. So the question to ask again is should we go for diversification during the shock phase?

Regarding the pegging, the exchange rate is very important for us at this juncture as everything is tied to India's economy; more than 80% of the trade is with India (import and export). When looking from the debt perspective, the latest is 123% of GDP, that is 80% of debt is denominated in the Indian rupee. Pegging is in favour of Bhutan because of the stable exchange rate in comparison to other currencies. If our currency was not pegged we would be in deep trouble in terms of debt servicing and trade; this is the cushion we have. The Indian economy is a big economy and the exchange rate volatility is not much when compared to other vulnerable countries. That is the advantage we have as a small country. When we talk of de-pegging we have to wait for the right time, that is when we have a competitive edge in terms of our exports. If our economy's competitive rate increases then we can talk of moving to a semi-float exchange rate, it is not the time right yet. We haven't built the capacity and the balance of payment also has to change, only then can we talk of de-pegging.

**Karma Gyeltshen, National Council:** I want to ask Mr Gopal, if every government comes and reduces tax what will be the economic impact?

**Gopal Giri:** This is a very important question. If The Ministry of Finance doesn't have money then all will suffer, we call it the fiscal space, they have very limited money to spend in the economy's development. Tax waivers and deferral eat

away the revenue base of the country and without revenue base development, the immediate impact is on the country's economic development.

**Student:** Elsewhere in other countries, when economies contract, the government's central bank plays an important role in coordination, bringing fiscal monetary policies. This is not happening in Bhutan, why?

**Gopal Giri:** I think most countries increase the balance sheet of the bank, inflate as it is effective and within domestic control. Most of the advanced economies are doing this. Talking from the exchange front, in Bhutan's case it is unique, for example in Bhutan if you play with the balance sheet, it is like shooting an arrow at a steel wall, as the arrow will bounce back and harm us. Therefore, we have to be calibrated. If you increase the balance sheet, the government will spend causing imports to increase, which hits our reserve, and the balance of payment will deteriorate. We are very careful about the extent to which we can sustain our reserve.

**Question:** Is the government doing enough to support entrepreneurs?

**MP Kinley:** As far as policies with regard to private sector development and entrepreneurial scopes are concerned, I think the National Credit Guarantee Scheme (NCGS) programme from the government has played a vital role. We have also been focusing strongly on Cottage and Small Industry (CSI) banks. From NCGS and CSI jointly, many aspiring youth entrepreneurs have been given opportunities to access loans. I think this is one way to actually make it inclusive and directly cater to the needs and aspirations of doing business in Bhutan. I think this is one way to close the gap.

**Question from audience:** If we are to experience inclusive growth, what policy reforms are important, and what is being done so that other sectors share responsibility as well as enjoy inclusive growth?

**MP Kinley:** In addition to the water flagship programme, we have also focused on land development, this is also a youth entrepreneurial and engagement programme. Farm Machinery Corporation Limited (FMCL) has undertaken a huge land development programme in addition to what the government has already initiated. Bhutan is driven by an agro-economy, so if we work hard we could meet food self-sufficiency, which has remained a myth. That is why our plans and policies are shifting toward a self-sufficiency economy and to create a diversified market, not only within our country but also outside. The pandemic, however, has been a bottleneck to the government's policy, but eventually, I think we will be able to address this.

**Phub Tshering, Tshogpa, Thromde:** What opportunities can be given to local governments to contribute to the betterment of the community?



**Gopal Giri:** When you talk of the theme of inequality and inclusiveness, sometimes we forget the social capital and its strength. Sometimes social capital itself is a very important factor that we need to understand. The community will have the strength to do things and not necessarily depend on the government to solve the problem. I think if we outline clearly what the local government can do and can't do, I think they can be a helping hand to the government. RMA's impact investment frontier is a part of financial inclusion that focuses on impact investment. Impact investment mobilises the social capital within the community that can impact and benefits the community so that we lessen our reliance on the government.

**Kinlay Dorjee, former Thimphu Thrompon:** Right now the problem faced by local governments is that they are fulfilling their duties and responsibility according to the rules and regulations to make a difference. In a thromde situation, based on my experience, one of the reasons is because elected persons misuse their power through favouritism and people become reluctant to come forward to participate in community development. The main reason for such a problem is because of lack of governance in the local government. If we want proper function and community participation, proactive facilitation must be provided by the local government and different institutions such as Dzongkhag and Thromde should work together or else we risk affecting community participation.

**Namgay, Programme Officer, Desuung:** We have noticed that usually there's a disconnect between our educational institutions and our industries. For instance, our business schools are not producing entrepreneurs, quite, unfortunately. Our colleges may not be feeding into the labour market. So what can an entrepreneur do? How can colleges create some sort of connection and feeding of talent into the market?

**Rikesh:** I think you must be aware that the new curriculum for class 11 onwards is focused on promoting entrepreneurship. It was launched about two years ago. So as a part of promoting the culture of entrepreneurship, entrepreneurs are usually invited to all the schools and colleges. Earlier about two to three years ago "entrepreneurship" was basically trying to employ yourself and to get self employed but with the increasing number of graduates every year, entrepreneurship should be taken as a career choice. I believe that the support from relevant stakeholders should come in.

Although entrepreneurship is about promoting and pushing youths, last year the Ministry of Education procured some 4.6 million worth sanitary pads for schools for the menstrual day this year. However, the Ministry didn't buy these products from our local entrepreneurs. We have Cheche pad supported by Loden and UNDP. We talk about promoting entrepreneurship but we don't have support coming from the government.

When I say the government, it is not the ruling party, it is the bureaucrats who tend to follow these procurement policies, which affects the entrepreneurs. The whole

idea of the economy is to support the needs of humans and I think it's time that we have to reimagine and have a bigger ambition of how we want to develop and have a different set of indicators.

**Tshering Dema:** To everyone, be curious and ask questions, I think a lot of things can be changed if we ask questions and not remain complacent. To the government, I would say consultation is critical.

**Rikesh:** I've been requesting the government to have this relaxation on the procurement policies, sharing that if you're not able to change fiscal incentives or GST, then it'll take a lot of time to really bring about changes. The government relaxing the procurement could really benefit entrepreneurs and I think it's only about going forward, no matter what kind of policies or regulations.

### Vote of thanks

From the discussion we know that for a successful society and equitable prosperity, voices from all sectors of the society are required. This must be taken into consideration while developing policies or regulation, then only we can have this equitable society. RUB and BCMD have been organising Bhutan Democracy Forum for the last many years to create a platform to bring people together from all walks of life to discuss on topical issues of the country.

There is nothing more valuable or important than face to face human contact and I would like to thank the European Union Helvetas Bhutan and Ideas International for supporting this project.





## Funded by:



**HELVETAS**  
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