

**ROYAL CIVIL SERVICE COMMISSION  
BHUTAN CIVIL SERVICE EXAMINATION (BCSE) 2018  
EXAMINATION CATEGORY: GENERAL**

**PAPER III: BHUTAN AND ITS (a) SOCIO-POLITICAL INSTITUTIONS AND (b) SOCIO-ECONOMIC DEVELOPMENTS SINCE 1961**

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**Date** : 7 October 2018  
**Total Marks** : 100  
**Examination Time** : 3 hours  
**Reading Time** : 15 minutes (prior to examination time)

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**GENERAL INSTRUCTIONS:**

1. Write your Registration Number clearly and correctly on the Answer Booklet.
2. The first 15 minutes is being provided to check the number of pages of Question Paper, printing errors, clarify doubts and to read the instructions. You are NOT permitted to write during this time.
3. This paper is divided into two parts:
  - ❖ Part A: Bhutan and its socio-political institutions.
  - ❖ Part B: Bhutan and its socio-economic development since 1961.
4. Answer **Five** Questions in total as follows:
  - Two** Questions from **Part A**.
  - Three** Questions from **Part B**.
5. Answers will be evaluated based on knowledge of the subject, analytical skills, originality, and preciseness of your response.
6. All answers should be written on the Answer Booklet provided to you. Candidates are not allowed to write anything on the question paper. If required, ask for additional Answer Booklet.
7. All answers should be written with correct numbering of the Part and Question Number in the Answer Booklet provided to you. Note that any answer written without indicating the correct Part and Question Number will NOT be evaluated and no marks will be awarded.
8. Begin each Section on a fresh page of the Answer Booklet.
9. You are not permitted to tear off any sheet(s) of the Answer Booklet as well as the Question Paper.
10. Use of any other paper including paper for rough work is not permitted.
- 11. You are required to hand over the Answer Booklets to the Invigilator before leaving the examination hall.**
12. This paper has **10 printed pages**, including this instruction page.

**GOOD LUCK!!!**

**PART A**

**BHUTAN AND ITS SOCIO-POLITICAL INSTITUTIONS**

**Answer any TWO of the five questions from this part. (each question carries 20 marks)**

**Question 1**

- a) Jigme Namgyal, “*The Architect of United Bhutan*” created an alternative power center in the mid-19<sup>th</sup> century. It largely determined the political course of Bhutan. His son Gongsar Ugyen Wangchuck, “*The Founder of Monarchy*” established Hereditary Monarchy. This marked the beginning of a glorious era in the history of Bhutan. “*The Consolidator*” Jigme Wangchuck took charge of a fragile Kingdom which was just about 20 years old and consolidated it in full measure.

In this regard, elaborate on the contributions of Jigme Wangchuck with specific reference to Jigme Wangchuck as “*The Consolidator.*” (10 marks)

- b) Bhutan has experienced a century of Monarchy in peace and harmony and a decade of successful Democratic Constitutional Monarchy under the wisdom of the Peerless and Benevolent Monarchs. Article 2, Clause 1 of the Constitution of the Kingdom of Bhutan states: *His Majesty the Druk Gyalpo is the Head of State and the symbol of unity of the Kingdom and of the people of Bhutan.*

Discuss the role and importance of Monarchy for Bhutan and the Bhutanese in a democratic setting. (10 marks)

**Question 2**

Of the many imminent Buddhist masters that sought refuge in the Paro valley beginning 12<sup>th</sup> century, the earliest to do so was Gyalwa Lhanangpa from the Lhapa school. Discuss the religious and political significance of the visit of Gyalwa Lhanangpa and the Lhapa school (20 marks)

**Question 3**

In the Royal Address at the 12<sup>th</sup> Convocation of the Royal University of Bhutan His Majesty King Jigme Khesar Namgyel Wangchuck said: “Bhutan has always been a SMART Nation. That is why we must continue to build SMART institutions, and that is why it is imperative that our people remain SMART.....We must remember that these qualities will help us navigate the 21<sup>st</sup> century and build an even better place...”

- a) What does the acronym SMART represent? (2.5 marks)
- b) Illustrate the essence of SMART by drawing inspiration from Bhutanese anecdotes that can be emulated by all of us. (17.5 marks)

**Question 4**

Ashley Eden visited Bhutan in 1864 to resolve problems arising from a long series of “depredations” committed by the Bhutanese in the Duars and to negotiate a treaty which could regularize future relations. Discuss the circumstances that led to the Duar war and bring out some of the salient features of the treaty signed in the aftermath of the war between Bhutan and British India. (20 marks).

**Question 5**

Article 22, clause 1 of the Constitution of the Kingdom of Bhutan states: “*Power and authority shall be decentralized and devolved to Elected Local Governments to facilitate the direct participation of the people in the development and management of their own social, economic and environmental well-being.*” Accordingly, the draft 12<sup>th</sup> Five Year Plan aims to further strengthen decentralization by increasing the capital share of the Local Government to 50% with the aspiration to take us to His Majesty’s vision of a democratic and responsible society.

- a) Narrate the key milestones in the history of decentralization envisioned by His Majesty the Fourth King. (7.5 marks)
- b) Discuss the two benefits and two challenges of the major fiscal decentralization that is planned to happen in the 12<sup>th</sup> Five Year Plan. (12.5 marks)

**PART A**

**BHUTAN AND ITS SOCIO-ECONOMIC DEVELOPMENT SINCE 1961**

**Answer any THREE of the seven questions from this part. (each question carries 20 marks)**

**Question 1**

Hydropower is one of the jewels of the Bhutanese economy and it has been driving the economic growth since the commissioning of Chhukha Hydropower project in 1986. Over the years, growth trends show that commissioning of hydropower projects is followed with spikes in GDP growth, indicating the predominant role of hydropower in the economy.

- a) Name FIVE jewels of the economy? (5 marks)
- b) In your opinion, should Bhutan focus too much on Hydropower development for sustaining its economic growth and why? (15 marks)

**Question 2**

According to RMA’s Report as cited by Kuensel in its 30th August issue, the country’s debt to GDP ratio is reported to have touched 115%. What do you understand by debt to GDP ratio? Discuss some characteristic of the country’s debt policy and highlight the possible implication of high debt to GDP ratio to the country. (20 marks)

**Question 3**

Realizing the importance of regional cooperation for development, Bhutan became a member of South Asian Association for Regional Cooperation and Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation. Bhutan also signed the Bangladesh, Bhutan, India, and Nepal Motor Vehicle Agreement (BBIN MVA), but, it has not yet ratified the agreement.

- a) What is the rationale behind the signing of BBIN MVA? (5 marks)
- b) In your opinion, should Bhutan ratify BBIN MVA and why? (15 marks)

**Question 4**

The National Assembly limited the capital budget of Fiscal Year 2018-19 to on-going and critical activities only. Discuss the rationale and economic cost of such a decision. (20 marks)

**Question 5**

What do you understand by the term ‘priority sector lending’ or PSL. Discuss possible priority sector areas in the country and the likely effects of good priority sector lending to our economy. (20 marks)

**Question 6**

His Majesty commanded on the need to build a strong and dynamic economy and be able to stand on our own feet, to compete as equals with other nations and succeed through our own hard work and sweat, on our own terms and merit. Discuss some of the major developmental challenges or issues the country is facing today. (20 marks)

**Question 7**

According to the Population and Housing Census of Bhutan-2017 Report, the population growth is on the decline over the years and the Total Fertility Rate (TFR) has shrunk from 2.5 in 2005 to 1.7 in 2017. Likewise, the General Fertility Rate (GFR), which denotes number of births in a year per 1000 women of reproductive age, has also fallen from 79.4 in 2005 to 57.3 in 2017.

- a) Why is TFR important and give THREE reasons for the decline of population growth? (5 marks)
- b) How does the population growth affect the economic development and what should government do to address the declining population growth? (15 marks)

**TASHI DELEK**