Background:
In 1865, Britain and Bhutan signed the Treaty of Sinchulu, under which Bhutan would receive an annual subsidy in exchange for ceding some border land. Under British influence, a monarchy was set up in 1907; three years later, a treaty was signed whereby the British agreed not to interfere in Bhutanese internal affairs and Bhutan allowed Britain to direct its foreign affairs. This role was assumed by independent India after 1947. Two years later, a formal Indo-Bhutanese accord returned the areas of Bhutan annexed by the British, formalized the annual subsidies the country received, and defined India's responsibilities in defense and foreign relations. A refugee issue of some 100,000 Bhutanese in Nepal remains unresolved; 90% of the refugees are housed in seven United Nations Office of the High Commissioner for Refugees (UNHCR) camps. In March 2005, King WANGCHUCK unveiled the government's draft constitution - which would introduce major democratic reforms - and pledged to hold a national referendum for its approval. A referendum date has yet to be named.

Location: Southern Asia, between China and India
Area: 47,000 sq km
Area Comparative: about half the size of Indiana
Climate: varies; tropical in southern plains; cool winters and hot summers in central valleys; severe winters and cool summers in Himalayas
Terrain: mostly mountainous with some fertile valleys and savanna
Capital: Thimphu

Official language: Dzongkha, Bhotes speak various Tibetan dialects, Nepalese speak various Nepalese dialects.

Bhutan's indigenous population is the Drukpa. Three main ethnic groups, the Sharchops, Ngalops and the Lhotsampas (of Nepalese origin), make up today's Drukpa population. Bhutan's earliest residents, the Sharchops (people of the east) reside predominantly in eastern Bhutan. Their origin can be traced to the tribes of northern Burma and northeast India. The Ngalops migrated from the Tibetan plains and are the importers of Buddhism to the kingdom. Most of the
Lhotsampas migrated to the southern plains in search of agricultural land and work in the early 20th century.

The country has been identified as one of the 10 bio-diversity hot spots in the world and as one of the 221 global endemic bird areas. There is an estimated 770 species of birds and over 50 species of rhododendron, besides an astonishing variety of medical plants and orchids. Bhutan also has a rich wildlife with animals like the takin, snow leopard, golden langur, blue sheep, tiger, water buffalo and elephant. The country has adopted a controlled tourism and development policy in order to secure its bio-diversity.

Bhutanese men wear a gho, a long robe tied around the waist by a small belt called kera. The women’s ankle length dress is called a kira, made from beautifully colored and finely woven fabrics with traditional patterns. Necklaces are fashioned from corals, pearls, turquoise, and the precious agate eye stones which the Bhutanese call ‘tears of the gods’.

Bhutan is the only country in the world to retain the Tantric form of Mahayana Buddhism (Drukpa Kagyu) as its official religion. The Buddhist faith has played and continues to play a fundamental role in the cultural, ethical and sociological development of Bhutan and its people.

The rectangular national flag of Bhutan is divided diagonally and depicts a white dragon (druk) across the middle. The upper part of the flag is yellow, representing the secular power of the king, while the lower part is orange, symbolizing the Buddhist religion.

The national emblem, contained in a circle, is composed of a double diamond-thunderbolt (dorji) placed above a lotus, surmounted by a jewel and framed by two dragons. The thunderbolt represents the harmony between secular and religious power. The lotus symbolizes purity; the jewel expresses sovereign power; and the two dragons, male and female, stand for the name of the country, which they proclaim with their great voice, the thunder.