

The Crisis in Nepal

Nishchal N Pandey

well known Nepal-based foreign policy and security analyst

Since the Maoist rebellion began in 1996, each passing year has been grueling for Nepal both in terms of countering the challenge posed by the rebels and in managing the overall political, economic and security situation. Maoists have emerged today as an alternate to the state, re-grouped and strengthened their position with each round of peace negotiations. Even with more than ten thousand people being killed, there is no immediate likelihood of any durable breakthrough in the foreseeable future either militarily or through a peaceful dialogue. Tourist inflow has dwindled since 1996, the country's economy has almost run amok with most development expenditure having to be diverted to meet the ever-rising defense cost. With the rebels targeting critical infrastructure such as telecommunication towers, bridges, rural airports, electricity plants and government buildings, the cost per head of the insurgency is much more than one can possibly imagine.

Nepal is among the poorest, least developed and badly governed countries in the world with 42% of its population living below the poverty line. Agriculture is the mainstay of the economy, providing a livelihood for over 80% of the population and accounting for 40% of GDP. Garment, carpet and pashmina production, accounting for about 80% of foreign exchange earnings in recent years, tapered down in 2001-02 due to the overall slowdown in the global economy and political instability inside the country. Security concerns in the wake of the Maoist conflict, continual Nepal bandhs called by various political parties and the September 11 terrorist attacks in the U.S. have led to a sharp decrease in tourism, another chief source of foreign exchange. All these factors have only

contributed to the worsening circumstances for a poor Nepali citizen. The international community's role of funding more than 60% of Nepal's development budget and more than 28% of total budgetary support must continue if the Nepalese economy is to remain afloat. This reflects how dependent Nepal has become to foreign aid and loans especially from multilateral financial institutions.

Post 9/11, the United States, India, China and Japan along with other countries have rallied behind Nepal to "wage its own war against terrorism". Although, wrestling with shortage of resources, difficult terrain and Maoist guerrilla hit and run tactics, both material and moral support has been forthcoming and has been a crucial factor, without which the battle would have been much more arduous. But the fight against terrorism requires sustained, coordinated effort at all levels, a high moral position in which to continue the campaign and enhanced intelligence and logistical capability-a step ahead of the rebels. Somewhere, somehow the national will went missing in the conundrum of the power struggle among the different constitutional forces in the country. The urgency to curb the common threat got mesmerized with the desire to grab power and remain in power.

The worst match is being played inside the political stadium which has become a spectacular show of petty one-upmanship, declining legitimacy, foul play and utter volatility. Even with thirteen Prime Ministers in fourteen years, there does not seem to be a time-out for this game. The audience may have been fed up but for the political players - the amusement continues! Meanwhile, as the revolving door travesty much to the dismay of the general

people swivels along - the very Constitutional pillars of multi-party democracy and constitutional monarchy have become central themes of public discourse. Democracy and democratization had to confront public indifference as promises to the people were not kept, governments failed to resolve the problems endemic to society and frustrations and disillusionment warped into a bloody revolution. For evident reasons of corruption, nepotism, political instability, massive unemployment, weakening public institutions, and a total disregard to national security; it has led to what is today a straight battle between the state and the Maoist rebels.

The state security forces moved in full gear into the main hotbed of Rolpa district in July 2004 trying to demonstrate that the Maoist claims of having total control of over eighty percent of the country's territory was only a farce. But on 18 August the rebels successfully held a blockade of the capital, and for a week the valley dwellers were worried of the likely consequences although a small proportion of necessary supplies managed to enter the city. Within a week, due to pressure from the intelligentsia and diplomatic community, the

The army has said that the Maoists failed to accomplish their objective but the latter have vowed to barricade the valley yet again next month. It is this dichotomy of assertions that may turn this conflict into a never-ending struggle

blockade was called off as it was the common man of the street who was most affected and not the petty-bourgeois' and the capitalist class of Kathmandu. The army has said that the Maoists failed to accomplish their objective but the latter have vowed to barricade the valley yet again next month. It is this dichotomy of assertions that may turn this conflict into a never-ending struggle. Slowly a growth of "conflict-entrepreneurs" on both sides will have vested interests to sustain this war rather than resolve it for the good of the nation at large and this is the biggest worry.

On September 1st at least one person was killed and forty six injured in clashes with the police when the people of Kathmandu came to the streets to protest the killing of 12 Nepalese workers

in Iraq. The mob exploiting the sentiment of the people vandalized the jama masjid including offices of airlines and overseas manpower agencies. For absolutely no reason, the offices of prominent media houses such as the Kantipur publications and the Spacetime networks were also damaged. The capital city of Kathmandu saw within a few hours more destruction and mayhem than it had in the last eight years of Maoist violence. The tempest of religious clash has never been experienced in Nepal, which despite being the world's only Hindu kingdom has treated its minorities with respect all these years. The fact that two huge mosques were allowed to exist barely a kilometer away from the main gate of the Narayanhiti royal palace shows the broadmindedness of Nepalese society. The Labor remittance from over eight hundred thousand Nepalese working overseas has been the main basis of the Nepalese economy and the apprehension now is the decline of even this source of national income.

In the country's highly confrontational political system the politics of constitution-making has perhaps been one of the most debated and the most controversial issue of contemporary Nepali landscape. The Maoist demands of an election to a Constituent Assembly could actually start afresh a whole new set of debates to address the political, economic, social and ethnic reinvigoration of the country. Mainstream political parties such as the Nepali Congress, the CPN (UML) and the Nepali Congress (Democratic) are not averse to the idea. However, it could also open a Pandora's box of self-determination and separatism among various ethnic groups and tribes and return the country once again to pre-unification days in which more than 22 kingdoms existed inside what is today's modern Nepal. Merely carrying out experiments with one Constitution and another without the main political actors giving way to a new breed of younger and energetic leadership and without democratic political culture and ethos stirring their minds, may turn out to be a short-cut to disaster.

I m p l i c a t i o n s f o r I n d i a
From the time of Lord Ram and Sita and Gautam Buddha, relations between India and Nepal are bound together by age-old ties of history, culture, tradition and religion. An approximate eight million people of Nepalese origin live in India. The same

religion, a common culture and language binds them with their kith and kin inside Nepal. Some 60 thousand additional Nepalese work for the Indian army and other government offices and institutions in India. Their salary, pensions, etc. accounts for a large portion of Nepalese earnings especially in rural Nepal. As guards, helpers and waiters thousands of seasonal workers from the country go to work in Indian cities. An open and a porous border that exists between the two countries has long been a hallmark of traditional relations, although sinister activists from both sides have lately famed its notoriety through arms and drugs smuggling and women trafficking.

From the very beginning, the Maoists have been skillful to use the Nepali Diaspora as a possible help for championing their cause. In this context, there are now reports of the formation of CCOMPOSA and the coalesce of like-minded Naxalite groups such as the PWG and the MCC along with the Nepali Maoists to form what is called the 'Compact Revolutionary Zone' all the way to Andhra Pradesh. If it were willing and proficient to use its influence, the hardship in Nepal would not have reached where it has and external forces would not have taken the place which is culturally, emotionally and politically that of India's. The tripartite Delhi agreement between the Ranas, the monarchy and the Nepali Congress that Nehru facilitated in 1950 and the Treaty of Peace and Friendship signed between India and Nepal that year has willy-nilly survived for fifty-four long years. India has long been the major foreign actor in Nepal and is concerned about the spread of instability and incipient ties between the Maoists and India-based insurgent movements. But now, the United Nations is seen as a possible third-party mediator between the rebels and the government.

Theoretically, there could be nothing wrong in asking for credible outside mediator(s) in a conflict that sees no end and that has the propensity to spillover into the neighborhood. Then again, Nepal itself has contributed to UN peacekeeping missions around the globe and has twice successfully steered the non-permanent membership of the UN Security Council. However, recalling other global conflicts that have endured long enough despite the good offices and active involvement of the United Nations, the real worry is not of allowing entry to the UN as a potential

facilitator but its exit from Nepal when the task is completed. In such a prolonged affair, obviously the security concerns of both India and China will grow manifold and Nepal therefore is not likely to take the plunge at least in the foreseeable future.

Prospects for the Future Nepal, which has remained a sovereign country throughout history has tremendous capacity to throng back to life. Despite odds, the enduring capacity and resilience of its patriotic people is also well known. The sense of "Nepaliness" that unites the people despite ethnic, religious and linguistic diversity should have been utilized for conflict resolution and economic progress. There is considerable scope for exploiting the country's 83 thousand megawatts of hydropower potentials. India must help Nepal help itself through a number of political, economic measures at this grave hour. But the problem has been bad governance and a politics of internal strife within Nepal. Nepalese must remember that in a civil war no side can win, only the nation loses



**INSTITUTE OF PEACE
AND
CONFLICT STUDIES**

B 7/3 Safdarjung Enclave,
New Delhi 110029 INDIA