

Nepal: The Continuing Imbroglia

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The deeply troubling situation in Nepal is marked by three discernible trends. First, is the collapse of the ceasefire and commencement of violent activities, including strikes, blockades and attacks by the Maoists. This has led to the revival of counter-insurgency operations by the Royal Nepalese Army (RNA), reinforced by a fresh supply of arms and ammunition, and other military hardware from China. While the civil society and media continue to debate who was responsible for the collapse of the three-month ceasefire, the fact remains that it has happened and with it the relative atmosphere of peace has disappeared. With the Maoists stepping up violence, terror and fear have once again gripped the common people. Schools have shut down and migration from villages to Kathmandu and other important towns has increased, even as clashes between the Maoists and the RNA are becoming bloodier by the day.

Second, the municipal elections, which were touted as the backbone of the democratic polity and the means for energising the democratic system by the King's loyalists, have come and gone. The record low turnout, marked by protests, violence and boycott by almost all mainstream parties, has exposed the political isolation of King Gyanendra and his regime. The election, claimed by the King to be part of a "roadmap to democracy," has only intensified opposition to his rule and deepened the country's political crisis. The official voter turnout was just 20 per cent, compared to 62 per cent for the last municipal elections in 1997 and 66 per cent for parliamentary elections in 1999. Many of those who did vote were officials, military and police personnel, who faced dismissal if they failed to do so.

The third element of the ongoing saga in Nepal is the coming together on February 1, 2005, of the Maoists and the seven pro-democracy parties opposing the King's takeover of all executive powers, under the common banner of *anti-monarchism*. The two sides signed a 12-point charter on November 22, 2005, in New Delhi pledging to work together for a

“democratic republic” within the framework of a multi-party parliamentary system. They agreed on the need for an elected Constituent Assembly, which would decide on restructuring of the state apparatus and design a new constitution to replace the one launched 14 years ago following the end of the King’s direct role. The alliance between the Maoists and the seven major political parties has been further advanced through the 19th March 2006 accord. The alliance has had a marked impact in terms of invigorating the political parties and the political process. Whereas the political parties were earlier hard put to find adequate numbers to participate in protest rallies, the number of people defying the ban on protest rallies has since gone up markedly. The critical issues at hand are: What do these trends augur for the future of Nepal and what options do these developments portend for India.

Surrounded by a small group of loyalists, the King remains vengeful and obstinate. He continues to believe that the use of military power alone will contain the Maoists. There is also the belief that the fractious political parties cannot come together and even if they do, the practicalities of political accommodation between the two disparate groups will eventually lead to a breakdown. Consequently, the King is pursuing a two-fold strategy: One, to create dissension within the political parties on the consequential fear of accommodation with the Maoists, particularly as they may attempt to usurp the political agenda to their advantage. Two, use the improved law and order card, particularly in the Terai belt, to usher incremental democratic process thus laying the foundation of a guided democratic model on the lines of Pakistan under Musharraf. It should, however, be clear that in the King’s scheme of things, in any future political arrangement, he intends to have a major constitutional role.

However, even the King’s loyalists do not share such optimism. Senior retired officials, with whom the writer has had a chance to meet and discuss the current scenario, are of the view that the current impasse can continue at best for another six months or maximum a year. Despite the current bravado and political manoeuvring by the King, including playing the China card, there is a growing sense of urgency to find an amicable solution on favourable terms. Consequently, a number of options are being considered to deal with the situation, of which the offer of talks with the political parties is the latest. In understanding the King’s behaviour, it is important not to overlook his pathological hatred for the political parties and his belief in the divine blessing for his right to rule.

Aiding him is the fact that despite loud claims about all-party unity to mount a concerted challenge by forging a common agenda, the political parties essentially remain in disarray, primarily because they are not able to carry conviction with large sections of their cadres.

The roadmap prepared by the political parties calls for a three-step approach to usher in an all-party democracy in Nepal. Step one is to reinstate the House of Representatives and formation of a national government. Step two is to adopt all democratic options, including elections to the Constituent Assembly in order to settle the present impasse. Step three is the holding of national elections and bringing the Maoists into the national mainstream. This will also include the provision of referendum in the Constitution to decide on crucial national issues, including constitutional reforms. The monarchy is clearly in a crisis. The Maoists and some other groups are seeking a Republican constitution that will do away with the monarchy while others want only a very limited constitutional monarchy with little executive authority.

However, despite the adoption of a common agenda, political parties continue to speak in different voices, both on the issue of parliamentary democracy and on their approach to deal with the Maoists. This has been exposed in stark terms by the stand taken by the National Congress (Deuba) and UML on the issue of bringing the Maoists into the national mainstream. The former has made it clear that they will not work with the Maoists unless they renounce violence. The Communists, on the contrary, are keen to initiate dialogue without any preconditions. While these are early days in forging lasting unity among the political parties, analysts and former senior Nepalese officials believe that the whole issue of political unity could come a cropper on the all-important leadership issue. But, it is important to note that the coming together of the political parties and a favourable response from Maoist leader Prachanda can change the strategic stalemate in favour of democratic forces if the two sides hammer out a lasting accord. This is likely to get reinforced by the March 19 accord between the seven-party political alliance and the Prachanda. The ability of the accord to pressurise the King in abandoning the path of confrontation will be determined to some extent by the success of the proposed general strike and civil disobedience movement, and the ability of the alliance to reach a common ground—something that has remained elusive till date despite the accords and agreements. In fact, in the short-term, the alliance

is unlikely to be able to force the King to change his stand; instead, it is more likely to harden it.

According to senior Nepalese military analysts, while political parties are making loud claims for constitutional reform, they are ill-prepared for elections at this stage. Three factors are working against them. One, their traditional vote bank is in disarray due to intra and inter-party squabbling and growing mistrust among the people about their ability to deliver. The current hype in political rallies and increase in attendance is more a function of people's frustration with the King than any discernible change in heart towards the political parties. The people's dilemma and that of the students in particular, is that having tasted democracy, they are loath to return again to a draconian feudal ruling order. It, however, must be underscored that there is also a nostalgia and latent loyalty towards the monarchy but not necessarily for the present King or the Crown Prince. The moot question is: Are the political parties in a position to capitalise on the people's changing mood to usher in significant democratic changes?

The second issue, seldom highlighted in public discourse, is the dilution of the command structure on account of squabbling among the senior leaders, and their aggrandisement and petty Kathmandu-centric activities. This has forced rural cadres to fend for themselves against the growing Maoist onslaught. Interestingly, according to young political activists, the bonhomie and understanding seen in Kathmandu has not percolated down to the countryside, where the Maoists are constantly targeting the political cadres. Consequently, the down-the-wrung cadres are becoming disenchanted and indifferent, both on account of lack of leadership and the Maoist scare. The second string leadership is dismayed with the self-serving seniors and are veering towards political accommodation with the Maoists.

Frequent consultations between the political parties with India are not going down well with the populace, which is getting increasingly frustrated by India's perceived indifference. Another important fact is that the coffers of the political parties are nearly dry. Raising funds are nigh impossible. This is a dangerous scenario; having banked heavily on Indian support, they could react violently if it was not forthcoming to their satisfaction.

Lastly, there appears to be a sense of naiveté in dealing with the emerging political landscape in Nepal. Although a roadmap for political

restoration of democracy has been prepared, there is no clear understanding of how this is to be achieved. The political parties are increasingly being seen as self-centred, fractious, corrupt and inept. The political parties are losing public support for their agenda. If at all, the people of Nepal are adopting a policy of ambivalent indifference both towards the political parties as well as the King.

Given the situation, the political parties, despite their protestations to the contrary, have limited leverages, both against the King and, more importantly, against the Maoists. In fact, it is Prachanda who is exploiting the political parties to his advantage. Consequently, any political accommodation between the seven-party alliance and the Maoists would lead to significant marginalisation of the mainstream political parties.

In a recent interview to *The Hindu*, Prachanda agreed to extend full support to seven-party alliance and has called for multi-party democracy within a specific constitutional framework that is anti-feudal and anti-imperialist.¹ He also expressed readiness for elections to the Constituent Assembly under the UN or some other neutral formulation. Interestingly, he has agreed to even to talk to the King along with NC and UML leaders, Girija Prasad Koirala and Madhav Nepal, respectively for the restoration of democracy. Another interesting formulation mentioned by Prachanda is his willingness to support the political parties if they work to restore parliament and set up an interim government for holding elections for a Constituent Assembly. He has also nominated a special team for negotiations with the political parties aimed at starting a comprehensive confidence-building dialogue. What stands out clearly is that it is Prachanda's political manoeuvrings, and not that of the political parties, that is defining the terms of future political developments in Nepal.

It is unlikely that Prachanda will relinquish control over the militant Maoist cadres. Though not willing to disband them, he may probably agree to merge the cadres with the new democratic RNA. He has appealed to the democratic elements within the RNA, fully aware of growing dissension within it, to join the reorganised set-up, thus making the original RNA inconsequential. It appears Prachanda wants to use his military clout together with his charisma to force the political parties to precipitate action against the King. He is fully aware that in the given scenario, it is not possible to capture state power merely through the gun.

As highlighted earlier, the Maoists appear to be the principle gainers of the prevailing scenario. The political parties are wooing them to join the political mainstream. Some reports also indicate that the King too is trying to establish contact with them in a bid to bring them to the negotiating table so as to marginalise the political parties. Interestingly, all this is taking place when the Royal Nepal Army's capacities to undertake effective counter-insurgency operation are being hampered by internal dissension and logistical constraints.

That the Maoists are clever manipulators can be gauged from last year's Bhattarai episode, which was touted as an attempt by Indian communists to placate the Maoists and bring about rapprochement between them and the political parties, thus diluting the terrorist tag on them. This was made into a major ploy by the King's supporters to discredit the Indian establishment. Knowledgeable observers, however, looked upon this as a clever tactic by the Maoists to influence the political scenario by advertising their close links with India, while simultaneously discrediting it in the eyes of the wary Nepalese populace. According to them, India fell into the trap of believing that Bhattarai had broken up with Prachanda. This came unstuck with the reinstatement of both Bhattarai and his wife.

In so far as terrorist activities are concerned, despite the recent spate of incidents, including the bloody Madi bus blast that left nearly 25 dead,² the number of terrorist incidents has come down appreciably in the valley—an area where Maoists have limited influence and the RNA is predominant. Notwithstanding the above, RNA sources indicate that the Maoists retain the capability of penetrating nearly 75-80 per cent of the security envelop at will for hit-and-run attacks.

Although the RNA is present in 48 out of 75 districts in terms of location of their battalion headquarters, their writ is limited to their immediate area of influence that does not go beyond 3-5 kilometres from their headquarters. An important constraining factor for the RNA is their rapidly depleting stocks of both arms and ammunition. According to informed sources, prior to the Chinese arms infusion, RNA was virtually down to the last legs of ammunition supply, both for small arms and mortars and other heavy weapons. Its requests to India for urgent supplies have practically gone unheeded.

Consequently, the RNA has been forced to shop elsewhere for ammunition supplies. Chinese arms deliveries have provided a much-

needed reprieve. Unless provided in large quantities and on a regular basis, this will be at best a stop-gap measure. The Nepalese are reportedly diversifying sources of acquisition of ammunition and have also purchased ammunition-making (both 7.62 and 5.56) machines. Kathmandu is abuzz with rumours about the presence of foreign arms merchants attempting to peddle their wares. Sources indicate that Nepal is also shopping internationally for ammunition supplies. There are reports of Pakistan also not being averse to taking advantage of the situation by promising ammunition and other materials.

Knowledgeable sources have indicated that if India continues to maintain its ambivalent posture vis-a-vis RNA, it is likely to impair the relationship which the Indian Army has painstakingly built over 50 years. However, the situation is critical. A retired senior officer of the Nepalese Army recently mentioned that ability of the RNA to undertake sustained counter-insurgency operations is severely limited. The army is getting fatigued and is not used to sustained operational deployment. Secondly, the lack of ammunition is impacting training. Recruits are getting merely a dozen or so rounds to fire during training, and the situation remains more or less the same in battalions. Poor training and equipment is resulting in exceptionally high casualties, which are being suppressed from the media and the people. This has resulted in high rates of desertion. According to the officer, this has gone up from an average of 50 per month to over 100-150 in recent days. Another aspect that was highlighted was the relative inefficacy of Indian Small Arms System (INSAS) at high altitudes. The inability to affect large number of casualties among Maoists is also impacting on the morale of the army. When pointed out that the Indian Army faced no problems related to INSAS, he readily agreed to possible mishandling by Nepalese troops.

The impact of the evolving political scenario on Nepal is two-fold: One, it is limiting the influence of the King to the main townships in the Terai region namely, Kathmandu, Pokhran, Biratnagar and Dharan and some other district towns. The Maoists effectively dominate the remainder of the countryside, except the district headquarters. Two, it is providing space to Maoists to regroup and increase their cadre strength through widespread kidnappings and extortion. Educational activity has practically come to a standstill, with children and teachers migrating to schools and institutions in the secure Terai area. This is putting additional pressure on the already over-extended educational and other civil infrastructure.

Among other regional players, China appears to be playing its cards deftly. They have adopted the economic engagement route through promotion of trade, infrastructural development, loans and, of course, token military assistance more as a show of solidarity than any meaningful attempt to strengthen the RNA. A new highway project is on the cards that will link townships of Syarfu, Barsai and Rasuwa in Nepal to National Highway 219 of China. This will be in addition to the existing Kodari highway. What is of concern is not so much the Chinese attempts to provide arms aid, but the incremental manner in which it is trying to usurp the political space in Nepal. Pakistan too is actively involved in taking advantage of the situation. This is exemplified by the increase in the number of madrassas in the border belt adjoining the porous borders with UP and Bihar amidst reports of increasing activities of the ISI.

Probable Scenarios

Given the current impasse, the following three scenarios are possible in the short term:

- The King could invite the political parties for a dialogue and strike a deal in which he maintains his position and parliamentary democracy is restored. Impetus for this comes from the deteriorating law and order situation, economic crisis and increasing international pressure with threat to cut-off developmental assistance. Interestingly, the King has enough supporters within the political parties to bring this about, provided he is willing to give major concessions. It is, however, of interest that almost everyone is convinced of the need to involve political parties in any lasting solution. Notwithstanding the spurning by the political parties of the King's offer for a dialogue, this option remains on the table.
- The political parties align with the Maoists to put pressure on the King to restore democracy. In a way, this scenario is already beginning to be played out following the signing of 12-point agreement between the two in New Delhi on September 22, 2005, and the March 19, 2006, accord. Given the limited leverage of the political parties, the Maoists will be able to dictate terms of engagement and seek political accommodation on favourable terms. A subset of this scenario is the possible break up of the UML, with

majority of its cadres going under the Maoists umbrella. Already, Girija Prasad Koirala and Madhav Nepal have different approaches on the issue of disbanding the Maoist cadres. Such a scenario has two-fold advantage for the Maoists. One, it will swell their ranks with dedicated UML cadres while simultaneously providing much-needed political legitimacy. It, however, needs to be noted that there are strong indicators of serious dissension between Maoist cadres. A fact admitted even by Prachanda as the reason for giving up the ceasefire.³

Reports also indicate that a number of cadres have started disappearing with extortion money, indicating reduced influence of Prachanda and the regional leadership. The main feature of this scenario is the political accommodation of the Maoists and their integration into the political mainstream. The sticking point will be how to deal with the militarist cadres. The March 2006 accord is essentially born out of compulsions, particularly because the November 2005 accord was not leading anywhere and the Maoists were continuing to enrol political cadres from various parties and the youth for their own political goals.

- The King could react violently to thwart the emerging consensus between the political parties and the Maoists. This could take the form of raising the ante by banning all political activities and plunging the country into chaos. It needs to be appreciated at this point in time that the RNA is firmly on the King's side, as it does not see the political parties as a viable option. Hence, reports about possible dissension in the RNA against the King maybe overstated.

India's Options

Clearly, Nepal is on the simmer and the situation cannot be allowed to drift for long. An in-depth review of India's policy in Nepal is imperative for lasting stability. Indian strategic interests in Nepal hinge on the following:

- a) Nepal should be politically stable and maintain strong political, economic and social ties with India.
- b) Security/strategic partnership with India should continue. India needs to remain the preferred option for socio-economic, cultural and other engagements.

- c) Nepal must remain immune from major extra regional politico-military influences.

India's policy approach towards Nepal, therefore, needs to be much more proactive than it has been so far. An overall perception that India lacks a short and long-term coherent policy and has allowed the situation to drift aimlessly is widely shared in almost all circles in Nepal. The following measures are necessary to turn the situation around:

- a) A clear enunciation of Indian policy towards Nepal beyond the rhetoric of restoration of democracy, including a roadmap. Flirtations with all the three players will not serve India's purpose. Increasingly given the policy drift, India's options of playing a proactive role are running out. This needs to be addressed on a priority basis. India also needs to adopt an all-encompassing integrated policy approach that addresses its critical medium and long-term interests rather than look at the situation in Nepal from an immediate and short-term politico-diplomatic perspective.
- b) In the current scenario, where polarisation is taking place between the King on the one side and the political parties and Maoists on the other, it will be prudent for India to play the role of honest broker by negotiating an acceptable settlement between the two parties. Here, India will need to critically assess the likely nature of the political formulation in case the political parties and the Maoists were to genuinely come together on a democratic platform.
- c) An optimal scenario is one of an incremental process in which the King and the political parties come together, restore democracy, hold elections, use the parliamentary route for constitutional review and usher in political stability. India should be a midwife to the process through its influence. It could also use its clout with international donors, the US, the EU and China, to underline the logic of an early political settlement in Nepal.
- d) In any political settlement, the role and the future of RNA will be crucial. Given the longstanding association of the Indian Army with the RNA, it is important for India to maintain its existing strong ties as also to meet their essential needs of arms and ammunition and other military supplies. As we have seen, the vacuum will be filled by other inimical forces. In fact, arms supply relationship can

be used as leverage against the intransigent Maoists who are unwilling to give up their arms.

- e) The current political situation in Nepal is also a significant result of lack of socio-economic development. India needs to conspicuously engage in both infrastructural development of Nepal and provide assistance to mitigate its economic difficulties beyond what it is currently doing. Simultaneously, there is a requirement for effective perception management of the Indian image in Nepal.
- f) Today Chinese influence is relatively limited. Beijing is using trade and economic aid for infrastructural development to garner influence. Were India to abdicate its responsibility or allow the situation to drift, this will be capitalised by China. Already, there are signs of a growing pro-China lobby within the elite.
- g) Pakistan is quietly exploiting the situation to enhance its fundamentalist activities with the aim of making Nepal a major logistic base for anti-India activities. A close understanding between China and Pakistan is clearly discernible.

(This commentary is based on personal interactions with policy-makers, academics, ex-servicemen and other intellectuals in Nepal)

References/End Notes

- ¹ See Siddarth Vardrajan Interview of Prachanda, *The Hindu*, February 9 and 10, 2006.
- ² See South Asia Media Net: Prachanda apology fails to calm victims, June 09, 2005, at www.southasianmedia.net
- ³ no.1

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