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DILEMMAS IN NEPALESE FOREIGN POLICY

Introduction

Most of the developing states of the Third World have very little manouverability in pursuing an independent foreign policy due to the lack of sufficient capability—economic, political and military. These disparate power capabilities make the developing states dependent not only on the super powers but also on big regional powers. Under these circumstances, it becomes imperative for small states, situated specially in a strategically important area in between more powerful and stronger neighbours, to devise strategies and formulate policies through use of skilful and subtle diplomacy to reduce the inherent vulnerabilities and exploit opportunities. The burden on foreign policy includes not merely the advancement of national interests but, not infrequently, the survival of the society as an independent polity.¹ Nepal finds itself in this very unfortunate situation.

The founder of the present ruling dynasty in Nepal, Prithvi Narayan Shah once aptly described his Kingdom as a "root between two stones." Curzon's imperial vision also relegated Nepal to a 'Buffer Zone' for British India. Both metaphors represent a permanent reality of Nepal today. For, the balance or imbalance between south and north has always provided the limits within which Nepalese statesmanship must express itself. The independence of India in 1947 and the establishment of the People's Republic of China in 1949 heralded a

1. Leo E. Rose and John. T. Scholz, *Nepal : Profile of a Himalayan Kingdom*, Colorado : West view Press, Boulder, 1980, p. 117.

period of tremendous geopolitical change around Nepal.² In the succeeding decades, the changing geopolitical balance and Nepal's adjustment to this changing balances were to clash with the policies and expectations of the aspirants to the British mantle.

This paper attempts to explain Nepal's struggle for an independent and neutral foreign policy even in the face of rigid and domineering forces in the neighbourhood. The first section deals with the basic determinants of Nepal's external relations. The second section focuses on Nepal's efforts to accommodate herself with the two antagonistic giant neighbours—India and China. And finally, the paper shows how far Nepal has been successful in maintaining a neutral position between them.

Basic Determinants of Nepalese Foreign Policy

Although at the surface level, the foreign policy of a country is a combination of certain ideals, standards, norms and principles, the inner core consists of certain drives. Expressed in more concrete terms, such ideals, standards, norms and principles are nothing but diplomatic expressions of needs and realities of a given country to meet its developmental goals. In the case of a Third World country like Nepal, the economy of which is characterized by underdevelopment, severe resource constraints, technological backwardness and weak military capabilities, diplomacy is very much dictated by the socio-economic needs and hard geopolitical and geostrategic realities.

Economic Compulsions

Nepal is predominantly an agricultural society with primitive mode of cultivation. Only 16% of the land is arable and other natural resources are also meagre excepting forest, soil, rivers and hydel resources which constitute the major national assets. Such natural resources are also being depleted at an accelerated rate. In just one

2. J.B. Rana, "India and Nepal : The Political Economy of a Relationship", *Asian Survey*, Vol-II, No. 7, July 1970, p. 645.

decade, Nepal's forests have been reduced from 6.4 million to 4 million hectares and with this trend perhaps in the next 15 to 25 years most of the forest will disappear. A series of devastating impacts like, bare hills, severe soil erosions and floods, as a consequence of forest denudation has begun to leave visible marks on the life and economy of Nepal as a whole. Paddy yields have dropped drastically from 2.05 tons/hectare to 1.33 tons/hectare in 1984 as a result of soil losses, making Nepal a net importer of food.³ Compounded with this is the extreme pressures of population with a growth rate of 2.7 percent a year which is again accompanied with an extremely narrow industrial base. Means of transport and communication are lacking, capital being shy, development of infrastructure is seriously handicapped. People lack technical know-how, resources for provision of training are limited, and scope of employment on completion of training is minimal.

Manouverability and diversification of Nepal's economy have been restricted by various treaties which enable India to ensure monopolistic control over transit, trade and market. This virtually prevents Nepal from reducing her dependency on India.

Scarcity of raw materials for consumer-goods industries, scarcity of capital machinery are other features that restricted industrial development.⁴ Given this economic backdrop the standard of living of the majority of the population has remained static or even declined over time. More than 40 percent of the population are below the poverty line (i.e. below US \$60 per capita a year. About 6 percent unemployed and 60 percent underemployed, GNP per capita US \$ 139 in 1981).

Nepal is becoming increasingly dependent on both bilateral and multilateral aid for implementation of its development plans. More

3. *Asia and Pacific 1984* (World of Information, England), p. 219

4. Tribhuvan Nath, *The Nepalese Dilemma*, Sterling Publishers Pvt. Ltd. New Delhi, 1975, p. 62.

than 50 percent of its development expenditure comes from foreign assistance. Typically 50 to 55 percent of total value of Nepal's imports are being made from India, and 40 to 50 percent of total value of Nepal's export are being made to India.⁵ This demonstrates a very high degree of dependence on India for its trade and economy. A large proportion of these primary products go to India with no or little industrial processing and in several cases are returned to Nepal after processing.

The economic manouverability of Nepal has been further curtailed by various treaties which restricted Nepali attempts to diversify its economic and commercial activities. These agreements also enable India to ensure monopolistic control over transit, trade and market.⁶ This virtually prevents Nepal from reducing its depanyency on India. The open border between India and Nepal encourages smuggling which is extremely detrimental to Nepal's policy of commodity price stabilisation and other economic programmes. Although India accepted Nepal's independent economic policy, it still remains vulnerable to Indian economic pressures. At every turn the economy of Nepal finds itself circumvented by India. Heavy dependence on trade with India, complete dependence on Indian transit facilities and heavy dependence, for economic development are the elements that quite naturally help grow a sense of claustrophobia in Nepalese economy.⁷

Socio-cultural Compulsions

The population of Nepal is an admixture in varying degrees of Indo-Caucasian and Tibeto-Mongoloid tribesmen.⁸ Some of these ethnic groups have moved from the south while others had their origin in Tibet. Hitherto a closed society, the way of life in Nepal had been over centuries, dictated by the religious dogmas and beliefs. Religion had been the central theme of Nepali life and a

5. *Asia and Pacific*, 1984, *op. cit.*, p. 221

6. J.B. Rana, *op. cit.*, p. 655.

7. J.B. Rana, *op. cit.*, p. 655.

8. *Aisa and Pacific*, 1987, *op. cit.*, p. 161-162

significantly important determinant of the Nepali culture. Tibetan Buddhism and Hinduism are the principal religions. The descendents of high-caste Hindus mainly constitute the dominant elements—socially, politically and economically. It may be noted that the dominant religious and cultural tenets of Nepal are a reconciled version of Hinduism with derivations of Buddhism throughout Nepal. Even among some of the ethnic groups of Mongoloid origin, Hindu social and ritual practices connote some prestige value. Thus, through a process of evolution and interaction the Nepali society had been successful in absorbing and synthesizing the multidimensional, and often contradictory cultural strands into a Nepali brand, giving it a distinctive status. Such distinction makes Nepalese society an intermediate zone, belonging to both, the South and North rather than exclusively to either.

The location of the Himalayan ranges have had profound impacts on the cultural life of Nepal. Due to the Himalayan insulation Nepal historically developed extremely close cultural and social relationship with India. Nepal and India share common heritage and religious linkage. Again intermarriage between Nepali ruling dynasty and Indian families resulted in a massive exchange of elites that has been of fundamental social, cultural and political importance. Also, there has been importation of advisors from India and many of them were absorbed in the Nepali system. The significance of Hinduism as a bond between the two countries is visibly apparent. The shared religious heritage is again strengthened by other forms of cultural and intellectual ties. It is also a very commonplace that the Nepali elites are at least partly educated in India. Consequently, these elites bear the ethos and spirit of the Indian education.⁹ To sum up, it is to be noted that the major cultural, religious influence—whether Hinduism or Buddhism, dominant political, administrative concepts and institutions in Nepal, have originated from India. On the other hand, Chinese influence has been too bleak (compared to that of India) and intermittent. Therefore,

9. Leo, E. Rose, *Nepal: Strategy for Survival*, University of Colifornia Press, Berkeley, Los Angeles, London, 1971, p. 7-9.

such overwhelming Indian influences made Nepal virtually India-locked, rather than locked between India and China.

Geopolitical Compulsions

The geographical characteristics of a country set intractable limits to what its statesmen can do and Nepal's situation is no exception. The geostrategic location of Nepal in the Himalayan heart has bestowed it with certain leverages. Geographically, Nepal occupies transitional mountaineous land situated on the southern slopes of the Himalayas between the fertile soil of the Gangetic plain and the arid Tibetan plateau. Being a buffer state between India and China, Nepal enjoys certain degree of geopolitical advantage which is again augmented by the strategically and militarily important Himalayan passes in the Northern border of Nepal. However, Nepal faces a formidable constraint of being a land-locked country. Historically, Nepal had access to sea via India, which remained the only opening for contacts beyond India for its trade and commerce. Even the building of the Kodari Road could not provide an alternative transit route, for the great distance to Chinese port from Nepal. Thus Calcutta remains the only viable port for economic access to the rest of the world. The monopoly of transit facilities enjoyed by India is of particular disadvantage to Nepal because of the unfavourable terms of bilateral agreements and international conventions adopted by India.¹⁰

Indian interest in Nepal is mainly due to its strategic importance. Virtually India adopted the British strategic perceptions of geopolitics of Himalayan kingdoms as the Kingdoms constituted inseparable parts of the Indian and subcontinental security system and are the forward security posts for the protection of India from aggressions from the North. The post-independence (1947) scenerio went to the disadvantage of India particularly because of two reasons—the shift of regional balance of power caused by the withdrawal of British military and

10. J.B. Rana, *op. cit.*, p. 654.

political power and the reassertion of Chinese authority over Tibet bringing China in to direct physical contact with Indian subcontinent.¹¹ Such developments increased the security concern of India

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greatly, laying extremely high emphasis on augmented role on Nepali affairs.

In 1954, India made it abundantly clear to foreign powers that she would not tolerate any interference in the affairs of Nepal, Burma or Sri Lanka as countries lying within her area of primary and strategic importance. Nehru had been quite explicit about Nepal, however, when he declared in Parliament,

Our interest in the internal conditions of Nepal has become still more acute and personal, because of the development across our borders, to be frank, specially those in China and Tibet. Besides our symphathetic interest in Nepal, we are also interested in the security of our own country. From time immemorial, the Himalayas have provided us with a magnificent frontier. Of course, they are no longer as impassable as they used to be but are still fairly effective. The Himalayas lie mostly on the northern border of Nepal. We cannot allow that barrier to be penetrated because it is also the principal barrier to India. Therefore, much as we appreciate the independence of Nepal, we cannot allow anything to go wrong in Nepal or permit that barrier to be crossed or weakened because that would be a risk to our own security.¹²

11. Tribhuvan Nath, *op. cit.*, p. 63.

12. Shelton Kodikara, *Strategic Factors in Interstate Relations in South Asia*, Canberra papers on Strategy and Defence, Australian National University, Canberra, 1979, p. 17.

In any case, China emerged as a major regional power and a major participant in the politics of the Himalayan area bringing about a shift in the regional power balance in order to establish regional supremacy and encounter Indian preponderance. Capitalizing the Sino-Indian conflicts and tensions, Nepal adopted measures to secure international status and autonomy of foreign policy. Taking advantage of the anti-Indian feeling of Nepal, Nepali-Chinese relations gradually developed and China strengthened and expanded its intelligence system. It also extended economic assistance to Nepal. Nepal also started to play a role as a window on India for China besides being a window for India on China and Tibet. All these signify the fact that Nepal will continue to occupy the place of importance in the calculations of India's strategic and security interests.

External Relations of Nepal

Unlike most emerging nations, Nepal avoided both colonial subservience and membership in the international bodies until quite recent times. The 'forbidden kingdom' of Nepal squeezed between India and Tibet, pursued a stringent policy of cultural isolation from the time of its unification in 1769 until India's independence in 1947. The Rana rulers adroitly preserved the mountain kingdom from penetration or subordination by foreigners while enriching themselves and stagnating the nation. Only the British were permitted by treaty in 1816 to maintain a Resident in Kathmandu and later to recruit Gurkha troops for its army in India. The Rana prime ministers sought to widen diplomatic relations in 1947, as their British friends were pulling out of India. They realized that China and India had not only emerged as powerful countries in Nepal's vicinity but they also possessed ideologies which can prove detrimental to Rana rule. This realization found expression when it was formally adopted as policy by Prime Minister Mohan Shamsher in May 1947 when he declared :

In modern times it is neither possible, nor desirable for any state to keep itself in isolation from world affairs. It shall be

our policy, therefore to enter into diplomatic relations with all such countries that seek our friendship. It is evident that we shall require much help and cooperation from abroad in our nation building project. We hope we shall obtain such needful assistance and co-operation from our neighbouring and friendly countries.¹³

Nepal was eager to develop close friendly relations with the United States, as well as with China, Tibet, France, the Netherlands, Belgium and such other countries as well. In conformity with this new policy, Nepal formally applied for admission to the United Nations in February 1949. The attempt was frustrated by the Russians (who questioned Nepal's sovereign status much to the indignation of the Nepalese) but this act constituted the conclusive step in the opening of Nepal to the world. Nepal has now established diplomatic relations with about 80 countries of the world. This is a far cry from the situation three decades ago when she maintained such ties with less than five countries.

“Special Relations” with India

As a consequence of the revolution of 1950-51 Kathmandu abolished the rule of hereditary Rana Prime Ministers and adopted the British style parliamentary monarchy under the advice of New Delhi. King Tribhuvan with the support of India came to power. Nepal, during this period, was subjected to such enormous Indian influence in matters of external relations that formulation of independent foreign policy on its part appeared to be irrelevant and superfluous. As a matter of fact, Nepal viewed the world through India's eyes. New Delhi's concept of Nepal's interests were accepted by Kathmandu as a very spontaneous and natural feature at least at the official level. Indeed, it is probable that some Nepali leaders tended to be over-responsive in this respect, interpreting even casual suggestions by India advise to be acted upon. On a number of occasions, the Nepal government not only submissively

13. Leo. E. Rose, *op. cit.*, p. 180

followed New Delhi's guidance but actually took the initiative in seeking it. That India began to take Kathmandu too much for granted and tended to act in a rather off-handed and condescending fashion with regard to its own prerogatives is therefore hardly surprising.¹⁴ Nepal cautiously restricted contacts with the outside world to the minimum level acceptable to India. After its conquest of Tibet in 1951, China began to make some friendly overtures to Kathmandu, but with evident deference to India's wishes and interests. Nepal's responses were usually carefully contrived to move in conjunction with or even slightly behind New Delhi. The rhetoric on economic development common to most developing countries in the 1950s was widely expressed in Nepal, but in policy terms, this was interpreted to mean the expansion of economic relations with India. Nepal's economic policy like its foreign policy was closely integrated with that of the Indian government and New Delhi's guidance on such issues was usually the critical factor in Nepal's decision making.¹⁵

By late 1951, a number of prominent Nepali leaders were already beginning to demand that as an integral part of Nepali foreign policy, diplomatic relations with China be established. Also during this period many political groups began relentless anti-Congress and anti-Indian campaign. All the political groupings denounced India's big brotherly attitude and paternalistic policy towards Nepal. The steady growth of anti-Indian sentiment in Nepal would not have been so alarming to New Delhi if it had not coincided with a shift in the regional power balance due to the emergence of China as a major participant in the politics of the Himalayan area. To the Nepalese it was now apparent that there was an alternative, an increasingly attractive one, to Indian paramouncy. China's response was favourable and negotiations between China and Nepal started.

14. *Ibid.*

15. L. E. Rose and J. T. Scholz, *op. cit.*, p. 122.

New Directions in Foreign Policy

Although the accession of King Mahendra to the throne on March 1955 did not bring immediate changes in the content or direction of Nepal's foreign policy, his political and economic diversification policies directed at decreasing India's role in Nepal were pushed with considerable vigour. These were intended to provide the basis for the eventual termination of the special relationship with India. Political relations were established with a large number of countries, and on a different basis than in the past. The United States, Soviet Union and China all established embassies in Kathmandu in the 1958-1960 period and were followed thereafter numerous other states from all regions of the world. In one decade, Nepal was transformed from a status as one of the world's most closed societies to of one of the more accessible of the small states in the Third World. On international issues, Kathmandu also sought to define a position in international agencies, such as the United Nations, that was something other than follow the leader role to India. In the 1956 vote in the UN General Assembly on the Hungarian question Nepal voted with the West against the Soviet bloc. This was the first major issue in the UN in which Nepal had not voted with India, thus establishing Nepal's credentials as a sovereign and independent state in an international forum.

New Delhi extended a general approval to the efforts to normalize relations between Nepal and China, presumably on the assumption that these would develop under India's general supervision. When, however, these relations began to develop at a quickened pace and in an unexpected direction, the Indian government suddenly became alarmed particularly as there was simultaneously deterioration in its own relations with China. Mahendra was wise enough to perceive New Delhi's mind and decided in mid - 1957, that Nepal may have gone too far too quickly in expanding relations with China and that a new balance should be struck.¹⁶) Once again special relations with

16. Leo E. Rose, *op. cit.*, p. 200

India became the dominant theme and further diversification was postponed, if not totally abandoned.

But during the 1961-62, Nepal's relations with India again deteriorated because of two reasons. First, China and Nepal reached agreement on their boundary in a manner favourable to Nepali interests; a protocol to the 1961 treaty, signed as an annexe to it in January 1963, laid down the alignment of the boundary in concrete terms established the exact position of permanent boundary makers set up in 1962. Secondly, much to India's dismay, agreement was reached on the building of a highway connecting Kathmandu with Kodari near the Tibetan border. From Kodari, the road linked with a 1000 km highway to Lhasa via the all weather Kuti pass. The Kathmandu-Lhasa road thus became the first to breach the Himalayan barrier. China later followed up by building another strategic road connecting Kathmandu with Pokhara, where it met an Indian built road connecting it to the important Indian rail centre in Gorakpara. Road building, in fact, became soon a matter of Sino - Indian rivalry in Nepal. Hitherto, India had been the main road builder in Nepal, the Tribhuvan Rajpath, linking Kathmandu with the Indian border had been an Indian enterprise in the early fifties. The East-West

Although Nepal pushed its policy of decreasing India's role in her political and economic diversification strategies with considerable vigour without bringing any considerable changes in her foreign policy, in practice, she will have to depend on bilateral agreement with India for a solution of its chronic problems of transit and trade with overseas countries. It is obvious that India will always be in a position to apply political leverage by exploiting Nepal's dependence on it for transit facilities.

Mahendra Rajpath too had been a collaborative venture in which India was associated with the US, UK, USSR and the United Nations. But the Chinese advent as road builders gave the Nepalese a counter weight which increased its bargaining position with India. Road diplomacy

became an important ingredient in Mahendra's new foreign policy. But the fact that India's influence on important matters in Nepal still obtained, however, was demonstrated when Mahendra was constrained to turn down a Chinese offer to build yet another east-west road in the Terai region in Nepal.¹⁷ Nonetheless, after 1960, the Chinese connection came to stay as an essential factor in Nepal's foreign policy. When king Birendra undertook a state visit to Szechenan and Tibet in June 1976, he flew over the Himalayas, the first direct air passage between China and Nepal marking, as Chinese premier Hua Kuo Feng said, 'the building of an air bridge of China-Nepal friendship over the roof of the world for the first time in history'. Prime Minister K.N. Bista expressed the Nepali view when he declared during a goodwill visit to India in April 1972 that Nepal was maintaining very good relations with China and that China was a big country and Nepal could not ignore it.¹⁸

Thus China secured Nepal's confidence while Indian economic and political policies appeared to the Nepalese inimical to their independence and sovereignty. The Sino-Indian armed clash of October, 1962, caused grave concern among the Nepalese about China's real intentions towards neighbouring countries. Nepal reacted by refusing to take sides and by bringing pressures to bear on both countries to solve their differences peacefully. An effort was made to keep open the option to move closer to India in the event of a Chinese threat to Nepal's own territory. But except for this contingency preparedness Nepal's policy of freeing herself from India in every possible sphere continued.¹⁹ Even after Bikram ascended the throne on 31 January 1972, Indo-Nepal aberration continued leading to the persistence of misunderstanding and tension between them. Moreover, the transit facilities granted earlier by India for Nepal's trade with third countries had reportedly been inadequate for the purpose of its economic

17. Shelton Kodikara, *op. cit.*, p. 23.

18. *Ibid.* p. 21.

19. Rishikesh Shaha "Guidelines from Experience" in Pran Chopra (ed.) *Future of South Asia*, University Press Ltd. Dhaka, 1986.

development and even economic survival. India was severely criticized for not recognising the demand of a land-locked or rather India-locked country like Nepal for unfettered transit right to and from the Indian Ocean, a demand that was legitimate and was in line with well established international practice.²⁰ Nepal's Permanent Representative at the United Nations, Shailendra Kumar Upadhyaya, gave expression to the thinking of the Nepalese establishment in this regard thus:

There can be no compromise on the right of land-locked nations to free access to and from the sea. For Nepal this right is of greater importance than the question of sharing the resources of the sea. Some transit countries are displaying a big brotherly attitude and creating bogey over the demand for unfettered transit facilities. This is nothing but an attempt to make land-locked countries politically and economically dependent.²¹

It may be mentioned here that Indo-Nepalese Treaty of Trade and Transit had already expired in August 1976. On Nepal's request India agreed to extend it until such time as a new treaty was signed between them. The inordinate delay in the signing of a new treaty in place of the old despite several rounds of talks at the official and diplomatic levels caused concern in Nepal and raised doubt as to India's intentions. Nepal was at a disadvantage in that it depended totally upon India in matters of trade and transit because of its geographical position. India's hesitation to concede Nepal's demand for unfettered right to and from the Indian port of Calcutta for goods originating from and destined to it was related partly to the obvious apprehension that such a concession, once granted would in itself constitute a precedent and even encourage Nepal to demand corridor through Indian territories for alternative outlets to the sea both in Bangladesh and Pakistan for its trade either with those countries or with other countries.²²

20. L. S. Baral, "India and Nepal", *International Studies*, Vol. 17, 1978, p. 549.

21. *Ibid.*, p. 549.

22. *Ibid.*, p. 550.

Such a hesitation tantamount to denying Nepal unrestricted transit facilities through India was to impede its national economic development and even prosperity. Thus, Nepal will always, in practice, have to depend on bilateral agreement with India for a solution to its chronic problems of transit and trade with overseas countries. And it is also obvious that India will always be in a position to apply political leverage by exploiting Nepal's dependence on it for transit facilities. Still now India continues to exert a leverage over the government in Kathmandu, not least through the transit trade treaty which was renegotiated in August 1985.

The restrictions imposed by India in October 1976 on the travel of Nepalese nationals in certain border areas is another source of vexation in Indo-Nepalese relations. Although India advanced the arguments that such areas designated as 'prohibited' and 'protected' were made restricted to foreign nationals on economic, political and security grounds, to the Nepalese it came as a bolt from the blue. Nepal could not figure out how the Nepalese nationals posed threats to economic security while they had been contributing in various capacities to the development of those areas. Such a restriction not only caused hardship to both the Nepalese and Indians of Nepalese origin but also impaired the close family ties between the people of both the countries to a considerable extent the obvious implication of adverse emotional reaction.

Another related but extremely crucial issue is whether the border should be open or closed. Traditionally both the countries enjoyed a free and open border and even when Nepal had been pursuing an isolation policy, the borders were kept open for free access both ways. As it is apparent, the restrictions of movement across the border by way of sealing it will logically have an adverse impingement upon the close cultural and family ties. On the contrary, a permeable border encourages illicit trade and makes it extremely difficult to stabilize the domestic commodity market and monetary system.

Faced with such a border dilemma, the possible alternative could perhaps be a controlled border that would help stop smuggling, keep track of the movement of people and currency both ways, in order to enable the decision makers to evolve appropriate policies relating to currency, trade and migration. Hence, it would rather be impractical and detrimental to try to stop free movement of people across the borders, which would necessarily mean an addition to the sufferings of the people in both the countries and an abortive measure to check smuggling and migration. Furthermore, it must be realized that it is impossible to restrict the flow of culture across the political boundaries, as is implied by the common saying that ideas do not stop at the frontiers.²³

A recent and concrete development in Nepalese foreign policy is the concept of South Asian Association for Regional Cooperation (SAARC). Nepal's participation in the scheme has in general generated a very favourable response within the country. For Nepal, regional cooperation is an effective means of realizing 'dependence through interdependence' and planning prosperity together. Nepal hosted the second SAARC meeting of the foreign secretaries in Kathmandu. But before the second regional meeting in Kathmandu, it is noteworthy to find that Nepal also hosted a non-official meeting of South Asian states where delegates from most of the countries participated. Nepal was also chosen as the co-ordinator of the working group on health and population activities. But the unanimous decision to make Kathmandu the venue for the Secretariat of the South Asian Association for Regional Cooperation was a diplomatic success for Nepal. Nepal hopes that through the forum of SAARC—which is to concentrate its attentions on multi lateral areas of cooperation rather than bilateral disputes—its voice will be heard on equal terms with those of the other six member nations. And it was for the positive and constructive contribution of Nepal to the process of regional cooperation that Kathmandu has been chosen as the venue of the Third SAARC Summit.

23. Rishikesh Shaha, *op. cit.*, p. 161.

Nepal as a Zone of Peace

A major preoccupation of the foreign policy of Nepal in the recent years has been the attempt to get itself recognized as a Zone of Peace (ZOP). The proposal was first floated by the King in 1975 at the time of his coronation. After referring to his major concern as preserving Nepal's sovereign integrity and independent identity he said,

We need peace for our security, we need peace for our independence and we need peace for our development. Our people genuinely desire peace in our country, in our region and everywhere in the world. It is with this earnest desire to institutionlize peace that I propose that my country Nepal be declared a zone of peace. Only under a condition of peace will we be able to create a particularly stable Nepal with a sound economy which will in no way be detrimental to any country.

Although the proposal was officially launched in February 1975, it can be traced back in the text of King Birendra's speech at the non-aligned summit in Algiers on 8 September 1973. "Nepal situated between two of the most populous countries in the world, wishes within its frontiers to be enveloped in a zone of peace."²⁴

About 70 countries including the US, Great Britain, France and China have endorsed King Birendra's peace zone proposal. The only country in South Asia is India which has not endorsed Nepal's proposal which as King Birendra said, 'was not prompted out of fear or threat from any quarter'. Nepal knows that the proposal would not make sense in practical terms without India's endorsement. Because of the geopolitical and economic reality which Nepal faces, India's acceptance of the proposal is crucial to the attainment of whatever aims Nepal may have had in putting it forward.

The latest Indian position on Nepal's peace zone proposal is neither to endorse it nor to reject it, since Indian government leaders, including

24. S.D. Muni, "Nepal as a Zone of Peace", *Strategic Analysis*, January 1984, p. 780.

Prime Minister Rajiv Gandhi have, as usual, reiterated that they are still studying the implications of Nepal's peace zone for India's security. Meanwhile, a new Indian interpretation has been added following the Nepali decision to include the peace zone proposal in the constitutions of Nepal (1980), thereby making it one of the objectives of the foreign policy of the Panchayat system. Such a constitutional provision, as India argues, is now an internal affair of Nepal and hence Indian reservations are justified.²⁵

But as apprehended by different quarters it seems that India's reluctance is presumably a reflection of its apprehension that once endorsed, the proposal might render the Indo-Nepalese Treaty of Peace and Friendship of 1950 automatically superfluous and thereby encourage Nepal to demand that it should be abrogated. Nepal on the other hand has been taking pains to assure India that the proposal to make Nepal as a Zone of Peace is simply meant to institutionalize peace as a national anchorage much needed for security, stability and development and that it would not use India's endorsement of the proposal as a weapon with which to strike down the treaty.²⁶ As China has already endorsed the Nepalese proposal for a Zone of Peace, Nepal is understandably keen to elicit an endorsement of the proposal by India as well, in order to ensure that both countries keep their hands off Nepal. If Nepal can persuade both its big neighbours to act as international guarantors of peace in the country, it would also facilitate the endless continuance of the present political arrangement in the country under the active, non-challengeable, overall Royal leadership. It would, further, mean the elimination of dissent of whatever form in national political life in the name of peace. India is being evasive about the proposal because it does not relish the possibility of its having to surrender the political and economic leverage it enjoys in Nepal on the basis of the Indo-Nepalese Treaty of 1950. For instance, the letter exchanged between the two countries after the signing of that treaty

25. Lok Raj Baral, "Peace Zone: A Nepal-specific Doctrine". *Asian Survey*, November, 1986, p. 1213.

26. L.S. Baral, *op. cit.*, p. 573.

obligates the government of Nepal to seek advance assistance and concurrence of the government of India for importing any arms, ammunition, or warlike equipment from third countries for its security. It obligates Nepal to give the first preference to the government or nationals of India, as the case may be, while indenting for assistance for the development of the natural resources of Nepal or for the establishment of any industrial project in Nepal. There is yet another provision under which the government of Nepal cannot without making any representation to the government of India, employ any foreigner whose activity may be prejudicial to the security of either.²⁷

Recently, King Birendra seems to have lost temporarily some of his enthusiasm for having Nepal recognized a Zone of Peace, particularly by its immediate neighbour. Whatever his present attitude towards China, the King appears to be more and more willing to dilute the form and content of his original proposal, or at least to change its direction and thrust in an effort to draw closer to India. Possibly, India has used the political and economic leverage it has on Nepal to wean the King away from the initial form of the proposal. The King may have changed his stance upon receiving tangible and concrete assurance that the Indian government would curb the activities of Nepali nationals in India working for the restoration of democratic freedom and rights in Nepal.²⁸

An Assessment

The trend analysis of Indo-Nepalese relations explicitly demonstrates distinct phases over the past four decades, extending from somewhat very close and special to a somewhat distant and sour one as a result of numerous factors like domestic, regional, global as well as geopolitical. Irrespective of the variations and the drift in the relations, in essence, India on the one hand, had been maintaining the attitude to keep Nepal in its own shadow. While on the other,

27. *Ibid.*

28. Rishikesh Shaha, *op. cit.*, p 162.

Nepal fettered by various compulsions, quite helplessly kept an eye on India with a great caution having a distrust on Indian preponderance. Though greatly unsuccessful in meaningful terms, she sought desperately to reduce dependence on India in order to restore its identity by way of opening up to other international channels without putting scars in the Indo-Nepalese relations as far as possible. During 1951-55, India's big brotherly attitude had been the dominant feature in the Indo-Nepalese relations because the King and the political elements which came to power in 1951 had an obligation to India because of its support for their bid for power in Nepal. While the period 1955-63 experienced a decline in the Indian leverage in Nepal as a consequence of its prior domineering role. The Indo-Nepalese relations during this period was a phase of contradiction between India's avuncular expectations, and this thrusting, independent profile

Irrespective of the variations and the drift in the relations, in essence, India on the one hand, had been maintaining the attitude to keep Nepal in its own shadow. While on the other, Nepal fettered by various compulsions, quite helplessly, kept an eye on India with a great caution having a distrust on Indian preponderance.

of Nepal's new foreign policy, except for a period report between 1959-60, the period was a growing divergence of views between Nepal and India. India, consequently followed a policy of appeasement towards Nepal from 1963 to 1971. Though it did not fully succeed in withdrawing Nepal away from its apparently increasing association with China, the position of strength it had attained in the South Asian region by that time proved favourable for pursuing its foreign policy with more paternalistic design than ever before. Nepal denied that there was any definite tilt towards China. On the contrary, it maintained that what it aimed at was a rectification of the imbalance in bilateral relations caused by overdependence upon India in the

past. It also harped on the need to maintain equidistance from its neighbours, India and China, in terms of state level relations. During the period 1972-80 one could clearly discern in Nepalese foreign policy a certain persistence of Indophobia and Sinophobia,²⁹ both apparently aimed at securing favourable concessions from the two neighbours. Currently, the Himalayan Kingdom of Nepal is trying to pursue a policy of cautious equi-distance from both its neighbours to maintain its independent status.

Nepal inability to maintain equidistance or more precisely, reduce Indian influence forces us to focus on the compulsions and constraints that Nepal faces. Given this perspective the Himalayas without being an asset (which is true in the case of India from its security stand point) is somewhat a liability to Nepal. The great barriers of the Himalayan range has isolated the North from the South, making the southern land mass, South Asia, a unitary whole. Unlike other buffer states where the two opposing powers are being neutralized and balanced, in Nepal the northern force, the Chinese influence has been naturally constrained (by the Himalayan insulation) to assert influences on Nepal, while India owing to its geo-strategic location, has been enjoying the privilege or asserting influence on Nepal unilaterally having almost no power to encounter. Much to the advantage to India is the common socio-cultural heritage. Owing to the Himalayan insulation and the massive influence at Indian culture Nepal quite naturally attached itself to the socio-cultural life of India. Perhaps in different settings having common heritage and also being in an integral landmass, ensures countries having bilateral influence. This is not true of the context in question owing to the unequal partnership between India and Nepal. India being enormously strong tends to a greater or lesser degree, to subsume Nepal. Added to these is the geo-strategic disadvantage of Nepal as a landlocked country. In order to have access to sea for its trade and commerce vis-

29. L.S. Baral, *op. cit.*, p. 548.

a-vis its economy, Nepal has no option save Indian mercy. The entire economy and economic development rests on the sweet will of Nepal's big brother. Further, because of the nature of the Nepalese polity and the domestic political system and also because of sustenance and maintenance of the existing political order, Indian support is extremely essential to the policy makers in Nepal. Apart from the above Nepal had been severely constrained by the ties and pacts with India leaving no other alternative but to yield to Indian dominance and consequently increasing dependence.

While all these compulsions set the picture on one side of the coin, in the reverse side Nepal has the profound aspiration to sustain and maintain its distinctive identity as an independent nation in the international community and thereby ensure its sovereignty, security and territorial integrity. Consequent of Nepal's earlier policy of insularity followed by the subsequent policy of over-dependence on India, Nepal had been pejoratively connoted "secondary citizen" (follower of India) in the international community. In order to gain a respectful place in the International community and ensure material development through diversification of relations with other countries it was essentially important for Nepal to circumscribe the Indo-Nepalese relations, and to maintain a policy of equidistance from both India and China. In its foreign policy practice, however, Nepal had been over the years, caught in between its compulsions and its identity aspirations. Its sense of distinct identity repelled it from India while its compulsions forced closeness with India—and that Nepal had been striving to strike a balance between the two and reap whatever advantage possible through its foreign policy manoeuvres. The progression in the Indo-Nepalese relations provides testimony to this feature.

But with all these constraints and compulsions, 'sleepy little Kathmandu' in which foreigners had once been a rarity, has now become a 'cockpit of international politics'³⁰ and its substantial diplomatic and aid community is a testimony to the efficacy of the diversification

30. Rose, *op. cit.*, p. 284.

policy. Moreover, political diversification, through the establishment of diplomatic relations with a large number of countries and an active role in the United Nations, was accomplished in a relatively short time. Today, it might appear normal for a sovereign and independent country, such as Nepal, to have diplomatic relations with most countries. But in view of the special circumstances dictated by Nepal's geographical position, historical background and economic dependence on outside assistance, it was by no means an easy task.

In fact, Nepal's strategic location has delimited its manoeuvrability within a narrow scope. This scope, in practice is determined by what India and China perceives to be their minimal interest in a given context. This implies that Nepal can exercise its freedom to handle its relations with proximate and distant neighbours so long it acts within this scope. Truly, the capacity of Nepal to calculate such perception of minimal interest in concrete terms determines the extent of its success in the conduct of foreign policy. Basing only on such assessment, can it strive to secure concession and gains from all parties? Nepal may, however, be exposed to real danger if it faces to reckon its strength pragmatically and loses sight of its practical limits to manoeuvre.