

# Nepal Plunges Into A Deep Crisis

by Ramtanu Maitra

On May 27, Nepal's monarch, King Gyanendra, extended the state of emergency and dissolved the duly-elected Parliament. According to the press communiqué issued by the palace, the King's action was based on recommendations by the Council of Ministers in view of the "grave crisis that has arisen with regard to the sovereignty, integrity, and security of the Kingdom of Nepal."

Addressing the party workers, ruling Nepali Congress party president and former Prime Minister G.P. Koirala said the dissolution of the House of Representatives smacks of a "grand conspiracy." Koirala, widely known as "GP," blamed Prime Minister Sher Bahadur Deuba as an accomplice, but stopped short of naming the King as the conspirator. Subsequently, GP expelled Deuba from the party. It is likely that Deuba will grab a part of the party and identify it as the pro-King Nepali Congress party.

While there is no doubt that Nepal has plunged headlong into a "grave crisis," it is important to know how the present crisis came about. The greatest problem, however, is that the situation is spinning out of control in an extremely unsettled region. If the "conspiracy theory" turns out to be correct, Nepal may drag both India and China onto the scene, souring their relations.

## An Orchestrated Crisis

The recent crisis developed following Prime Minister Deuba's high-profile visits to the United States and Britain. Prime Minister Deuba's meeting with U.S. President George Bush was described in Nepal as a "historic moment." It was historic because Deuba became the first Nepali chief executive in 40 years to meet a U.S. President. That the historic event took place is also an indicator of Washington's growing interest in Nepal, particularly at a time when the country is in the midst of an orchestrated crisis.

Deuba, during his week-long trip to the United States in early May, also met with U.S. Secretary of State Colin Powell. Last year, Powell had visited Nepal, addressed a section of its army, and pledged \$20 million as a military aid package to fight the growing menace from Maoist guerrillas in Nepal. Although the package will take more time to materialize, the government in Kathmandu, at this point, seems keen to tune into the Bush Administration's pledge to fight terrorism around the world in the wake of the Sept. 11 attacks in New York and on the Pentagon. It is whispered that Deuba had

also sought American military help to curb the Maoists. But, Washington, aware of New Delhi's sensitivity on the subject, did not oblige; instead, it sent a few observers to look into the situation.

From Washington, Deuba went to London, where the Nepali situation is intensely monitored. Eager to help, London sent in British Chief of Staff Gen. Sir Michael Boyce on a four-day visit to Nepal. Boyce, who was on the subcontinent ostensibly to cool Indian and Pakistani tempers, held separate talks with Prime Minister Deuba and Nepali Chief of Army Staff Gen. Prajwalla Shamsheer Jang Bahadur Rana. A team of senior British officers who accompanied Boyce, drew up the list of requirements for the Royal Nepal Army (RNA), which has been fighting the Maoists since November. General Boyce's meeting with Deuba took place exactly a week before the Parliament was dissolved.

Boyce's visit comes shortly after the visit of Indian Chief of Army Staff Gen. Sunderajan Padmanabhan. Padmanabhan, who was also in the United States in early May, has firmly backed the RNA-led operations to restore peace and stability in the Kingdom.

During his four-day official visit, General Padmanabhan made several gestures to boost RNA morale. After visiting the western and far-western RNA commands, where the Maoists are most active, General Padmanabhan indicated that India would supply weapons and other materials to Nepal. He also urged former soldiers of the Indian Army's Gurkha Battalion to support the RNA's moves to restore peace and stability.

## Setting for Conspiracy

Since GP refrained from naming the mastermind behind the "grand conspiracy," one could only follow the events to figure out why Nepal is in such a crisis. The serious threat began to emerge in the mid-1990s, when the Maoists began carrying out "actions." The Maoists, who influence almost 50 of Nepal's 75 districts today, did not come out of nowhere. The Maoist movement gathered momentum only because the monarchy neglected its population in the 1970s and 1980s, and the political democratic system failed during the last decade. During the last three decades, Nepal has become poorer, and rural Nepal has become the land of the destitute.

Nepal's poverty was aggravated primarily by the actions—and inactions—of two primary forces. One force was represented by a slew of non-governmental organizations (NGOs), which influence policy matters from inside Nepal. Financed by foreign foundations, think-tanks, and some governments from time to time, these NGOs pursue relentlessly their objective to keep Nepal rural and environmentally pristine.

The second force was represented by the monarchy. Nepal's monarchy had long wanted to turn Kathmandu into a "pleasure city" for foreigners, keeping rural Nepal a haven for urbanized foreign tourists. The weak democratic political

system, characterized by bickering political groupings eager to “enjoy” power, did nothing to alleviate the worsening economic situation. As a result, these groups have lost the mandate they had received from the people in 1990.

The emergence of the Maoist movement occurred in this milieu. Led by Pushpa Kumar Dahal (“Comrade Prachanda”) and Dr. Baburam Bhattarai, the Nepal Communist Party (Maoist) fired the first salvo of the “people’s war” on Feb. 12, 1996. The people’s war campaign to establish a Maoist-style dictatorship of the proletariat in Nepal followed a meeting on July 1, 1995 among the Indian Communist Party (Marxist-Leninist), the People’s War Group, and the NCP (Maoist). Since then, the six-year-old people’s war has claimed more than 3,000 lives, a large number of them police and army personnel. The insurgency began in five mountain districts—Rolpa, Rukum, and Jajarkot in the mid-west, Gorkha in the west, and Sindhuli in the east. Subsequently, it has spread throughout the country.

No “grand conspiracy” in Nepal can exclude Britain. The British links to the Maoist movement are not a secret, and, in fact, are well established. The NCP (Maoist) makes it clear that it draws its inspiration from the London-based Revolutionary Internationalist Movement (RIM) Committee and Peru’s narco-terrorist Sendero Luminoso (Shining Path). It has also developed links to the RIM chapter in the United States, based in Chicago. RIM, as are all terrorist networks that function out of London, is also heavily controlled by British intelligence.

More alarming, perhaps, for Kathmandu, is the fact that many of the Maoist-affected areas are inhabited by a large number of well-trained retired Indian and British Army Gurkha soldiers. Some people in government suspect that some of these retirees, who receive pensions from London, along with retirees and deserters from the RNA itself, are providing crucial training and combat manpower to the Maoist insurgents.

In an interview with Li Onesto of the Revolutionary Worker’s Party of Chicago some time back, Prachanda made a point of revealing his links to RIM. “In the whole process of this final preparation,” he said, “there is consistent international involvement. First and foremost, there was the RIM Committee. There was important ideological and political exchange. From the RIM Committee, we got the experience of the PCP [Communist Party of Peru; i.e., Shining Path], the two-line struggle there, and also the experience in Turkey, the experience in Iran, and the experience in the Philippines. We learned from the experience in Bangladesh and from some experience in Sri Lanka. And there was a South Asian conference that we participated in. At the same time, we were also having direct and continuous debate with the Indian communists, mainly the People’s War (PW) and Maoist Communist Center (MCC) groups. And this helped in one way or another. It helped us to understand the whole process of people’s war.”

The chief adversary to the Maoists in Nepal is the monar-

chy, now headed by King Gyanendra. As late as 1990, Nepal was an absolute monarchy, headed by King Birendra, who was killed in a bloody palace coup in May 2001.

In 1990, King Birendra, facing prolonged street demonstrations orchestrated by the banned political parties, gave up absolute power and ushered in a constitutional monarchy, working in tandem with the elected House of Representatives. While the democrats got the responsibility of running the country, the monarchy retained its control over the RNA. King Birendra, considered by all as a kind and patient individual, kept the Maoists at bay and never used his military to annihilate them.

The second crisis hit Nepal in May 2001, when a vicious palace coup killed King Birendra, Queen Aishwarya, Crown Prince Dipendra, and a half-dozen other close members of the royal family. The massacre propelled King Birendra’s brother, Gyanendra, onto Nepal’s throne. King Gyanendra, who is yet to be accepted by the majority of Nepal’s population as the legitimate King, used to own casinos in Kathmandu and a large number of industrial facilities elsewhere in the country. Despite his love for lucre, Gyanendra is also a die-hard conservationist, working for the World Wildlife Fund (WWF). He heads the British-Nepal Society and the King Mahendra Trust for Nature Conservation.

Historically, all members of Nepal’s royal household had close ties to Buckingham Palace. But King Gyanendra’s additional association with Prince Philip through the WWF, makes him almost an adjunct to Buckingham Palace.

## The Big Picture

More than a year ago, Stratfor, one of the briefing papers of the American intelligence community, indicated why the West is increasingly concerned about Nepal. It pointed out that bordering only India and China, Nepal offers a geopolitical advantage to whichever takes the upper hand there. Such a situation would be especially dangerous to India, because Nepal’s border is 185 miles from New Delhi, Stratfor pointed out. Though major conflict is unlikely in even the distant future, Indian strategists appreciate the military advantage China would gain from having control over Nepal. Attacking from Nepal would represent a deadly threat to the Indian capital. Nepal’s developing crisis has political, security, social, and economic dimensions, Stratfor analyzed.

“Whether the future Nepal government becomes Maoist or communist, the government will likely lean toward Beijing, and will allow for establishment of Chinese surveillance and listening posts. The other worry of the West is that China’s presence in Nepal would also complicate positions of the U.S. Navy in the Indian Ocean. With early warning, surveillance, intelligence, and navigation systems in Nepal, Beijing would keep a vast part of Asia and military forces there under constant electronic watch,” Stratfor concluded.

It is a moot point whether the Bush Administration is guided by this analysis on Nepal’s geostrategic importance,

or is interested to become an enforcer in a highly unstable area. But it is evident that a section of Indian policymakers have a similar analysis. Within the Indian Army, and within a section of India's political spectrum, particularly within the ruling coalition government in New Delhi, exists a fear that with the Maoists in control, China will have a strong presence in Nepal. That would position China's forces close to New Delhi and other vital Indian centers. It would also help Beijing gain geostrategic leverage over, not only India, but also larger areas, from Central Asia through Southeast Asia.

Some of this thinking in India stems from the Cold War days. During that period, Nepal was caught in the Sino-Indian rivalry. Kathmandu played the perfect role of a buffer state, without accomplishing much. King Gyanendra has announced that he would visit New Delhi and Beijing soon. It is likely that King Gyanendra is planning to go back to the balancing game which Kathmandu had played throughout the 1970s and 1980s.

Nepal had maintained a position of non-alignment in foreign affairs, carefully balancing its relationships with China, the Soviet Union, the United States, and India. A 1956 treaty with China recognized Chinese suzerainty over Tibet, and officially terminated the century-old Tibetan tribute to Nepal. All Nepalese troops left Tibet in 1957. The Sino-Nepalese border treaty of 1961 defined Nepal's Himalayan frontier.

India's geographical proximity, cultural affinity, and substantial economic links to Nepal render it the most influential foreign power inside Nepal, but India's military and political interference in Nepal's affairs had been a constant source of worry for Kathmandu. In 1969, Nepal cancelled an arms agreement with India, ordered the Indians to withdraw their military mission from Kathmandu, and dismantled their listening posts from the Tibet-Nepal border. In 1989, the Indian government closed its borders with Nepal, depriving Kathmandu of all economic traffic and bringing Nepal's economy to a standstill. With strong anti-India sentiments riding high in Kathmandu, Nepal developed closer ties with China in the 1990s. It is no secret that a strong anti-India sentiment is rooted inside Nepal and the Maoists are exploiting that successfully.

At the same time, India has reason to be worried about developments within Nepal. In recent years, proliferation of narcotics from Myanmar and Pakistan, and laundering of vast sums of illicit money earned through drug-trafficking, have posed security problems along the Nepal-India border. Pakistan's Inter-Services Intelligence (ISI), known for its anti-India covert operations, now functions within Nepal. The Indian Airlines hijacking in late December 2000 originated from Kathmandu and was organized by the Pakistanis, along with the Taliban of Afghanistan. Last year, a Pakistani Embassy official was sent back home following a raid on his house. The official was found in possession of RDX explosives and other incriminating materials. Kathmandu indicated that the Pakistani official was supplying the Maoists with explosives.