



A look at India – Nepal Relations

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India's first neighbourhood policy is under trouble. Despite India's soft approach towards its neighbours, things are not moving in the right directions. Pakistan's incorrigible attitude of terror has burnt the fingers of India quite a number of times. Politics of Nepal was under the influence of China, and created a lot of fuss in the last one year. The PM visit of Nepal to India tried to bridge the gap between the two countries.

This time Prachanda's visit to New Delhi was different in content and contour, compared to his earlier stint in 2008. He himself said, "In the last 10 years I have learnt a lot and become more politically mature". After returning to Kathmandu, he said, "There are certain elements in action to fail this emerging friendship between the two countries." Responding with same gesture, Prime Minister Narendra Modi said, "Our friendship is time-tested and unique. We share our burden during difficult times, just as we celebrate each other's achievements," PM added, "As immediate neighbours and close friendly nations, peace and stability of Nepal is our shared objective." Modi praised Dahal. Calling Prachanda a 'catalytic force of peace', PM Modi commended the role he 'personally played in strengthening the democratic institutions in Nepal'.

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Internal Turmoil, External Repercussions

There was a slump in bilateral relationship in May 2016 when Nepal unilaterally cancelled former Prime Minister Khadga Prasad Sharma Oli's visit to India. In fact, Nepal went to the extent of recalling its Ambassador to India by accusing him of conspiring to dislodge the then Oli government. The present turbulent phase has started since the new constitution of Nepal was promulgated on September 20th 2015 on the issue of demands by the Madhesis and Janajatis. Rather than appreciating the Indian position in favour of a united, well-integrated and inclusive Nepal, the ruling parties and Kathmandu elites have wrongly interpreted Indian sentiments in this regard as being interfering and overbearing. It was the divided house in Nepal that cropped up the problems but India had to bear the blame.

Putting order in the Constitution is not easy for Prachanda, despite his assurance of integrating all unsatisfied communities in the federal structure. Especially Oli's CPN-UML will be a stumbling block. In addition, Article 274 of the Constitution of Nepal prevents the redrawing of the provincial boundaries without the approval of the provincial Assembly. However, if the federal boundaries are redrawn, such changes will have to be endorsed by the future provincial assembly within three months of the formation of such provincial assemblies. Thus, any current may not be a perfect solution for lasting peace.

This brings us to the next part of Nepal's complicated transition and constitutional implementation. The issue of local body restructuring is yet to be completed, and that has to be done before elections to the local, provincial and national levels can be held.

There are certain elements in Nepal who squarely makes baseless allegations against Bharat for economic blockade and project incompleteness. India runs a series of development programmes and gives millions of dollars in aid and other assistance to prop Nepal's economy, as part of the 1950 Treaty of Friendship between the two sides, and hosts over eight million Nepalese. India was the first country to arrive with aid in the rescue and rehabilitation work within hours after Nepal was hit by a devastating in April last year. The shared history, tradition, religion, ethnicity, language etc are all cited as essential elements that define this unique relationship.

Indian citizens (including those of Nepali origin) continue to work in Nepal but there is no proper method of transferring remittances from India to Nepal. There are also issues related to mistreatment and exploitation of Nepali workers at the India-Nepal border, which can be addressed through mutual consultation.

The first and foremost task ahead of Prachanda is to satisfy the Madhesi people in Nepal regarding demarcation of provincial boundaries. He can neither convince the people living east of the Koshi nor those living west of Chitwan who are demanding Akhand Sudur

Paschim to be part of one of these proposed Madhes provinces. Moreover, the Madhesis are not in a majority in these areas and the people of Chure-Bhabar an area that constitutes do not want to be part of such artificial political units.

It not only has 182 political parties, nearly 32 of them have a presence in Parliament, making it almost impossible to build consensus on important issues. Merely a change of heart for Prachanda is not enough to set the house in order. The fractured polity and complex political factors are challenges for Prachanda. Nevertheless, a solid beginning with Bharat will put Prachanda in more comfortable positions to tackle the economic and political challenges.

Besides these internal dimensions, using China card is another important aspect in this relationship. Chinese President Xi Jinping's scheduled visit to Nepal, seems to be in jeopardy. Though China wants Nepalese leadership, despite frequent changes in the government, should abide the bilateral agreements not renege on the commitment made by former PM KP Sharma Oli.

Upswing Movement

On this background, the two sides signed three agreements including an MoU on Management Consultancy Services for Upgradation/Improvement of Road Infrastructure in Terai Area. Additionally Bharat has extended a New Line of Credit agreement for 750 million US dollar for post-earthquake reconstruction projects in the Himalayan nation. India has also agreed to extend additional Line of Credit for new projects such as Phase-2 of Terai Roads, power transmission lines, substations and a polytechnic in Kaski.

The two leaders also took stock of the open border that witnessed months of blockade, agitation and violent force following the promulgation of the new constitution of Nepal. Recognising the need for translating decisions into actions, the two leaders agreed to focus on close monitoring and time bound completion of all development projects.

There are many other issues discussed and agreed upon by both the leaders such as construction of the Postal Highway, financial Support to bridge the funding gaps for providing the housing aid to the victims of 2015 earthquake, negotiations on the Detailed Project Report of the 5600-MW Multipurpose Pancheswor Project on the river Mahakali, second phase construction and implementation of the power trade agreement, discussions on trade concessions to reduce the trade imbalance, immediate construction of Integrated Checkpoints at Biratnagar and Bhairawaha borders, cross border railway services and agreement on allowing Indian port of Visakhapatnam to be used for Nepali cargo etc.

Considering the bitterness in recent past and ideological roots of Prachanda in Maoism, it is certainly a upswing movement for the bilateral ties. It has to be assured that Bharat baiters

must not pin down Nepalese's PM and hijack the political situations in Nepal. For that, as Prime minister Prachanda articulated at the civic reception organised by India Foundation, "to infuse our relation with more substance, to improve our friendship with more harmony, to make our relation mutually rewarding, and to manage our relation as per the needs of the 21st century, we need to build on commonalities, engage in dialogue for enhanced understanding, to synergise our statements and capitalise on our strengths."

