

# ISAS Brief

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## Nepal: Unfolding Internal Political Contradictions

*Nepal's averted regime crisis is a reflection of internal political turmoil. Nepali politics has been driven by imbalances in power-sharing arrangements and residual issues of political transition from an absolutist Monarchy to an inclusive, federal republic. Unless this transition is made structurally viable, political stability will elude Nepal. India which has played a significant role in this transition will continue to be affected by the spill-over of Nepal's internal turbulence. India's challenge is also becoming more formidable with the emergence of China as an assertive competitor for greater economic and strategic space in the sensitive Himalayan region.*

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The Oli government in Nepal has barely saved itself from collapse. On 4 May 2016, one of its major coalition partners, Pushpa Kamal Dahal 'Prachanda', the Nepal Communist Party (Maoist) leader, decided to withdraw support and join the main opposition party, the Nepali Congress (NC) for a new government of national consensus. It took Prime Minister Oli and his colleagues in the Communist Party of Nepal (United Marxist Leninist-UML) a couple of days of intense bargaining to dissuade him from breaking the left-dominated coalition.

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The crisis was precipitated by the internal contradictions of the Oli government. The Prime Minister is clearly in conflict with Nepal's three key political players – with the opposition NC, which lost the race to prime ministership in October 2015; with the Madesh and Janjati groups, on the question of constitutional accommodation; and with its major coalition partner, the Maoists. Even within the UML, there are leadership rivalries that want the Oli government to change. Senior leader Madhav Nepal has blamed Oli for ruling with the support of his coterie and without consulting other colleagues. For the past more than two months, several voices have been raised against the inefficiency, corruption and non-performance of the Oli government. Criticism is centred on the government's irritatingly slow movement on post-quake reconstruction; and, against a thriving black market in petrol and cooking gas, even after the normal flow of supplies from India. The Oli government has been charged with lack of political will to address the Madesh issue. The Madesh-Government task force set up in January 2016 to address the issue of federal re-demarcation could not even finalise the Terms of Reference. After months of indifference and casualness, the first formal invitation for talks was sent to the Madesh parties by the government only a day after the present crisis of regime survival was resolved.

The Maoists have been particularly upset with the Oli government on four counts – carrying forward the peace process, constitutional amendments and implementation, power-sharing, and development and economic progress. Of these, the peace process and power-sharing have been critical. The Maoist cadre have been restless on account of inadequate share in the perks and patronage distributed by the Oli government as also because of its keeping the Maoists out of key governmental decisions. The question of taking the peace process forward has arisen on account of a number of court cases slapped on important Maoists leaders for their "crimes" related to disappearances and murders committed during the insurgency period. The Maoists have been asking that such issues be dealt with under the "Truth and Reconciliation" process as stipulated in the Comprehensive Peace Agreement between them and other political parties, rather than through the traditional criminal proceedings. Under the latter many of the key Maoists leaders could suffer life-imprisonment. The Maoist Chief Prachanda and his General Secretary, Krishna Bahadur Mahara had publicly voiced concerns in this respect. In their assessment, the Oli government, under the influence of non-governmental human rights organisations and some European Union donors, were keeping this Damocles Sword hanging over them (the Maoists) to keep them politically subdued. Since the Oli government was not

acting on the assurances to the Maoists on addressing these issues, Prachanda first decided to withdraw support and join hands with the opposition NC.

Subsequently, what prompted Prachanda to withdraw the threat he had held out to the Oli government was a written commitment from Prime Minister Oli that these issues would be resolved within weeks. A nine-point Agreement signed by Prachanda and Oli clearly states that the procedures for withdrawing “political cases slapped for acts during insurgency” and the grant of amnesty for such acts would be expedited without any delay (para 7). This agreement also commits the prime minister to the granting of relief in respect of the “martyred” and “disappeared” victims (including Maoist cadre), as also action regarding transactions of land deals made during the political transition in Nepal. Prachanda has also been assured – informally but in good faith – the prime ministership will be handed over to him after the budget session of the Parliament. With these commitments, Prachanda found the NC’s promise of prime ministership and the other assurances of the Nepali Congress less credible. Hence his retraction of the threat to the Oli government. The key mediator for the Oli-Prachanda deal was a senior UML leader Bamdev Gautam.

To camouflage the government’s internal conflict, Bamdev Gautam and other UML leaders have dragged India in. The Oli government’s moves to cancel President Bidya Bhandari’s scheduled official visit to India and withdraw Nepal’s Ambassador in New Delhi for his alleged political role are part of the cover-up. The intention seems to be to buttress the Oli government’s nationalist image and its left-ideological stance for political consolidation. There is no denying the fact that New Delhi is upset with the Oli government and would welcome its exit. But since January 2016, India has been trying to control the damage done by its “blockade” diplomacy and categorical support of the Madesh issue. India wants relations with Nepal to stay normal. India went out of the way to make Oli’s India visit in February 2016 comfortable, and invited President Bhandari in order to soothe Nepal’s hurt feelings. It is possible that both the NC leader Deuba and the Maoist leader Prachanda sought India’s blessings in their efforts for regime change in Kathmandu. India’s joining hands with them in the toppling game would amount to a tactical blunder as these leaders had failed India on the constitutional issues. There are in fact media reports in Kathmandu that suggest China’s active role in ensuring a favourable left-dominated regime under Oli’s leadership.

How long the Oli-Prachanda deal will last is anybody's guess. It may not be easy for the Oli government to implement the 9-point assurances to Prachanda. Will Prachanda plan yet another coup if and when Oli fails to do so, as Prachanda's U-turn has further dented his credibility? One would wish Nepal to come out of the vicious circle of changing governments and fragile governance so that the country can focus on reconstruction, stability and development in the interest of its suffering people. But will it?

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