



Synopsis of several conflict analyses on Nepal (2001-2003) (see bibliography)

Introduction

This summary of several conflict studies on Nepal is the result of a meeting of different German development organisations (Deutscher Entwicklungsdienst, Evangelischer Entwicklungsdienst, Friedrich-Ebert-Stiftung, Friedrich-Naumann-Stiftung, Gesellschaft für technische Zusammenarbeit, Gruppe Friedensentwicklung, Ministry for Foreign Affairs, Misereor) in August this year where the need for an in depth overview of existing analysis was formulated (see report on the meeting and terms of reference).

Four larger studies (international: two DFID studies, GTZ; and national: NEFAS) were used as “master” studies, i.e. their structure and main focus provide the basis of this synopsis, which is enriched by new or contradicting aspects from further studies. The facts summarised below are (more or less) common terms within all the studies. Significant differences are indicated, but the summary does not aim to focus on omissions or disagreements between different experts on a scientific level. This “synopsis” will give a detailed overview of the state of the art regarding conflict analysis of Nepal. The conclusion therefore concentrates equally on what is said and what is *not* said. It is intended as a basis for decision by the organisations mentioned above about meaningful future cooperation.

Type of conflict

Since the failure of the peace negotiations on 23 November 2001 the conflict in Nepal has been a high-intensity conflict. It takes place at political level (competition for political power), economic level (inequality of resource distribution) and ideological level (Maoist model versus liberal, capitalist model). The characteristics of the conflict are structural (e.g. access to basic rights), perceptual (e.g. rivalries among political parties), manifest (e.g. violent acts, clear demands) and latent (e.g. ongoing discrimination against *dalits*). In terms of “greed” and “grievance” there is a general assessment that the situation in Nepal is still at the “grievance” stage, where conflict potential arises directly from real suffering, such as poverty or lack of participation, and not (yet) at the “greed” stage, where conflict is mainly nourished by greed at the expense of another group without real, explicit suffering.

Causes of the Nepalese conflict

In all analyses a distinction is made between the current political developments which led to the growing conflict (“trigger”) and long-term structural issues which constitute the grounds for escalation (“root causes”).

Trigger

Involved in the obvious violent conflict over constitutional monarchy versus republic are the king, as head of state and army, and the Maoist insurgents. The conflict has been carried out by violent means since the Maoists were excluded - or their own exclusion enforced (there are different judgements on that) - from the parliamentary process in February 1996. This denial of legal recognition to one half of the split left-wing United Front, combined with the king’s underestimation of the potential for violence by the former left-wing party, is named as one early failure which opened the door to the guerrilla-like movement.¹

Efforts to install a peace process have been made several times since July 25, 2001. It is generally stated that the negotiations failed because both conflict parties lacked a clear political agenda. Others point out that negotiators started on core issues like the constitutional question instead of beginning with fields of common interest. In addition, both sides expanded their geographic zone of interest while the peace process was underway (king/government enforced their Integrated Security and Development Programme and the Maoists continued declaring “People’s governments” in the rural areas), which raised doubts as to whether either party was seriously ready for negotiations.

The conflict is enforced by the political parties, whose positions are neither on the side of the king nor of the Maoists, but who have been ruling the country for 14 years and are an essential part of the democratic state model that must be taken into account if a resolution to the conflict is to be lasting and sustainable.

The people’s perception of the Maoist movement is ambivalent. On the one hand, negative impacts such as insecurity, extortion by Maoists and impaired government services are criticised. On the other hand, less corruption in Maoist districts, decrease of police harassment, enforcement of people’s courts for local conflict resolution² and stronger pressure on elected politicians to enforce reforms are considered as positive effects of the insurgency.³ What is positively recognised by external experts is the fact that (until now) no significant signs of a war economy or economies of violence have occurred.

Root causes

The conflict situation at the highest (track 1) political level is exacerbated by several issues cutting across different levels and fields.

Among the different analyses we find a fairly common understanding of the root causes of the conflict, but assessments differ.

Even though officially abolished, the caste system is one main aspect alongside ethnic discrimination⁴. The denial of access to power and wealth is a source of constant dissatisfaction. This is not only linked to modern values like equality and human rights, but in the case of the lower castes rather linked to basic economic needs. With ongoing modernisation of the Nepalese economy, many low-grade jobs on farms are being replaced and abolished, so that “untouchables”, or *dalits*, in particular lack opportunities

to earn a living.⁵ In fact, while many macro-economic figures in Nepal are improving, the percentage of people living in absolute poverty is increasing and the gap between poor and rich is deepening.⁶ But grievance in the agricultural sector is not limited to *dalits*. A failed agricultural policy since the 1960s has not abolished the semi-feudal structure of Nepalese agriculture, as landlords were encouraged to negotiate non-formal tenancy agreements with those who were supposed to benefit from that policy, the landless farmers. The decision-making government bureaucracy is controlled by the landed class and consequently has a low interest in fundamental land reform (worsened by lack of consensus on the land question among the political parties).⁷ In addition, for cultural and topographical reasons, land is very much fragmented, which is seen as a major constraint on the introduction of modern agricultural systems such as irrigation and mechanised cultivation. Similarly, the education of the Nepalese population is modestly improving, leading to a growing number of educated, unemployed young people, who provide fertile ground for Maoist recruitment (reinforced by Maoist threats of execution). Consequently, the relationship between poverty and conflict is mutually reinforcing. On the one hand, poverty gives the Maoists justification for their cause and a source of supporters. On the other hand, the conflict is increasing poverty due to damage to roads, constant insecurity deterring investors, “food as weapon” strategies pursued by both parties to the conflict, who restrict food deliveries in districts dominated by the enemy. It is recognised that economic decline is not exclusively linked to the conflict, but also to the general worsening situation on the global market.

Since the insurgency, Nepal has faced increasing migration and emigration. When Maoists enter an area, the people most targeted are either killed or leave.⁸ This in turn leads to a drain on local elites. Internal migration flows from rural (typically Maoist, poor) areas to urban (typically wealthier, royalist) areas and increases the inequality between rural and urban Nepal.

One universally perceived cross-cutting aspect is gender. Usually, traditional discrimination against women does not have the potential to contribute to a conflict as they lack power. But in the Nepalese context one third of the members of the Maoist movement are noted to be women. “Liberation from traditional restraints” and “access to the other sex” is mentioned as a motive to join the Maoists by both men and women.

Another commonly recognised root cause, though linked to the socio-economic aspect, is political grievance.

“Bad governance” is the expression covering the main aspects, which are closely interlinked. Omnipresent corruption makes politics (and justice, but this is only mentioned once) slow and ineffective. Due to corruption and/or political will, the budget is unequally distributed and ineffectively spent, contributing little to poverty elimination⁹. Analysts criticise the fact that decentralisation has been announced but not yet realised. In 1990, the elected government showed too much leniency towards the former *Panchayat* system, which has resisted the democratisation process since its defeat. Recommendations given by the Mallik Commission then established on how to handle the former holders of power were not implemented. Consequently, access to political power is still denied to people from lower castes and the poor.

Several disadvantages of the current parliamentary system are mentioned. The formal consultation process does not envisage a role for parliament and therefore neglects the “people’s voice”; for several reasons parliamentary committees are not working effectively; long term visions laid down in programmes designed for 5, 10 or even 20 years are unrealistic and betray poor quality of analysis; the functioning and terms of

reference of the National Planning Commission need to be reviewed in the light of modern-day liberalisation and open markets.

Whatever the actual reasons (insurgency, the economic situation, lack of political will), the fact that democratic transition has been protracted since 1990 only deepens the frustration of unfulfilled expectations and is therefore a considerable cause nourishing the conflict.

Ultimately, in local studies we also find the following root causes:

The “geographical divide” is mentioned as a further root cause. Two are estimated to be considerable for the conflict: the divide between the (developed) urban centres and the (less developed) areas in the Far and Mid West of Nepal and the divide between people from the Terai (Madhishe) and the hill people.

The discrimination against ethnic languages (other than Nepali) is also seen by some analysts as one important area of concern with conflict potential, though not as strong as e.g. poverty.

While the constitution itself is positively evaluated by international studies and only the lack of enforcement is criticised, local studies see a need to rewrite it. The fact that Nepal is declared a Hindu kingdom does not correspond to the multi-ethnic make-up of the country with only a very slight Hindu majority. The anthem glorifies the king and refers to the people as “subjects”. Furthermore, legislation discriminates between women and men. The majority voting system is inadequate for the very diverse structure of Nepal. Passport regulations still manifest status differences and health care is linked to status and income.

Finally, the influence of external factors on the conflict weighs heavier from the Nepalese perspective than from that of the “internationals”¹⁰ (see stakeholders).

Only a few studies state the importance of reconciliation as a conflict decreasing factor. Along with disappointed hopes of economic welfare after democratisation, disappointment at the failure to prosecute members of the *Panchayat* regime feeds the common feeling of frustration and disillusion.

Stakeholders

a) internal

Maoists

The Maoists are present in all districts in Nepal. Their strongholds are in rural areas, while the Royal Army controls district capitals. They demand fundamental constitutional changes, though they recently dropped the demand for a “People’s republic” and now call for a round table conference, an interim government and a constitutional assembly to draft a new constitution. Nationalist and populist concerns constitute important features of the Nepalese communist movement, as does Marxist-Leninist internationalism. Closing the borders (particularly to India) is a long-held demand of Nepalese nationalists and the Maoists have reiterated this demand.

The immediate interests of the leadership and the cadres and militias may differ.

The Maoist army was seen to be well trained and committed. Both army and militia are armed with weapons captured from police or civilians. The number of members is estimated at 10,000 – 70,000 cadres (full-time, receiving salary), with the lower figure seeming more plausible, plus militia (part-time, press-ganged, occasional).

The Maoist movement has various sources of income:

- (in)voluntary taxation: in kind, food and shelter (“voracity effect”: local leaders will increasingly tend to keep “taxes” for themselves),
- some shops, restaurants, guesthouses,
- bank robbery,
- extortion from private business, taxation on trekking,
- remittances from the Nepalese Diaspora, either voluntarily or by blackmail (particularly in Europe and India)

Almost all analyses underline that until now, no significant smuggling, logging or drug trafficking operations have been noted.

Maoist sister organisations (women, students, peasants, workers, intellectuals) are mentioned by GTZ as possible avenues to approach the Maoists (peace actors), though this is doubted by Nepalese experts (who see them as overly dominated by the Maoist movement).

King/government

Basically, the king and his royally appointed government want to retain the present constitution and democratic system, including the constitutional monarchy, installed in 1990. Their primary power lies in control over the police and army and their claim to be the legitimate representative of the people. Their main method of dealing with the conflict has been force and only in 2001 were the Maoists recognised as a political force willing to engage in dialogue. The government has launched several reform initiatives.¹¹ These initiatives are judged differently. They may have a positive impact on confidence in the government, or they may just be “show-pieces” because they lack legislation defining status, powers and functions.

Royal Nepalese Army

The army was mobilised in November 2001 and is completely loyal to and controlled by the king. The army consists of about 40,000 - 50,000 soldiers (the numerical ratio of Maoists to government security forces is approx. 1:9). In the past it lacked the experience, qualifications and equipment to face the guerrilla strategy of the Maoists, but improved its performance in 2003 due to strong support, particularly from the US, India, UK and Belgium.

There is no consensus about the position of the army in the conflict. Many observers note that the army has consciously avoided becoming involved, clearly stating that it sees the Maoists as a political force which needs to be addressed by political means. Others note that neither the king nor the army itself wish to attack Nepalese citizens. Certainly, the army does not have political aspirations or major economic interests of its own. Compared to the police, the Royal Army has a slightly better reputation regarding human rights. Recently, both created human rights units within their organisations following strong international criticism.

United Special Task Force

Faced with the insurgency, the Nepalese government established a paramilitary unit equipped with modern weapons and better training (especially against guerrilla warfare). This task force consists of police and army personnel (20,000) and is funded (17 million dollars) and trained by American soldiers.

Police

The police fought the Maoists from early 1996, when they were in a difficult position, since they were not trained or armed to fight a guerrilla army. This position has improved with additional support from the Army and the United Task Force but motivation to fight remains very low, there are many complaints of police corruption and ineffectiveness and there have been police atrocities committed against Maoists and civilians. Security forces (army and police) often have not been present during Maoist attacks. Either they were informed beforehand or the Maoists received hints about the best moment to launch their attacks.

Political parties

One common grievance of all political parties is their de facto exclusion from power due to a gap between the decision-making government, installed by and loyal to the king, and the actual parliament. The Nepalese Congress Party has been in government longer than any other party since 1990. The hard-liners want to control the Maoists by force and do not accept them as a political movement. The moderates accept some of the social and economic issues raised by Maoists as legitimate problems but their overall attitude is ambivalent towards the Maoists.

The major opposition party is the United Marxist Leninist Party (CPN-UML) which split after the uprising of the Maoist movement into the UML and ML. They each have a similar history of underground armed struggle in *Panchayat* times, and they each have ambivalent positions towards the Maoists (e.g. CPN-UML is carrying out an anti-Maoist campaign). Their common interest is weakening the ruling Nepal Congress. However, if the Maoists were to enter the political mainstream, they would become competitors for the left-wing vote and therefore a direct political challenge. Attempts by the Maoists to hold dialogue on basic issues broke down.

Generally, the parties agree on the root causes of the conflict but differ widely in their views on the mechanisms for conflict resolution. Studies share a criticism of how party political discussions are dominated by internal issues of how to obtain power, not by the conflict.¹² The incoherent reaction to insurgency made it much easier for the Maoists to expand. But an analysis of three reform proposals for the constitution from the CPN (UML), the Nepal Congress Party and the Rastriya Prajatantra Party shows a deep consensus among the three of them on constitutional issues, which suggests that if implemented honestly they would be able to bring about radical changes.

The implication of several top-level leaders in corruption cases by the CIAA, the co-option of aspiring individual politicians into the structure of government, and calls to leaders of other parties about the security situation, elections and power sharing have all been used by the government to neutralise a fractious opposition.

Business

There are strong links between politics and business (same caste, same education etc), corruption is commonplace. Business leaders are per definition classified among Maoist class enemies and are therefore poorly placed to act as intermediaries. Still, one finds some examples of how business – collectively or individually – has addressed some of the grievances contributing to the insurgency, by providing employment and e.g. vocational training, or setting up a Corporate Ethics Forum.

Media

Nepal enjoys a relatively free printed press with a wide range of political affiliations, although radio and TV (the predominant voices reaching rural areas) are government-controlled. The media were used as a vehicle for political manoeuvring by both sides in the run-up to the peace talks.

NGO

The role of local NGOs in the conflict situation is ambivalent. First of all they probably benefited most from the reinstallation of democracy in 1990. Meanwhile 15,000 – 30,000 NGOs exist, focusing on action for specific aims, research or advocacy. But they lack unity and are not able to assert substantial pressure. Some studies name certain organisations which would be worth supporting and be reliable partners (South Asia Partnership, human rights groups, ethnic groups, women groups etc). Other studies are more critical. Almost all ministries have given prominence to the involvement of NGOs in the development of policies and programmes. There is a lack of legal clarity about the concept of NGO's development operations. Policies are inadequate because all kinds of associations are regulated by one single Act. The donor community is increasingly using them as service-delivering agencies. NGOs are therefore beginning to engage in donor-supported projects rather than political advocacy. The most critical voices say that NGOs have been active more as avenues for development promotion rather than political participation. CWIN, INSEC and some women's organisations have been successful in awareness-raising per the international agenda rather than on feasible constructive resolutions at a national level. In addition, many associations are aligned and/or dominated by political parties.

b) external

India

India exerts the most direct impact on Nepal. Since India is the most important economic partner it has a strong influence, particularly on the king. Since 9-11 Indian policy has changed: Maoists were declared terrorists, borders (which are usually open between Nepal and India) were controlled more thoroughly. Despite this, Indian extreme left groups support the Maoists. India's image is highly ambivalent in the Nepalese population (expansionist, anti-India riots in 2000); India has often interfered in Nepal's internal affairs due to its security interests. The crisis of India and Pakistan often spills over in the shape of a proxy war. And India alleges that Nepal has been a "hatching place" for Pakistani terrorists. At the same time, Maoists are using Indian territory for guerrilla training, collecting arms etc.

International reactions to Nepalese affairs are often biased by the will to please India.

China

According to the studies there seems to be no solidarity between Chinese and Nepalese Maoists, quite the contrary: China accuses Nepal's Maoists of abusing the name Mao Zedong. China is deeply interested in maintaining stability in this neighbour country because of 35,000 Tibetan refugees in Nepal opposing the Chinese government. China provides official political and moral support as well as technical equipment for the Royal army. In turn Nepal promised not to undermine China's interests regarding Tibet (e.g. security of frontier along the Nepal border). From this perspective, the king-led *Panchayat* system was much more comfortable from the

Chinese perspective. With the restoration of multi-party democracy, Tibetan refugees were able to act more openly and address the general public, and their communication with Dharmasala in India has been easier. Multi-party democracy is therefore not a desired choice for China.

Pakistan

Pakistan has been accused of infiltrating intelligence forces via the open border and conspiring with the Muslim population in Terai. This fear is expressed by India rather than by Nepal.

UK

The engagement of the UK and its development department DFID is undecided between support for the peace process and the fight against terrorism.

US

The motivation of the USA and USAID is clearly identifiable: fighting terrorism in the form of the Maoists combined with a strategic interest in creating a military base in the region. Their support for the "United Task Force" is strong evidence.

India, China, US, UK, Belgium

All of them provide military aid and share the approach of regarding the army as a conflict resolution body. The recent supply of arms can easily lead to escalation, as the Maoists may steal weapons which circle among the warring parties.

Japan, Scandinavia

Both are major donors of development aid, and are perceived by local experts as neutral, particularly Norway.

Peace Support Group

The major western donors (Canada, Denmark, Finland, Germany, Norway, Switzerland, UK) are members of the Peace Support Group which established the UNDP Trust Fund to support Nepali local initiatives. Established in 2001, it provides funding for civil society, peace and human rights initiatives conducted by Nepalese NGOs.

UN

Until now an official international mediator has been rejected by the Nepalese government. Still, in October 2003 representatives from the UN travelled to Nepal for talks.

Regarding the conflict situation, there is no consensus about how likely an external military intervention is.

Future scenarios

Stalemate/containment (current situation, might last 2-3 years)

The scenario with the highest probability for the near future is that Nepal will continue to "muddle through" with a high risk of continued violence. The army will manage to prevent further Maoist advances, but be unable to dislodge them from their regional strongholds. News of significant military casualties will continue to hit the international

press, occasional bombs in Kathmandu, *bandh* (strikes) will continue but with less support.

Economy, agriculture and construction will remain mainly unaffected. But the damage to infrastructure will increase. Manufacturing, commercial agriculture, export, tourism and trade are likely to be affected or even directly harmed. Foreign Direct Investment is likely to be lower. Pressure for temporary emigration will increase. Security spending will increase. The war deficit is likely to be manageable in the short run, but in the long run interest payments will become a heavy burden.

The Maoist movement could fragment, both because of internal dissension and because the chain of command may be disrupted by military reversals.

Conflict abatement (possible after 6 months or a year)

Some see a window of opportunity: the Maoists are more open to dialogue due to a strengthened military position and have expressed more moderate positions since their last party congress in December 2002. The human rights debate might become an entry point for international pressure. HR violations can hardly be countered during wartime, so there is increasing pressure for peace negotiations. The visit by the deputy director of UNICEF (late 2002) may have overcome the sceptical position against external mediators. The UN might prove acceptable.

If the recent high intensity conflict can be abated within a year, the loss of confidence in the economy will be far less marked, making the job of restoring a healthy investment climate less difficult. Perhaps the greatest benefit of conflict abatement would be that development aid and poverty reduction by the government could continue. Periods of reduced conflicts are, however, often associated with the growth of ordinary crime. This diverts resources as it leads to the growth of a security industry to protect the prey from the predators.

Escalation and fragmentation

This development would further worsen the stalemate scenario. We would have more attacks on infrastructure and political targets, the damage to infrastructure and growth would be greater. The poor would be doubly hurt, because of the loss of life and because of falling growth rates. Higher pressure to emigrate, internally displaced people could worsen the inter-ethnic aspect of the Nepalese conflict. Belligerents might begin to consider alternate looting versus terror strategies.

Perception that a military solution is possible has been strengthened due to military aid. This could eventually reduce support for a negotiated settlement. Nevertheless, the geography of Nepal and the guerrilla tactics of the Maoists make a military victory by the army highly unlikely. A major escalation might be accompanied by an external intervention aimed at ending it. Another study warns that any potential involvement of a foreign army in solving these structural conflicts might help the Maoists convert a class war into a war of national liberation.

Donor financing would increase in importance while almost certainly having to evolve away from project financing. The investment climate would be worse and although remittances would continue to flow in, they would be used mainly to sustain consumption. Recent gains in agricultural intensification and diversification might be lost, due to Maoist tax regulation. The war economy is likely to become more entrenched and deep-rooted. Until now, the economic incentives to continue the conflict have been relatively low. For the Maoists' part, one can only estimate how much the cadres earn. If the salary is 6000 Rs, this would be a substantial incentive to join, for the

militia (100-1000 Rs) the incentive is very low. As for the government and the army, the only aspect raised is the fact that corruption is easier to uphold in a conflict situation. At present it seems that the impact on poverty of the shift towards security spending is rated as secondary compared to the direct impact of conflict on the poor. This will not continue to be the case: soon the cuts in development spending will exceed possible gains from improved prioritisation and poverty reduction efforts will be hampered. A worsening of the situation will consequently induce a broader threat to the stability of the whole region.

International Response

It has been stated that even though development aid could be diverted to military use, donor support plays an important role. Without aid, social sector expenditure might be even lower.

Since the 1950s foreign aid has played an important role in Nepal's development. In recent years, 60% of the development budget has been donor-financed. The increasing share of foreign aid in the national development budget underlines the need for maintaining good understanding with the donor community.¹³ However, it seems that donors are not very happy about the use of their support, with state corruption and lack of accountability and openness. At the same time, policymakers within the government have their own reservations about some aspects of the use of donor support.¹⁴ They want to see donors working in a more streamlined, complementary way. Due to their close cooperation with civil society, international donors are bypassing existing programme implementation mechanisms. Further, expatriate staff are generally recruited for programme management and are not always the best experts. Local expertise is ignored, leading not only to poorer quality, but also to lack of ownership. Donors prefer to work with government "individuals" rather than government institutions to avoid immediate difficulties.

Good governance is a key focus for most donors. Criticism is levelled at insufficient familiarity with the historical antecedents of Nepal's development experience and at the complexity of the social system. Donors are often unable to recognise accommodating and restrictive forces in the planning and execution of change in Nepal.

From the German donor perspective it is claimed that, even though in a few cases projects had to be stopped or reduced due to the insurgency, the Maoist presence contributed to more transparency among development actors and to less corruption. Attempts to extort money from projects were reported, as well as the lack of an official counterpart due to replacement by a Maoist administration. A general sense of insecurity dominates. Negative impacts of German development aid identified by the GTZ include: involuntary transfer of resources to the warring parties, creation of grievance because of perceived material affluence of staff and projects, support for government structures without any improvement in their performance, creation of unfulfilled expectations.

The exchange between donors is described as "intense", but they do not yet constitute a joint movement. The main lesson of the failed negotiations in autumn 2001 is the need for comprehensive peace-building in Nepal involving different actors at different levels of society. The UNDP Trust Fund is seen, despite some criticisms, as a positive effort towards greater complementarity and coherence. The Fund's greatest strengths are Nepalese ownership, political neutrality, major support for vulnerable groups and a focus on regional conflict areas. Its biggest weaknesses are management structures,

long project approval procedures, the inadequacy of consultation mechanisms and information policies with regard to broader civil society, and a lack of clear strategy.

Recommendations

The studies provide a lot of recommendations addressed to the Nepalese government or the king.

Peace process

- round table conference for negotiations
- creating an agreement on an international mediator and identifying one¹⁵
- fulfilling Maoist demands on public interests (poverty, employment, education etc.) to enlist their co-operation in achieving common objectives
- mobilising civil society and friendly countries to actively support the peace process
- constituent assembly: strengthening multi-party democracy and constitutional monarchy
- supporting the Monitoring Commission for the Code of Conduct

Governance

- decentralisation, federalism¹⁶
- reform and capacity building of constitutional bodies
- strengthening the Public Service Commission
- solving conflicts among constitutional bodies
- strengthening the Judicial Council
- reforming the electoral system through a proportional system
- national anthem should recognise multi-ethnic state
- implementation of equality for women, *dalits*, minorities in legislation (e.g. reservation of seats in Parliament)
- enforcing the fight against corruption
- reform of local administration (better control of chief district officer, emergency economy plan with equal weight to security and development priorities; either a new Ministry of Local Self-Governance or reinforcement for the existing Decentralisation and Monitoring Working Committee)
- review of the terms of reference and functioning of the National Planning Committee
- improved inter-agency co-operation
- after negotiations: referendum on issues like institution of the monarchy, control over army¹⁷
- ethnic, linguistic and regional autonomy¹⁸
- proportional representation for marginalised groups
- amending and enforcing the constitution¹⁹
- regulating the free flow of persons and goods across the Nepalese-Indian border²⁰

Socio-economic

- reducing landlessness
- reducing the debt burden of landless agricultural workers
- service provision in rural areas

- better access to education for non-Bahun-Chetri-Newar groups
- finding niche products to compete in the global market

Agriculture

- agricultural development needs to be accompanied by risk-reducing measures for the poorest
- the 5-year Plan does not meet the current emergency situation and needs to be revised
- the Agricultural Planning Programme needs to be adapted (caste/class, gender, rural industrialisation, etc.)

Donors

- promoting peace negotiations and dialogue (facilitating high-level meetings, confidence building, preparation for negotiation, helping to identify an international facilitator²¹ – track 1 and 2)
- encouraging the “peace party” within the state
- conditional terms e.g. linking aid to human rights, land reform etc., code of conduct
- political statement by the international community e.g. on human rights
- continuing cooperation with local NGOs (involves people and provides an alternative to Maoist path)
- demobilisation²²
- monitoring by indicators to indicate which scenario seems more realistic
- building conflict analysis capacity: assessment of conflict relevance in the project appraisal, potential impact on the conflict etc.
- supporting/facilitating the above-mentioned measures for better governance

International Coordination

- developing towards more coherence, strengthening the existing mechanisms (e.g. Peace Support group)
- consolidation of information from all donors in one unit (integrated by one donor organisation competent to collect and interpret information)
- task forces on conflict-relevant matters
- cooperation with International Financial Institutions should be assessed in key sectors of common interest
- conflict adviser

Germany

- should actively participate in the Peace and Development Trust Fund
- cooperation between Financial Assistance (KfW) and Technical Assistance (GTZ) must be improved
- more focus on districts with high conflict potential

Project level

- potential security issue
- the principle of do-no-harm
- strategic contributions to peace building and conflict transformation
- strategic preparation for post-conflict reconstruction

In terms of security, the most important concerns are

- clearly established guidelines for action
- development of contingency and emergency plans, development of an early warning system

Conclusion

Generally speaking, the different studies summarised above provide more or less similar outlines of the causes, main actors and future scenarios of the conflict in Nepal. We find differences in the detail, such as assessment of the role played by the Maoists (forced/own choice to enter war; sympathy of the people for Maoists/king), the effectiveness of national institutions (effective/useless commissions on minorities, corruption, women), the international dimension of the conflict (strong/no impact of the conflict on regional stability, important/less important role of international actors such as India, China, the US), proposed solutions (installation/non-acceptance of an international mediator, opening/closing of borders), the role of donors (lack of/sound approaches to complementary co-operation, sound/insufficient cooperation with Nepalese government).

It is not advisable to limit a review of conflict analyses to the ones issued by international organisations. In the case of Nepal, it emerges that most differences in the spectrum of aspects covered and their assessment are between local and international experts. Local studies are far more critical of the need for an international mediator and the role of donors. They attribute a much greater impact on the conflict to international actors than do international studies, and also to regional disparity as a root cause. For a full picture, it is therefore essential to read both.

What aspects are missing from the studies? What points are not examined but might be of interest to German organisations active in Nepal?

Except in the GTZ study, Germany and the European Union do not play a major role in any of the papers and are therefore hardly analysed, either at political level or at project level. Consequently, none of the other German development organisations (apart from the GTZ itself) are evaluated (and are mostly not even mentioned) in the respective papers.

The main point which I see is the lack of in-depth analysis of the structure and work of national NGOs. The biggest ones are named, some criticised (e.g. as being too project orientated and less committed to advocacy), but it seems that the huge quantity of Nepalese NGOs has been an obstacle to in-depth analysis. In this context, the classification of actors into “connectors” and “dividers” only touches the surface. We find a list within the GTZ study, but the groups mentioned (youth, women, business, NGOs) can either be questioned after examining other analyses (e.g. the role of NGOs) or remain too abstract (“youth”, “women”). Considering the importance of partners for German development aid, a detailed assessment could be of some interest. From the particular viewpoint of some participants at the Nepal meeting mentioned in the introduction, some references to the fact of not being present in the country with their own staff but working solely through partners would have been helpful.

It is difficult to judge whether the scant reference to processes and instruments of reconciliation in the studies is due to playing an irrelevant role or simply being overlooked. The recommendation to intensify pressure on national governments in order to increase international pressure on the Nepali king (lobbying) only appears once, but in the context of other conflicts this demand is often raised.

Further, almost all the studies limit their recommendations to a policy or an improvement (e.g. installing a proportional electoral system). The GTZ also gives

general practical advice on how to work in projects in conflict situations (e.g. guidelines on when to continue a project and when to stop it, experience of how to cooperate with Maoists). But none of them go into detail or refer to further documents about implementing the recommendations. How can a new electoral system be introduced, who must be involved? How can Maoist insurgents be demobilised, when is a demobilisation successful, how can it be controlled? How can the Monitoring Commission for the Code of Conduct be supported by NGOs or directly by donors? How to support ethnic language schools or ethnic NGOs without supporting the idea of secession? How to reconcile the wish of the donors to work directly and effectively via local NGOs with the government's position on channelling aid through official programmes and institutions? Within the summarised studies, we do not receive answers to questions like this.

22. Oktober 2003, Anja Dargatz, FriEnt/Friedrich-Ebert-Stiftung

¹ The fact that in the beginning the police were left to deal with the Maoist problem alone and the army was only mobilised in November 2001 shows how the Maoist movement was initially treated as a “law-and-order” problem.

² Strengthening local courts does not explicitly appear within the recommendations of any analysis.

³ There is no consensus about popular support for the conflicting parties. One study states that people are equally disillusioned with both Maoists and Royalists, another says that people are either Maoists or Royalists, but hardly behind the political parties.

⁴ Ethnic diversity in Nepal is a very complex topic. Most studies are limited in mentioning it without deeper analysis. This one finding is from *The Ethnic Dimension of the Maoist Insurgency*, Sudheer Sharma.

⁵ In this context there is major debate about community forestry, established to preserve the major economical and ecological value of forests. The programme is implemented by elite males and excludes the poorest traditional forest users.

⁶ Even though a process of modernisation is identified, Nepal does not yet exploit its full economic potential (fertile grounds of the Terai, tourism, hydro-power plants).

⁷ The Movement for Land Rights forms the basis of Nepalese Communism and the modern Maoist movement.

⁸ Policemen, land-owners, moneylenders, elected politicians, teachers in private schools

⁹ For example, the constituencies of party leaders receive more than Maoist regions. In addition the budgets are prepared by different ministries which are not well coordinated. The development budget is poorly prioritised, insufficiently demand-led and considers politically motivated projects: Only a few benefit from subsidised public utilities (telecommunication, electricity etc.).

¹⁰ GTZ: “No significant international dimension”

¹¹ The government has established a Commission for Investigation of Abuse of Authority (CIAA) against corruption, a *dalit* and a women’s commission, and an Integrated Security and Development Plan, and it has announced educational reform (pressure from Maoists) and mobile teams to monitor public services in the country (pressure from transparency international).

¹² For party positions in detail, see FES, *Kurzberichte*, p. 2, NEFAS p. 46pp

¹³ Several organisations have been attacked by the Maoists, like USAID, CARE Nepal, United Mission to Nepal, The Asia Foundation, European Community projects, National Democratic Institute for International Affairs, UNDP, World Food Programme and GTZ.

¹⁴ The role and the criticism of international donors is much more explicit in local studies than in the international ones.

¹⁵ While most analyses mention international mediators (Scandinavia, UN), one names Padma Ratna Tuladhar as a commonly acknowledged figure.

¹⁶ While in the analysis done by international experts federalism is commonly considered as a must, some local experts criticise it as a western model which does not fit Nepalese circumstances and is even unsuccessful in some western states.

¹⁷ There seems to be no consensus about the question of a referendum. At least it is only mentioned as an option in a few local studies.

¹⁸ Even though it has been demanded, the risk that autonomy could lead to secession (which until now has not been an issue in the Nepalese context) is raised as a possible negative scenario.

¹⁹ No consensus

²⁰ No consensus: protectionism versus free trade

²¹ Scandinavia is named as suitable: no particular interest in that region, no colonial past, tradition as a democracy with constitutional monarchy, long-time donor (aid and investment), rich market for tourism.

²² Demobilisation is mentioned as a recommendation but not analysed in depth.