

**The Senate Committee of Foreign Relations
Subcommittee on Near Eastern and South Asian Affairs**

Hearing on
'Nepal: Transition from Crisis to Peaceful Democracy'

Testimony of
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Following 19 days of nation-wide protests in April 2006, King Gyanendra gave in to the core demand of the Seven Party Alliance (SPA) to revive the House of Representatives dissolved in May 2002. Events since the capitulation of the monarchy on the 24th of April in favour of an SPA-led government seem to be moving the country slowly but surely towards peace. The unanimous parliamentary support for an election to a constituent assembly to write a new constitution is the most potent indicator of this. The number of imponderables remains large, most notably the question of the two armed groups, the Nepali army and the Maoist guerrillas. Equally pertinent is whether the Communist Party of Nepal (Maoist) is genuinely willing to talk peace and give up arms, especially since their protagonists now are the same political parties they had been pitted against until recently.

Maoist statements for the past two years have indicated that they are in favour of a negotiated settlement, albeit partly on their terms. This reflects a realization that a military victory is not possible from their side, and perhaps not desirable as well. Maoist leaders have justified their changed stance to the existing global situation which they have said is not in favour of a communist revolution. They have also said that neither is the country ready for it, arguing that Nepal needs to undergo a 'bourgeois revolution' before it is ready for a 'people's revolution', and the latter can be pursued through peaceful means. As a result, the Maoists committed themselves to multiparty democracy under the 12-point agreement with the SPA in November 2005.

The pronouncements from the Maoists since the SPA took power do not show any change in their position. Although the statements have sometimes been quite harsh in their assessment of the government's performance, the manner in which the SPA has systematically acted on the 12-point agreement does not leave much room for complaint. There have been reports that the Maoists are still indulging in violence and continuing with the forcible collection of 'donations'. But these are so far isolated incidents that need to be brought under check but are not necessarily serious enough to cause concern, at least not yet. The burden now seems on the SPA to create the conditions for a meaningful dialogue with the Maoists and this will include both ensuring that the army is brought totally under its control and seeing that the king is thoroughly disempowered.

The present situation gives much room for optimism compared to the time at the height of the street demonstrations when there were worries that the crowds would snowball out of control and make a run for the palace. The Maoists were certainly banking on such a possibility and, considering the intensity of sentiments against the king and the crown prince among the younger generation of Nepalis, even without the Maoist agents provocateur in the crowds the protestors may have done precisely that. The fear was that such a move would either result in a massacre on the streets with the army standing firm in its support for the monarchy, or it would lead to the hurried exit of the king from the country. The first would have been tragic while the latter could have led to a power vacuum in the country since it was not at all certain that the SPA could have stepped in to take the reins of government. On the Maoist side, regardless of their understanding with the SPA, they would surely have made a move. What the role of the army would have been is anyone's guess, but there was a possibility that the transition would have been quite violent. Fortunately, the king realised (or was impressed upon) that his position was untenable for not only was he putting the future of his throne at stake but the future of the whole country as well.

King Gyanendra's revival of parliament and handing over power to the SPA has forestalled all those scenarios. The SPA has taken control and remains committed to its 'roadmap' to a peaceful Nepal. However, the question of the monarchy remains to be tackled. All the major political parties have amended their own constitutions to leave open the possibility of Nepal becoming a republic although it was partly driven by bluster to prod the king along towards meeting their demands.

Powerful elements within the Nepali Congress and its splinter Nepali Congress (Democratic) still cannot envisage Nepal without a king. These parties cling to the over-used and outdated notion that the institution of the monarchy holds together the multi-ethnic, multi-lingual, multi-religious country together. The bogey of state fragmentation is held up to argue for the continuation of the monarchy. But this ignores the reality that the Nepali monarchy is linked with only a small section of Nepali society and his identification with the vast majority of the people is maintained by dispensing patronage to a handful of clients from the various regions and population groups in the country. For the rest of the people, he represents a state that has historically trodden heavily on the aspirations of various population groups: for the 'low caste', the king embodies the 'high caste' oppressor; for the non-Hindu groups, he is the champion of Hinduism; for the plains people, he is the hills-based exploiter. Thus, there is growing consensus that reforming the old order may be impossible so long as the monarchy with all its tradition-bound trappings continue to exist in its present form. That explains to a large extent the sudden countrywide popularity and acceptance of a new term for 'democracy', *lokatantra*, rule of the people, in place of *prajatantra*, rule of the subjects. In that sense, the people have spoken and even should a monarchy continue into the future, it can only be in a totally emasculated form. Given the record of the monarchy in modern Nepal and its role in undermining democratic politics time and again, the stability of the country will in large measure depend on such an eventuality.

Tied to the fate of the monarchy is the issue of civilian control over the army. The potential for royal mischief remains ever-present so long as the army brass is beholden to the palace for their careers. Direct civilian control of the army will thus reduce the likelihood that the king can use the military to his personal ends. But it is also true that the institutional loyalty of the army towards the king has partly to do with the failure of the political leadership to inspire confidence. That is the challenge before the SPA: to lead the country out of the morass of violence by engaging the Maoists in negotiations and together create a just political order that will address the 'root causes' that provided moral justification to the Maoists' rebellion in the first place. In such a scenario, the army should easily slip into the role assigned to it although a great deal of institutional modifications will be necessary within the army itself such as including the nearly 50 per cent of the population who are not recruited into the army; professionalisation of the force by introducing a system of strict meritocracy; ridding the army of feudal throwbacks like the use of courtly language, etc.

A major shortcoming with the SPA has been that despite their stated commitment to elections to a constituent assembly, they had not begun any preparatory work on creating an understanding among themselves or with the Maoists on how that objective was to be fulfilled. That process has only just begun and it will be a feat to pull it off anytime soon, especially since the stakeholders to discussions now involve more than just the political parties and the Maoists. Different social, regional, linguistic and religious groups will lobby to have their concerns recognized and although all the political forces have, at least in spirit, declared themselves in favour of recognition of all forms of minority rights, balancing all the aspirations will prove immensely challenging.

The main role that the United States can play in helping a peaceful transition is mainly by staying on the sidelines and letting the process unfold by itself, and that includes accepting the possibility of the constituent assembly voting out the monarchy. There is a great deal of suspicion among the Maoists that the US is preparing to resume aid to the Nepali army, and regardless of the veracity of the source of such misgivings so long as there are credible efforts by both sides to find a peaceful solution a much less visible role of the US would be desirable. The Nepali army and the Maoists have to initiate confidence-building measures and for the first time in 10 years it is actually possible given the SPA-Maoist understanding. The Maoists made much of the Anti-Terrorism Assistance (ATA) deal signed between Nepal and the United States while peace talks were starting in 2003, and which came around the time the Maoists were designated a terrorist organization by the United States. Such actions are best avoided this time around as negotiations proceed. In any case, the Maoists are certainly aware that if they walk out of talks the whole might of international opinion will be against them and will be backed by resumption of heavy military aid to the Nepali army, particularly from India.

The United States could also use its considerable influence with the Nepali army to ensure compliance with civilian orders. Almost all the generals have received some form of training or the other in the United States (not to mention that the children of many generals study or live in the United States) and such training is viewed as an attractive

perk in an officer's career. Thus the United States has unique leverage to gently persuade the army brass to accept the principle of civilian supremacy.

At the same time, the United States, in conjunction with India and other countries, could help the United Nations create a space for itself during the peace process in Nepal. The Maoists have been insisting on a UN role in peace talks almost from the time the second round of peace talks broke down in August 2003, indicating their lack of faith in the government to negotiate in good faith (although the situation has changed dramatically since then with the SPA now in power). While there may be concern that UN involvement may legitimize the Maoists, the fact remains that the Maoists have already been accepted as a legitimate political force by the SPA and the Nepali people at large and that fact has to be taken into consideration.

Politicians and civil society leaders who have interacted with the Maoists believe that the Maoists are genuinely committed to the 12-point understanding, and the recent actions by the SPA government in steering the country towards the realization of that agreement, including the soon-expected parliamentary declaration drastically clipping the king's powers, harbours well for the future. A nagging fear is whether the Maoists will accept an election result that goes against them even though they have time and again expressed their willingness to abide by the people's verdict. Opinion polls have consistently shown popular support for the Maoists to be around the 15 per cent or less range. That could change with them politicking above ground and they certainly can take credit for the proposed restructuring of the state. But it should also be noted that changed circumstances could lead to newer political entities such as ethnic and regional forces playing a key role in the country's politics in the future. For the moment, however, the best prospect the country has for a peaceful mainstreaming of the Maoists is for the political process to continue as it has for the past few weeks, and, in effect, allowing the SPA to call the Maoists' bluff about their own commitment to the 12-point understanding.