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The Rise of the Rastriya Swatantra Party and Its Implications for Nepal's Foreign Policy

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Abstract

This study examines the implications of the near two-thirds majority government formed by the Rastriya Swatantra Party (RSP) for Nepal's foreign policy. Following its unexpected landslide victory in the March 5 mid-term election, the RSP has emerged as a dominant political force capable of making independent policy decisions with minimal reliance on other parliamentary parties. This political shift, rooted in the September 8–9, 2025 Gen Z movement, marks a significant transformation in Nepal's domestic political landscape. The objective of this research is to assess whether the RSP-led government is likely to recalibrate Nepal's foreign policy in response to evolving regional geopolitics, particularly in relation to India and China. Adopting a qualitative research design, the study analyzes the party's election manifesto (referred to as the "contract paper") and patterns of public political behavior. These sources are complemented by a review of relevant literature. The findings suggest that while the RSP projects a reform-oriented and independent foreign policy stance, structural constraints and geopolitical realities continue to shape Nepal's external relations. The paper argues that the party's rise introduces new discursive elements into Nepal's foreign policy debate, but its practical impact remains constrained by institutional dynamics and regional power asymmetries.

Keywords: Rastriya Swatantra Party (RSP), foreign policy, domestic politics, India–China relations, political change

The Rise of the Rastriya Swatantra Party and Its Implications for Nepal's Foreign Policy

The March 2026 mid-term election to the House of Representatives (HoR) marked a watershed in Nepal's political landscape, weakening the position of traditional political parties and catapulting a relatively new political force – the RSP – to a near two-thirds majority in parliament. Victories and defeats are expected outcomes of an election. What turned out to be unexpected was the number of seats the RSP won and the losses of major political parties. The RSP's electoral performance has not only altered the parliamentary composition but has also charted a new political course.

The RSP-led government has already initiated top-down governance reforms. They include a reduced number of ministries from 22 to 18 and the appointment of cabinet ministers only, a departure from having deputy prime ministers, ministers, assistant ministers, state ministers, and ministers without portfolio. This reform has created public hope that this government is committed to reducing corruption and extravagance. The RSP, formed just five months before the previous election of November 20, 2022, to the parliament, won 182 seats this election, just two seats short of a two-thirds majority.

These initiations mirror public frustration with the traditional and Madhesh-based fringe parties often linked to governance challenges such as delays, mismanagement, and patronage practices. Against this backdrop, the rise of a strong single-party government has generated curiosity among the people about what sort of foreign policy the government would adopt. Situated between the two Asian powers – India and China – Nepal has traditionally pursued a strategy to balance its foreign relations. Hence, all eyes are on the RSP how it recalibrates Nepal's foreign policy in the evolving political scenario.

The RSP, in its list of 'Hundred Action Points on Governance Reform', states, "The government shall form an Inter-Ministerial Task Force to Study the Impact of International and Regional Crises" (2026, p. 19, Point 95). The government of Nepal, in response to evolving international and regional crises—particularly in the Middle East—has proposed establishing a high-level inter-ministerial task force to assess potential impacts on the economy, foreign employment, supply chains, energy, and the social sector. The task force is mandated to deliver short-, medium-, and long-term policy recommendations within a short timeframe, with implementation to follow promptly (RSP, 2026, Point 95).

The ongoing crisis in the Middle East has already affected the lives and livelihoods of migrant Nepali workers. If the crisis is prolonged, it would directly hit the remittance-reliant Nepalese economy and the workers and their dependent families back home. Therefore, the government has taken the initiative, reflecting its seriousness in protecting its people's lives and maintaining friendly relations with the countries involved in the crisis.

In its election manifesto, named 'Commitment Paper,' the RSP (2026) briefly states under the heading:

What is our ideological foundation?: "Embracing Nepal's history, its ancient civilization, coexistence and mutual respect rooted in religious and cultural diversity, the collective strength of Nepalis spread across the world, and the emerging geopolitical significance of Asia, it shall remain the objective of the RSP to always preserve Nepal's independence, sovereignty, territorial integrity, national unity, autonomy, and dignity. (p. 7)

Methodology

This paper employs qualitative research method and applies international relations theories such as realism, constructivism, and the official documents of the RSP, such as the Hundred Action Points on Governance Reform; the Election Manifesto of the party called 'Commitment Paper'; and the Statute of the RSP as tools to critically examine the foreign policy issues raised in those documents and draw conclusions. This study also makes references to theories of small-state behavior, foreign policy, and international relations. The study further undertakes a normative analysis to assess whether, and how, RSP offers a balanced foreign policy outlook for a small state like Nepal amid shifting power dynamics.

The primary source of the study is the Statute of the RSP, and the secondary sources include research publications, books, the Constitution of Nepal 2015, and Nepal's Foreign Policy 2020, while examining the relevance of the foreign policy as championed by the RSP. The rise of the RSP following the September 8-9, 2025, Gen Z movement has become the dominant political force in Nepal. This paper critiques how the principle and practice of RSP's foreign policy amid evolving political scenarios in Nepal and in the Asia region and internationally impact Nepal's relations with its immediate neighbors – India and China – and how the RSP maintains relations with other countries.

Results and Discussion

In the wake of the September 8-9, 2025, Gen Z movement, a mid-term election to the HoR was held in response to protestors' demand to dissolve parliament. In the March 2026 election, the RSP, a relatively new political party, won 182 of the 275 seats and emerged as a dominant political force, marking a turning point in Nepal's domestic politics. Soon after the party rose to power and constituted a single majority government, it began governance reforms by reducing the number of federal ministries from 22 to 18, a move that drew public applause. Now comes the turn of improving relations with its closest neighbors – India and China – and maintaining cordiality with other countries.

The ongoing conflict between Iran and the US has not only created domestic problems as the supply of petroleum products has shrunk, but their prices have skyrocketed, and as the war shows no signs of ending soon, the price rise is likely to continue. On the one hand, the safety of migrant workers in Iran, Israel, Qatar, Kuwait, and other countries in West Asia has become a growing concern. The declining remittance from those countries has become another issue difficult to deal with.

The RSP, in its 2026 election manifesto, states that it would accord the highest priority to Nepal's sovereignty, territorial integrity, and national interest. It says:

In a changing global geopolitical context and the rise of neighboring powers, we will adopt a balanced and dynamic diplomacy to convert challenges into opportunities for Nepal's development. Taking into account the strategic interests of neighboring countries and shifts in global power balance, we will transform Nepal from a "buffer state" into a "bridge" by promoting trilateral economic partnerships and connectivity, thereby ensuring national interest (2026, p. 35)

The statement of 'transform Nepal from a 'buffer state' into a 'bridge' has already bred controversy at home as the leaders of the opposition party have expressed their dissenting views for terming Nepal as a 'buffer' state. They have argued that the statement has undervalued the sovereignty of Nepal, which was never a buffer state and cannot be one in the future as well. This has not only dragged the RSP into contention but also warned them of the sensitivity of their statement.

Regarding development partnership, particularly with India, the party states that it will modernize the form of partnership to benefit most from India. "Building on the notable progress

made by friendly neighbors such as India in recent decades, we will also modernize Nepal's development partnerships so that the country can benefit from them. This includes strengthening digital public infrastructure; developing high-quality physical infrastructure; formalizing the economy; ensuring coordination between productive industries and the service sector; and enhancing overall state capacity" (Rastriya Swatantra Party, 2026, p. 35).

The expectation of the RSP from China is different. It must have been framed as such in keeping with the geographic constraint between Nepal and China and the technological strides China has made in recent times. "In this process, through concessional financing from friendly country China, we will construct world-class infrastructure, promote socio-economic development through state-directed goals and programs, and turn issues of inter-provincial competitiveness into avenues for cooperation" (Rastriya Swatantra Party, 2026, p. 35).

Notwithstanding the centuries-old friendly ties with India, Nepal has experienced a sour relationship with India due mainly to border disputes. In recent times, the bilateral relations between Nepal and India have been strained after Nepal issued its revised political map—including Lipulek, Limpiyadhura and Kalapani—on 20 May 2020. This move followed a border dispute that intensified after India inaugurated a road to Lipulek earlier that month. Nepal subsequently amended its constitution in June 2020 to formally incorporate the new map into its national emblem.

Bilateral relations worsened to the extent that India, which used to expect and invite Nepal's new prime ministers soon after assuming office to an official visit to India, and the then prime minister of Nepal, KP Sharma Oli, was invited much later, and that too after making every possible effort from Nepal's side for the visit. Experts in the diplomatic field interpret it as the unexpressed resentment of Indian Prime Minister Narendra Modi towards his Nepali counterpart.

RSP (2026) says, "Border disputes and longstanding agreements will not be handled merely on the basis of sentiment; instead, they will be resolved permanently through institutional dialogue grounded in facts and evidence, along with high-level diplomatic initiatives" (p. 35). The party has also emphasized ensuring Nepal's territorial integrity, national security, and control over illegal activities in border areas by strengthening security forces with modern technology, adequate manpower, and high-capacity infrastructure, and developing them as a specialized "Border Security Force." This is a move long demanded by Nepalis, particularly those living in Nepal's border areas.

RSP (2026) says “At border checkpoints, we will deploy night-vision cameras, drone surveillance, and digital entry-exit record systems to strictly control smuggling, illegal movement, and cross-border crimes” (p. 35). The RSP has also committed to enhancing the role and responsibilities of Nepal’s diplomatic missions. It has been said that rather than treating diplomacy as a ceremonial function, the party will introduce a scientific “performance audit” system to measure the activity and outcomes of each mission. This plan, if implemented fully, would end the tradition of appointing the ‘near and dear’ as ambassadors sans considering their academic qualification and their performance after the appointment. RSP (2026) says:

Diplomacy will be made a strong foundation for the country’s economic prosperity. Nepalis living across the world will be encouraged and enabled to contribute meaningfully to the nation’s development. To ensure their presence is meaningfully felt, we will make diplomatic services security- and convenience-oriented. We will end the compulsion of having to stand in queues at embassies by launching a pilot project of ‘digital consular services,’ and make services such as passport renewal and document authentication fully online and hassle-free (p. 35)

This and the following initiatives are expected to enhance the diplomatic image of Nepal abroad and at home, as a large number of Nepalis are facing problems with availing simple services from the Nepalese embassies abroad, such as acquiring and getting their passport renewed. RSP (2026) says:

To address the problems of Nepalis living abroad promptly, we will operate a 24/7 active central response unit under the Ministry of Foreign Affairs and deploy rapid-response teams in each mission for on-site assistance. We will transform traditional diplomacy into ‘economic diplomacy’ by increasing the number of economic consuls in major trading partner countries and focusing on export promotion, tourism, and investment promotion. (p. 35)

The RSP has briefly mentioned the issues related to foreign affairs of Nepal in its party statute. The preamble of the statute states ‘keeping Nepal’s sovereignty, territorial integrity, national unity, and dignity’. It can be inferred that with the passage of time and the evolving geopolitical situation, the RSP has laid more emphasis on the foreign policy of Nepal. The party, through its statute, has revived the concept that the late King Birendra proposed during his coronation in 1975 that Nepal be declared a ‘Zone of Peace.’ His idea gained

significant international backing over time as 116 countries reportedly expressed their support for Nepal as a ‘Zone of Peace’. Aware of the geopolitics and evolving world political order, King Birendra had intended to ensure Nepal’s neutrality, non-alignment and protection of sovereignty, particularly given its location between India and China. Other countries wholeheartedly supported the proposal, but India did not, showing concerns about regional security.

Not much discussed in domestic political affairs and among experts in diplomacy and international relations, the point under the Party’s Objectives states, ‘to establish Nepal as a ‘Zone of World Peace’ which can be interpreted as the rechristened version of king Birendra’s proposal that Nepal be declared as a ‘Zone of Peace’ (RSP, 2079/2022, as amended 2081/2024). Once brought to wider discussion, the issue is likely to generate debate at home and abroad.

Revived after a hiatus of more than 50 years, the idea to establish Nepal as a ‘Zone of World Peace’ can be termed a departure from the contemporary foreign policy of Nepal, which was adopted by King Birendra and remained dormant even during his reign. The successive governments formed after the popular movement of 1990 that ended the party-less Panchayat regime never ever thought of reviving the agenda. While the idea of a ‘Zone of Peace’ faded into obscurity, concerns over sovereignty and national security resurfaced more prominently within the state’s internal policy frameworks. Point 5 of the RSP statute mentions Nepal’s glorious history, Nepali culture, national independence, national unity, national dignity, and the protection and promotion of Nepal’s sovereignty. The frequent repetition of the terms sovereignty, national interest, and territorial integrity implies a deep-seated fear or vulnerability because those lines must not have been written in haste. The directive principles of the Rastriya Swatantra Party, 2079/2022 state:

To uphold Nepal’s sovereignty, territorial integrity, independence, and self-respect as supreme; ...To safeguard Nepal’s independence, sovereignty, territorial integrity, self-respect, and national interests; to maintain international relations on the basis of sovereign equality; and to promote Nepal’s national prestige in the global community. (as amended 2081/2024)

The statute of the party has also a provision of the Department of International Relations at the central level. This is not only the normative foundation of a political party, but also a conscious choice of giving priority to international relations. The foreign policy of the RSP has largely been predicated on the Constitution of Nepal 2015. National interest has been

constitutionally defined as a guiding principle of state policy (Nepal Law Commission, 2015, art. 4). The constitution also defines the nature of the Nepali state as follows: “Nepal is an independent, indivisible, sovereign, secular, inclusive, democratic, socialism-oriented, federal democratic republican state.”

Article 5 of the Constitution of Nepal 2025, which addresses national interests, states, “Safeguarding of the freedom, sovereignty, territorial integrity, nationality, independence, and dignity of Nepal; the rights of the Nepalese people; border security; economic well-being and prosperity shall be the basic elements of the national interest of Nepal.” This foundational articulation of national interest is further reinforced in the Directive Principles governing Nepal’s external relations. Article 50 (4) of the Constitution of Nepal 2025, under the Directive Principles, states, “The State shall direct its international relations towards enhancing the dignity of the nation in the world community by maintaining international relations on the basis of sovereign equality, while safeguarding the freedom, sovereignty, territorial integrity, and independence and national interest of Nepal.”

Article 51(1) of the Constitution of Nepal 2015, under the Policies of the State, reads, “To keep intact the national unity, while protecting the freedom, sovereignty, territorial integrity and independence of Nepal.” Hence, it has been evident that sovereignty, territorial integrity, and independence are at the heart of Nepal’s foreign policy, which is reflected in constitutional provisions. Accordingly, these constitutional provisions serve as the normative basis for Nepal’s foreign policy, anchoring it in the protection of sovereignty, territorial integrity, and independence while guiding its practical orientation to international relations.

The *Foreign Policy of Nepal 2020* (Ministry of Foreign Affairs, 2020), in its background, mentions,

Foreign policy contains both permanent and changing dimensions. While core issues related to national interest are of a permanent nature, political changes within the country can influence the determination of national priorities. Similarly, shifts in the international, regional, and geopolitical environment, along with emerging changes in the global balance of power, can also shape and affect foreign policy. Nepal has consistently pursued a balanced and independent foreign policy while implementing it through the integrated use of national capabilities.

Nepal's foreign policy is premised on the constitutional provisions and elaborated, focusing on independence, sovereignty, territorial integrity, national interest, and non-alignment.

Panchasheel is one of the guiding principles of the policy, which respects the Charter of the United Nations and recognizes international laws and global peace. At the core of the policy lies the protection of sovereignty, territorial integrity, and international cooperation. The policy also emphasizes peaceful settlement of disputes, mutual trust, cooperation, and collaboration, and calls for united efforts to preserve the environment, protect humanity, and safeguard the Earth.

Despite the rhetoric, Nepal's foreign policy has faltered time and again mainly due to political instability—30 governments in 36 years after the restoration of democracy in 1990—and much politicization of the bureaucracy. Every time a government changes, the ambassadors are recalled, some even in less than a year. How can those envoys who are always under the fear of not completing their tenure earn credibility abroad and be able to convince foreign investors to do business in Nepal?

The enduring tension between structural asymmetry and sovereign equality continues to shape Nepal's foreign policy discourse. Despite Nepal's adherence to a policy of maintaining equidistance between its two immediate neighbors – India and China – the relationship with India remains deeper and more multifaceted, shaped by shared language, culture, religion, an open border and extensive trade and transit linkages. Yet such proximity does not imply a hierarchical relationship. Nepal, though smaller, is a sovereign country entitled to conduct its foreign policy on the basis of equality and mutual respect (Sedhai, 2026a, para. V).

This dynamic is unlikely to disappear under the RSP government; rather, it constrains the extent to which its stated commitment to an 'independent' foreign policy can be operationalized in practice. Nepal's foreign policy since the emergence of modern-day Nepal has been a quest for survival as a sovereign country. After 1947, when India became an independent state and the British withdrew from India, the fear of losing its geographical territory subsided. However, the fear of compromising its sovereignty continued, which is reflected in the writings of S.D. Muni.

When the Ranas knew well that because of Nepal's geographical juxtaposition, socio-cultural affinity, economic dependence, and similar historical experiences, it was bound to be considerably influenced by its gigantic neighbor, India. The goodwill of the Government of India was necessary for the Ranas to continue in power. Therefore, during 1947-50 Nepal's relations

with India constituted the most vital aspect of the Rana diplomacy and efforts for survival in power against the mounting domestic opposition (Muni, 2016).

With the passage of time and political changes that occurred in the region and globally, the priority of Nepal's foreign policy also shifted. This shift in Nepal's foreign policy priorities cannot be fully understood without examining the nature of India's policy towards Nepal. Ambivalence in India's policy, followed by its unsophisticated diplomacy in Nepal, gave rise to confusion in the Kingdom. Whereas the political and economic situation in Nepal prompted the Government to approach New Delhi frequently for consultations and help, the very awareness of this fact pricked the conscience of an emerging nation. Whereas geographical contiguity and socio-cultural affinity between the two countries called for a very close relationship between them, the closeness, viewed against the historical background, was feared would eclipse Nepal's entity as an independent sovereign nation and prove detrimental to the growth of its international personality (Muni, 2016).

Such structural anxieties in Nepal's relations with India provided a strong rationale for adopting non-alignment as a strategic posture. The whole concept of non-alignment has been viewed by some scholars as a balance of power policy through which the non-aligned countries aimed, on the one hand, at maximizing their power and influence vis-à-vis the super powers by forging closer ties amongst themselves and thus evolving united response to international issues and, on the other, to try to make the best of both the power blocs by having friendly and cordial bilateral relations with each and keeping aloof from their mutual conflicts. Nepal's non-alignment was also in conformity with this (Muni, 2016).

However, the practical application of such a strategy was shaped by Nepal's immediate geopolitical realities, particularly its complex relationship with India. There were a number of factors behind the origin and growth of the anti-Indian sentiment in Nepal. In the first place, it was the outcome of Nepal's size-psychology or the small power complex vis-à-vis India, which Randhir Suba of the Gorkha Parishad described as the "dark suspicion." Primarily, India's Nepal policy with its built-in ambivalence was responsible for aggravating this suspicion. The policy, as evident in the statements of the Indian leaders, particularly Nehru, was based on two contradictory premises, namely: (a) Nepal was a fully independent and sovereign country, and India should scrupulously observe non-interference in its affairs. (b) Nepal being strategically

important, India had a legitimate claim of "keen and personal" interest in the domestic as well as external affairs of the Kingdom (Muni, 2016, p. 89).

Leo E. Rose also expresses a similar opinion regarding the complexities in Nepal's relations with its two immediate neighbors – India and China. Rose (1971, p. iii) states,

Nepal's foreign policy and the dynamics of its relationship with neighboring states have been conditioned by a complex of factors, of which the political component is only one of the more important. Nepal's central location on the southern slope of the imposing mountain system that separates the Tibetan plateau from the plains of India has always strongly conditioned the country's history and foreign policy.

In the formation of foreign policy, for instance, Nepal has been influenced as profoundly as any area of India by the dicta on interstate relations that are generally attributed to the Indian 'master statesman' Kautilya (Rose, 1971, p. x). The notion of independence and sovereignty might have stemmed from Nepal's constant fear created by the ongoing expansion of the British Raj in India, as Nepal was not in a position to defend itself militarily. At times, the diplomatic finesse employed by the Nepali rulers might have created tension in the relationship between India and China, but even the Rana oligarchs did not accept the suzerainty of either China or India.

"The Kathmandu Darbar seems to have been genuinely offended at the presumptuous Chinese claims to suzerainty over Nepal, which Chandra Shamsheer characterized as an 'unwarranted fiction' and a 'damaging reflection on our national honor and independence'" (Rose, 1917, p. 165). This is evidenced by the following observation of Leo E. Rose. "In the treaty signed December 21, 1923, at Sugauli-where the 1816 treaty had also been concluded-Nepal finally obtained an "unequivocal" recognition of its independence" (Rose, 1971, p. 183).

To what extent Nepal's foreign policy was dictated by India and how complicit Nepali leaders and bureaucrats had been to India during the 1950s unsettles the people of Nepal today.

"To speak of a 'Nepali foreign policy' in the period immediately following the 1950-51 revolution would probably be incorrect. Indian influence on questions of external relations was so all-pervasive as to make foreign policy formulation by Kathmandu irrelevant or redundant. New Delhi's concept of Nepal's interests was accepted almost automatically in Kathmandu, at least at the official level. Indeed, it is probable that some Nepali leaders tended to be overresponsive in this respect, interpreting even casual suggestions by the Indians as advice to be

acted upon. At that stage of development, the Indian government may have been prepared to allow Nepal greater latitude in defining foreign policy objectives and more initiative in their implementation than the cautious authorities in Kathmandu were prepared to accept. On a number of occasions, the Nepal government not only tamely followed New Delhi's guidance but actually took the initiative in seeking it. That the Indians began to take Kathmandu too much for granted, and tended to act in a rather cavalier and condescending fashion with regard to their own prerogatives, is therefore hardly surprising" (Rose, 1971, p. 207).

This asymmetry in influence was not merely political but was also deeply rooted in the geographical and socio-cultural realities of Nepal's relationship with India. As Nepal shares a 1,415 km border with China, mostly indomitable high hills and difficult terrain, it shares a 1,751 km open and porous border with India, mostly on flat lands (Upadhyay, 2018). Geographical accessibility, similarity in religion and culture, and familiarity with language and long-standing cross-border trade bring Nepalis closer to India than China.

Although Nepal has consistently maintained that it treats its two closest neighbors—India and China—equally, its foreign policy has at times reflected elements of hedging. Such maneuvering has occasionally strained its bilateral relations with these neighbors at different junctures. For instance, during the Maoist insurgency, when Nepal failed to secure support from the Indian government, it turned to the United States for assistance. "The gap between Delhi's walk and talk had created confusion in Kathmandu. Therefore, when the Maoists launched their attacks on the army barracks in Ghorahi in November 2001, it was the United States, not India, that Nepal approached for help. The global political situation also helped push Nepal towards the US. It was a coincidence that America's global war on terror following the 9/11 attacks and Nepal's army operation against the Maoists took place around the same time" (Sharma, 2019).

Nepal's resort to hedging can, in part, be understood as a response to what appears to be India's dual-track engagement during the insurgency period. On the one hand, India supported the government of Nepal; on the other, it provided shelter to Maoist insurgents. As Sudheer Sharma observes, "India's ultimate aim in its security concept vis-à-vis Nepal appears mysterious given its substantial support to the government army including military materials, training and funds, and allowing the rebel leaders to take shelter in their country at the same time" (Sharma, 2019).

Such apparent contradictions can be better understood when viewed in light of the broader spectrum of India's strategic interests in Nepal. India's interests range from the mundane concerns of protecting its people in Nepal to the lasting stakes in safeguarding and promoting its economic and security interests. These interests have evolved and been defined not only by the parameters of regional and international dynamics in South Asia but also by the socio-economic and political contexts of both India and Nepal, prevailing at any given point in time (Muni, 2015, p. 493).

India's hegemonic perception of Nepal's geopolitical position is further revealed in the following articulation of its strategic thinking. "People in Nepal forget that India is on three sides of the country and the fourth is Tibet ... these people in Nepal, who think and talk mischief, are cowards. They should be made to realize, politely but firmly, that there are some things we will not tolerate and we will take necessary action if people misbehave against India ... I am opposed to any withdrawal from our check posts, or our military mission, or our Trade Agent or our wireless instruments or in any other way. They will have to put up with us even if they do not like us. If we decide to leave at any time in the future, it will be with dignity and not under threats (Bhasin, 2005, pp. 346–8)."

India's assertive articulation of its interests in Nepal, as reflected in such statements, underscores the extent to which Kathmandu has historically operated within a highly asymmetrical bilateral framework. However, Nepal's strategic location is not defined by India alone. Situated between two major powers, Nepal has also been drawn into the evolving strategic calculus of China, whose engagement with its neighborhood is guided by a distinct set of priorities and concerns. It is within this broader regional context—where competing security perceptions and strategic interests intersect—that China's approach towards Nepal needs to be understood.

China's foreign policy toward its immediate neighborhood is strongly shaped by what scholars describe as "periphery diplomacy," which prioritizes stability, security, and strategic influence in bordering regions. In this framework, China treats its periphery not merely as a geographic space but as a critical buffer zone for regime security and territorial integrity. A central dimension of this approach is the sensitivity surrounding Tibet, which remains closely linked to China's concerns about sovereignty, internal stability, and external interference.

Consequently, neighboring states are expected to avoid actions that could support separatist narratives or challenge Beijing's authority over Tibetan-related issues. Alongside this security focus, China has increasingly relied on infrastructure-driven engagement, particularly through connectivity projects associated with the Belt and Road Initiative, to enhance economic interdependence and extend its strategic reach. In South Asia, Nepal occupies a distinctive position in this framework, being viewed both as a buffer state vis-à-vis India and as a potential transit corridor linking Tibet to broader South Asian markets. This dual role makes Nepal an important node in China's regional strategy, where economic cooperation, infrastructure development, and geopolitical balancing intersect (Robinson & Shambaugh, 1994).

These overlapping dynamics of competition, cooperation, and strategic calculation invite reflection through the lens of classical theories of statecraft and power. "Since a ruler has to be able to act the beast, he should take on the traits of the fox and the lion; the lion can't defend itself against snares and the fox can't defend itself from wolves. So you have to play the fox to see the snares and the lion to scare off the wolves. A ruler who just plays the lion and forgets the fox doesn't know what he's doing" (Machiavelli, 2009, p. 69).

Conclusion

Place matters in politics (Sedhai, 2026b). Nepal's geographical location and its difficult terrain in the north, combined with the flat plains in the south, offer both opportunities and challenges for the country's overall development and the conduct of state affairs. While the indomitable Himalayan range in the north has constrained Nepal's access to China, thereby limiting the scope of extensive cooperation, the open and porous border with India has facilitated the mobility of people between the two countries without significant hindrances.

Wedge between two emerging Asian giants—India and China—Nepal has encountered more constraints than opportunities in its pursuit of economic advancement, as well as in maintaining its sovereignty and protecting its territorial integrity. The nature of challenges to Nepal's sovereignty has also evolved, shifting from direct forms of interference and the fear of external domination to more subtle interventions in its internal affairs.

Nepal, in reality, despite the prevailing rhetoric of autonomy, appears constrained in its ability to formulate and implement foreign policy independently of the strategic orientations of India and China. Owing to proximity with India in terms of language, culture, religion, and trade and transit relations, Nepal's foreign policy is more deeply influenced by India than by China.

China, by contrast, due to its governance structure and geographical constraints, intervenes less directly in Nepal's internal affairs, although it continues to maintain a strategic watch over developments in the country. Therefore, Nepal's foreign policy is ultimately shaped by the combined forces of geography and the political dynamics of its immediate neighbors. Nepal's foreign policy is a structurally constrained strategy of adaptation within asymmetric regional power relations.

The bilateral relations with India have remained asymmetrical, ambiguous, and at times intrusive, not only in influencing Nepal's foreign policy but also in shaping aspects of its domestic affairs. India has time and again made it clear that Nepal should remain within its sphere of influence. Such hegemonic behavior towards an independent sovereign country has often resulted in strained bilateral relations and has contributed to the rise of anti-Indian sentiment among sections of the Nepali population.

On the other hand, China appears less intrusive in the internal and external affairs of Nepal, as it conducts its diplomacy with Nepal within a periphery-oriented framework. However, it remains highly vigilant regarding anti-Tibetan activities and expects Nepal to strictly adhere to the 'One-China Policy' in order to safeguard itself from forces that seek to destabilize Tibet or use Nepali territory to instigate anti-China activities. In this sense, China tends to view Nepal as a strategic space against perceived external threats.

Nepal, on the other hand, has had to walk a tight diplomatic rope, maintaining a delicate balance between India and China through the instruments of non-alignment and hedging. In employing these strategies, Nepal has often oscillated between India and China, depending on shifting geopolitical and domestic circumstances. Such oscillation reflects a survival strategy shaped fundamentally by Nepal's constrained geography and structural position between two major powers. Nepal's foreign policy, therefore, reflects a condition of constrained agency in which strategic balancing and hedging become necessary instruments of survival, rather than expressions of fully autonomous decision-making.

Reality bites. Nepal is not only geographically bordered by India on three sides but also faces the lived reality of deep proximity with India in linguistic, cultural, and religious spheres, and in the century-old tradition of relatively free mobility of people across the two countries. India's security concerns further render it overtly involved in the internal and external affairs of

Nepal, which often appears as direct interference in Nepal's domestic affairs. Therefore, Nepal's foreign policy has largely remained reactive and adaptive rather than fully independent.

Hence, despite having a near two-thirds majority government led by the RSP, people at home and abroad should not be overly optimistic that there would be a perceived fundamental shift in the formulation and implementation of Nepal's foreign policy under such a strong government. Nepal's foreign policy will fundamentally continue to be guided by its survival strategy, shaped by enduring socio-political and geopolitical realities. In this context, Machiavelli's maxim—"So you have to play the fox to see the snares and the lion to scare off the wolves"—equally applies today.

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