



NJ: NUTA

## The Rivalry between India and China for Political Influence in Nepal

**Santa Bahadur Thapa**

Department of Political Science, Tri Chandra Multiple Campus, Tribhuvan University, Kathmandu, Nepal

Email: drsantabthapa7@gmail.com

DOI: 10.3126/nutaj.v10i1-2.63043

---

### Abstract

Nepal is geographically situated between India and China's economically prosperous and politically influential nations. As a result, the interests of Nepal's neighbouring countries have influenced its political landscape. Thus, the paper attempts to analyse how India and China destabilise democracy in Nepal by relating historical, political, economic, and cultural factors because they are connected. Furthermore, it examines how India and China have affected Nepal's democracy through the political parties, the government, and the Constitution. China and India have a geostrategic rivalry, and then they engage in Nepal to create political polarisation, which weakens democratic institutions. It fuels instability in Nepal because it has cultural and political ties and generates more government instability. Therefore, research explores the complex connection of Nepal with China and India and their impact on democratic stability. The study concludes that Nepal's government, civil society, and regional actors should mitigate the adverse effects of external political intervention and foster a stable democratic environment in Nepal. This study used a qualitative technique, incorporating a literature review and document analysis, to examine reports, policy documents, and media items. The analysis of thematically gathered data reveals discernible patterns and trends in the influence of China and India on the volatility of Nepal's democratic system.

---

*Keywords:* belt and road initiative, China, democracy, India, instability, interests, Nepal, rivalry

### Introduction

Democracy is a political system that entails the selection of representatives through direct elections, who then act on behalf of the populace. Subsequently, the nation establishes a system of governance characterised by popular representation, wherein the government is accountable to the citizenry and endeavours to safeguard their entitlements. Hence, the Nepalese populace spearheaded three significant endeavours towards establishing a democratic governance system in Nepal. The initial movement, referred to as the 'Revolution,' took place in 1951 and aimed to secure democratic principles. Subsequently, the second movement, known as the 'People's Movement,' occurred in 1990 to establish a democratic regime. Lastly, the third 'People's Movement' transpired in 2005, seeking to transform Nepal into a republican nation. When the Movement successfully constructed a republican country, the multi-party bicameral democracy led to the overthrow of the Shaha monarchy. The absolute power of Rana to rule the country was conquered in the mid-20th century through the influence of the 'Indian

Nationalist movement', which helped lead the national movement for democracy in Nepal. However, the democratic era ended in 1960, and a new form of administration named Panchayat took place in Nepal. Then, the dictatorial government eliminated democratic institutions and outlawed political parties. It escorted people with only limited freedom of speech. The monarchy ruled Nepal for 240 years, but the country is now a republic. People have established the new constitution in the country according to the aspirations of all people by involving all castes and creeds. Then, there is an elected democratic government in Nepal to perform public work smoothly on the one hand and the other. It behaves and leads people in a democratic manner. In addition, it fosters patriotism and pride in the nation.

### **Theoretical concept**

Foreign policy is an activity of the state with which it fulfil's its aims and Interests within the international arena (Petric, 2013, p. 1). Critics scrutinise Nepal's relationship with India and China, highlighting their political influence. The government must strengthen democracy for people's development, but corrupt leadership undermines public confidence. In 2020, K. P. Sharma Oli commanded the government, causing resentment. Critics accused Oli of slipping into authoritarianism. In September, the federal government took over policing in the Kathmandu Valley (ECK, 2021, p. 2). The democratic system faces challenges due to internal and foreign influences, with India and China being neighbours. India's support for Nepal's political reform suggests India's superiority. "India also suffers from a superiority complex as it has an inferiority complex regarding other developed and politically powerful countries. Hence, its behaviour shows its superiority complex regarding Nepal" (Mishra, 2019: p. 68). China disregards Nepal's democratic movement, prioritising security over people's movements. Mao Zedong's Five Finger Policy eloquently outlined China's growing interest (Baral, 2021, p. 43). China seeks to expand its influence in Nepal through the Belt and Road Initiative, aiming for internal and external influence. This semantic adjustment may help Chinese authorities explain the different paces and kinds of results that will be achieved through the BRI inside and outside China while highlighting the benign nature of this exercise with foreign interlocutors (Jacob T., 2017: p. 81). For this reason, China estimated that the BRI could also influence Nepal

### **Methodology**

The methods of analysis and qualitative research are both used in this study. This article takes a deeper look at the influence that the competition between China and India has had on the development of democracy in Nepal. Investigating the reasons that are responsible for the internal differences that exist inside political parties is the major objective of this study. It is mostly the use of secondary materials that has contributed to the construction of this composition. There have been a number of materials used, such as books, newspapers, records of political parties, and magazines from other countries. The approaches of descriptive and analytical analysis have been used in order to carry out the interpretation of the available resources.

### **Results and conclusions**

In 1951, Nepal transitioned from the Rana family to a constitutional monarchy with a multi-party system. King Mahendra's 1960 coup, which outlawed political parties and instituted the Panchayat administration, halted the Nepali Congress' attempt to overthrow the Rana monarchy and drove the

country back into chaos. Political parties had to reconstruct democracy after thirty years. With Birendra, Mahendra's son, occupying the throne, Nepal declared the start of democratic rule in 1990. In 1990, Nepal drafted a new constitution and changed its government structure to a constitutional monarchy with a multi-party system. However, democracy has faced renewed attacks, with King Birendra and his family killed in 2001 during the royal massacre. Over the past seven decades, Nepal has experienced three democratic revolutions, with the first uprising in 1950 and the first implementation in 1951. Political volatility in Nepal contributes to the instability of the democratic system, with 53 different government changes since 1951. It is the first time anyone has completed a five-year term.

The fragile multi-party democracy in Nepal is still facing pressure from the COVID-19 pandemic, as well as public dissatisfaction with the governance system and diminishing public faith in political leaders. The lack of essential services and ineffective government efforts to procure vaccines have contributed to democratic regression. In May 2021, On the suggestion of Prime Minister K. P. Sharma Oli, Nepal's President dissolved the House of Representatives (HoR) and declared November elections. It divided the nation into pro- and anti-Oli groups and sparked a lengthy judicial struggle. Political crises do not happen overnight, and the reigning Nepal Communist Party (NCP) broke into two parties due to ideological, strategic, and personality conflicts. Institutions must pressure political leaders to promote democracy and the rule of law, control their egos, respect the Constitution's competition principles, and enable a seamless leadership transfer to the younger generation to safeguard its democratic system.

India and China, as neighbouring countries, have their respective national interests in Nepal, shaped by political, economic, strategic, and cultural factors. Nepal's foreign policy has historically prioritised preserving equitable relationships with these two nations to safeguard its national interests, territorial integrity, and sovereignty. The involvement of India in Nepal's political affairs has been a subject of contention since it is often perceived as an encroachment upon their sovereignty and a potential weakening of their democratic processes. China's increasing economic and political engagement in Nepal, predominantly through its Belt and Road Initiative (BRI), has highlighted the substantial role of China in Nepal's political sphere. China has extended financial aid to Nepal and has offered backing to many political entities, resulting in an augmented presence in Nepal's internal political affairs.

The geopolitical conflict between India and China has damaged Nepal's political stability. Both nations vie for sway in the area. The alignment of essential individuals with India or China, depending on their strategic goals, complicates Nepal's domestic politics. Internal factors within Nepal have contributed to the instability of democracy, including weak governance, a lack of effective institutions, corruption, and a fragmented political landscape.

This study offers significant insights for policymakers, scholars, and stakeholders who seek to comprehend the involvement of India and China in Nepal's democratic system and the obstacles it encounters during its democratic progression. The trilateral and bilateral linkages between Nepal, India, and China are expanding through soft power instruments such as financial assistance, loan grants, infrastructure development, military training, fellowships, scholarships, and educational programmes. India is mobilising its intelligence agency, the Research and Analysis Wing, to maintain Nepal's absolute security. Historical connections between China and Nepal include a cultural affinity for Chinese traditional medicine. The China-Nepal connection, which has existed for 64 years, has

benefited both nations, and the partnership between China and Nepal will continue to help both countries in the new age.

### **The history of democracy in Nepal**

In 1951, Nepal began a democratic transition from the Rana family to a multi-party system. The Nepali Congress overthrew the Rana monarchy, which won a majority of votes equal to or greater than two-thirds. However, King Mahendra's 1960 coup, which outlawed political parties and instituted the Panchayat administration, obstructed the transition. It took thirty years for political parties to reestablish democracy. With Birendra, Mahendra's son, occupying the throne, Nepal declared the start of democratic rule in 1990. In 1990, Nepal drafted a new constitution and changed its government structure to a constitutional monarchy with a multi-party system. However, democracy has faced renewed attacks, with King Birendra and his family killed in 2001 during the royal massacre. Over the past seven decades, Nepal has experienced three democratic revolutions, with the first uprising in 1950 and the second in 1960. King Gyanendra's coup in 2005 destroyed democratic institutions and moved towards mobilising all political and security forces against the Maoists. Despite the protests, the multi-party democratic system eventually won, producing a federal republic. The power of the people made this possible.

### **The instability of democracy in Nepal**

Regular elections to choose new governing bodies, with new leaders assuming office after each term, define democracy in Nepal. However, the administration may become unstable due to political leaders changing positions. The democratic system in Nepal is superficially different from the panchayat system, but it has served to conceal the influence of traditional elites and legitimise their authority (Brown, 1995). The panchayat regime held the wealthy and powerful accountable for maintaining an unjust and corrupt system. At the same time, the current political system necessitates a democratically elected government to address inequality, poverty, and economic stagnation. Political volatility in Nepal contributes to the instability of the democratic system, with 53 different government changes since 1951; no single one has completed a full term lasting five years. The fragile multi-party democracy in Nepal is still facing pressure from the COVID-19 pandemic, as well as public dissatisfaction with the governance system and diminishing public faith in political leaders (Chalise, 2020). The lack of essential services and ineffective government efforts to procure vaccines have contributed to democratic regression, with frustration with political infighting and worries about responding to pandemics (Khadka, Pokharel, & Thakur, 2020). At that time, the government was widely criticised for corruption in health supplies.

- In May 2021, the President of Nepal decided to dissolve the House of Representatives (HoR) and subsequently declared that elections would be held in November, based on the recommendation of Prime Minister K. P. Sharma Oli. The Supreme Court annulled Oli's first attempt to disband the HoR in February. Dissolving the HoR has divided the nation into pro- and anti-Oli groups and sparked a lengthy judicial struggle. Opposition organisations say the President favours Oli in all constitutional and legal questions.
- Political crises do not happen overnight. The Nepal Communist Party (NCP) had a division, resulting in the emergence of two distinct political entities, namely the Communist Party of Nepal (Unified Marxist Leninist) and the Communist Party of Nepal (Maoist Centre). Issues of ideology, strategy, and individual differences primarily drove this schism within the NCP. Oli's party's

infighting is spreading to other parties. Infighting is a hindrance to the government. While his internal party rivals are contacting his political opposition, Oli attempts to break the 32-member Janata Samajbadi Party.

- The President, acting as an ally of Oli, dissolved the House of Representatives on two occasions as per Oli's request. The Nepali electorate anxiously anticipates the Supreme Court's forthcoming verdict about the President's legitimacy. The statement reflects on the 1990s, a period marked by political instability in Nepal due to a power struggle inside the Parliament. This internal conflict catalysed the emergence of a violent and protracted Maoist insurgency that lasted for a decade. The revolt was concluded in 2006 with the implementation of the Comprehensive Peace Agreement, following a period of instability, significant economic setbacks, and a tragic loss of about 17,000 lives. Disbanding the HoR in 2021 could destabilise Nepal's democracy and threaten the rule of law. The then-ruling NCP's year-long internal schism recalls murky politics in the late 1990s. During the Prime Minister's repeated attempts to dissolve the HoR, political horse-trading, opportunism, and profound splits in political parties, both local and national, remain serious worries. Political experts do not predict a return to the civil war of the 1990s (Pudasaini, 1983). This action of Prime Minister Oli was not only against the Constitution but also against democratic values.

Due to political unrest, the Nepalese Parliament was dissolved, and the Prime Minister declared new elections throughout the coronavirus pandemic. It goes against the agreements made during the peace process and the 2015 Constitution, which forbids Prime Minister Oli from dissolving the House of Representatives. The failure of Oli to address political issues, the choice of goons, and the gift of public funding to party organisations have all served to fuel the opposition. Elections will proceed even if the Supreme Court rejects Oli and the President's plea to dissolve the House of Representatives. Both moves undermine the legitimacy of the ruling party and Nepal's fragile multi-party democracy. To safeguard the nation's democratic democracy, institutions must pressure political leaders to uphold democracy and the rule of law, control their egos, play by the rules of fair play, and ensure a peaceful power transfer to the next generation.

### **Internal challenges of democracy in Nepal**

On November 22, 2007, the election in Nepal was declared, with Prime Minister Koirala ensuring no delays. However, there are substantial challenges. Prime Minister Koirala promised that there would be no postponements. Every day, killings, extortions, and rapes continue. During his recent trip, former US President Jimmy Carter expressed anxiety about free and fair elections. South Nepal has seen an increase in separatist movements driven by the oppressed Madhesis. The country has over 103 castes, ethnicities, languages, and religions.

- There were significant challenges facing the country. First, how can the democratic process be legitimised in a multi-ethnic and multi-cultural Himalayan nation, where the critical pillars of democracy are almost non-existent and law and order have suffered such terrible setbacks?
- Second, how will Nepal hold free and fair elections for a transitional government and ratify this treaty if the people are not accessible when choosing their representatives due to fear and threats from the insurgents? It poses a problem for the country's ability to organise free and fair elections. Is it possible for the people of Nepal to lift their veil of ignorance" and arrive at an "original stance"

to write and approve a constitution for Nepal that is democratic and liberal? It is an important question.

- The third obstacle is removing Nepal from its identity as a predominantly Hindu nation and transforming it into a secular one. This fundamental shift will very certainly result in opposition in Nepal. One of several difficult decisions that the new government of Nepal had to make to convince Maoist rebels to participate in a peaceful political process was to declare on May 18 that Nepal would no longer hold the distinction of being the only Hindu state in the world. Nepal's Parliament made this declaration. Despite this, the decision has sown the seeds of a new battle within the Hindu majority of the country, which has a significant amount of influence across the entirety of the nation. Cow sacredness is a historic government emblem with solid roots in Hinduism and is inextricably linked with that heritage. In Nepal, cows are held in high esteem and believed to be reincarnations of Laxmi, the goddess of wealth, also known as the 'better half of Vishnu' (Brown, 1995).
- Moreover, the cow is Nepal's national animal as well. The slaughtering of cows is against the law in Nepal. As a result, it is almost certain that these factors will make it difficult to establish solid democratic institutions. The abolition of the Monarchy in Nepal poses a significant obstacle to a smooth transition to democracy. The newly elected Congress (CA) has decided to abolish the Monarchy, potentially leading to violence. The Monarchy's continued existence may increase political division and fragmentation of the country. Maintaining law and order is crucial for democratic institutions, but the coalition government cannot guarantee this. Nepal's lack of law and order concerns the US President, who expressed concern over the police forces' ineffectiveness due to insufficient political support and a lack of Nepalese confidence.
- The absence of strict border controls between Nepal and India has played a significant role in facilitating the expansion of international migration. The unrestricted flow of individuals and illegal trade has long been a concern for both countries. It is essential to restrict the Movement of people along the border that separates Nepal and India. Another significant problem is the slow growth of the economy. During the initial six months of 2007, Nepal saw a period of economic performance characterised by a slow rate of development, increasing inflation, and underwhelming export activity. Because of this, the government has reduced its forecast for the development of the Gross Domestic Product (GDP) from 5% to 3.8%, the primary reason being a drop in agricultural production. The slow economic growth and pervasive poverty will only bolster the allure of the groups supporting secession.

The greatest danger of competing for political office in a coalition is the inherent inconsistencies in today's culture. The assurance of a successful transition to democratic governance was sent to former President of the United States, Jimmy Carter, by the Maoist leader Prachanda. Conversely, attaining this objective may prove challenging. At this time, most of the Maoist troops' firearms and ammunition are being stored securely under the watchful eye of the United Nations. A change in the current situation and a disagreement over important issues could lead to a resurgence of Maoist violence, further destabilising the country.



## **The political relations between Nepal and China**

Nepal and China have a long-standing friendship, dating back to the early 5th century AD. In 1955, Nepal and China established formal diplomatic ties. China maintains friendly relations with Nepal, and her only concern is that insecurity and instability in Nepal may increase anti-China elements along its border. Due to the Tibet revolt and Movement, China has begun demonstrating an interest in Nepal. Tensions between Western forces and democratic governments' ignorance of the need to balance foreign relations, particularly between India and China, have impacted the relationship. However, Nepal has been fostering pragmatic cooperation with China to gather support for its development and avoid conflict. Mao Zedong's Five Finger Policy eloquently outlined China's growing interest (Baral, 2021). Nepal, Bhutan, Sikkim, Ladakh, and the Indian state of Arunachal Pradesh are China's top security priority areas. The bilateral relationship between Nepal and China is poised to transition into a novel stage following the formalisation of a memorandum of understanding (MoU) regarding collaboration in the establishment of the "Belt and Road Initiative" (BRI). Nepal and China have long-standing political, economic, religious, social, and cultural ties. Manjushree established the Kathmandu Valley and began the prehistoric age of relations between Nepal and China's civilisations. Travelling during the Buddha Bhadra-Fa Xian era, marriage, and cultural exchanges improved Nepalese and Chinese relations. Xuan Zhang, a prominent 7th-century Chinese traveller, visited Lumbini and possibly Kathmandu, allowing cultural exchanges. Nepal participates in China's trade shows and exhibitions, such as the China International Import Expo (CIIE) and COIFAIR, which boost economic communication and economic relations between Nepal and China.

- According to the Department of Industry, the Chinese investment in approximately 1923 projects totalling 1,97,521.82 million Nepali rupees has created more than 88 thousand job opportunities, making China the most significant FDI source country over the past few years in terms of commitment amount and the second largest in terms of the amount invested.
- Nepal and China have diverse political and social systems. Their relationship has become more intimate due to collaborative endeavours such as signing the Belt and Road Initiative Memorandum of Understanding (BRI). Five peaceful cohabitation principles underpin mutual dependency. It affects the fates of the two states, Asia and the world. To establish a "win-win collaboration," both countries must implement pledges and resolutions thoroughly and honestly for mutual benefit (Sharma, 2018). If these types of understanding are developed, the relationship between Nepal and China will be strengthened, and an environment of trust will also be created.
- Nepal must engage its neighbours strategically, effectively, and methodically. India and China are moving in opposite directions to safeguard Nepal's historic sovereignty. Nepal can only gain the trust of its neighbours, friends, and well-wishers by adhering to time-tested values, beliefs, and practises and promoting friendliness, goodwill, support, and development assistance for national security interests and prosperity. Credibility requires consistency. Maintaining credibility takes ability. In internal and foreign affairs, Nepali communists have exhibited opportunism. They talk about democracy but act otherwise.
- The Oli government has misled the people, wasted its nearly two-thirds majority, and failed to fulfil its promises. They have promoted institutional corruption that has undermined democracy and progress. "Critics charged Oli with creeping authoritarianism. In September, the federal

government took over policing in the Kathmandu Valley” (ECK, 2021). As previously stated, the action was a deliberate effort to undermine the central government's authority. The primary concern pertains to their deficiency in exhibiting tact, leading to the gradual deterioration of their credibility. The immunisation campaign implemented by the government resulted in suboptimal responses to the actions described above, resulting in a state of uncertainty among the general population. Our international friends have ignored our vaccine request because the nation has lost its reputation. The Oli government's three-and-a-half years have shown their pity and disregard for us.

Nepal can benefit from regional economic growth, peace, stability, democracy, and prosperity through trust-based relationships with China and India. The China People's Republic (PRC) will celebrate its foundation anniversary on October 1, 2019, reflecting on its diplomatic history with 178 countries. The relationship between China and Nepal has a long-standing tradition dating back to the Jin and Tang Dynasties. The friendship between Monk Faxian and Monk Xuanzang brought Nepal and the Tang Empire closer together, and Nepalese monks like Buddha Bhadra Shakya and Shilamanj travelled to China. The People's Republic of China (PRC) was established in 1949, but India's negative role prevented Nepal and China from approaching each other.

In 1951, the Chinese People's Liberation Army (PLA) liberated Tibet from the socio-political system of theocratic serfdom, which the Dalai Lama and the landlord class controlled. In 1954, China proclaimed its willingness to establish diplomatic relations with Nepal based on equality and mutual respect. The first Afro-Asian Conference in 1955 saw productive encounters between Nepalese and Chinese participants. On August 1, 1955, China and Nepal committed to establishing mutual diplomatic ties based on the Five Principles of Peaceful Co-existence. In 1959, the Dalai Lama led an armed uprising in Tibet, in which Nepal officially backed the "One China Policy" and put down the Khampa Mutiny. China expressed satisfaction with Nepal's commitment to the One China Policy. The Sino-Indian War of 1962 left a significant impression on Nepal, motivating them to use China to balance India's dominance and gain national independence.

The construction of the China-Nepal highway commenced in 1963 and concluded in 1967. In 1975, Nepal's King Birendra proposed establishing a "Zone of Peace," China supported this idea. In 1996, China's President Jiang Zemin agreed with Nepal's government to develop a good-neighbourly partnership for generations. The China-Nepal relationship needs to investigate further possibilities as President Xi Jinping ushers in a new era for China and assumes the country's leadership. In 2013, President Xi Jinping initiated the ambitious Belt and Road Initiative (BRI), including a network of 65 nations and a population of around 4.4 billion individuals. As of April 2019, China had entered into 173 cooperation agreements related to the Belt and Road Initiative (BRI) with 125 nations and 29 international organisations throughout the globe. "This semantic adjustment may help Chinese authorities explain the different paces and kinds of results that will be achieved through the BRI inside and outside China while highlighting the benign nature of this exercise with foreign interlocutors" (Jacob T., 2017). Nepal, located in China's immediate south and a vital neighbour to the country, has signed a cooperation contract with China concerning the BRI initiative.



## **The rivalry between India and China in Nepal**

India and China, neighbouring countries to Nepal, have their respective national interests in Nepal. Different political, economic, strategic, and cultural variables influence these interests. "Nepal's foreign policy has always prioritised maintaining balanced relations with of these two nations to safeguard national interests, integrity, and independence" (Dahal, 2018). Let us take a close look at the national interests of both these countries towards Nepal

**1. India's role:** India, as Nepal's closest neighbour with historical, cultural, and economic ties, has played a significant role in Nepal's political dynamics. "India has never regarded Nepal as an independent country, so Indian foreign policy elaborates that India does not naturally end where Nepal begins" (Pandey C. L., 2011). India has often tried to influence Nepal's internal affairs, including its democratic processes. Although the Government of India (GoI) denied it, "India imposed an economic blockade on Nepal to punish her for not heeding India's suggestion to postpone the adoption of the new constitution" (Dhungel, 2019). Nepal has seen repeated administration and political instability changes due to India's backing for different political groups and individuals. India's involvement in supporting Nepal's further political reforms reveals its superiority complex towards Nepal (Mishra, 2019). Indian interference in Nepal's politics has been a contentious issue, with many in Nepal perceiving it as interference in their sovereignty and undermining their democracy.

**2. China's role:** China, another vital neighbour of Nepal, has also played a role in Nepal's political instability. In recent years, China has increased its political and economic ties to Nepal, mainly through the Belt and Road Initiative (BRI), which includes projects to build Nepal's infrastructure. China has provided financial assistance to Nepal and supported various political actors, leading to increased influence in Nepal's domestic politics. Nepal is important to China's national security strategy. "Despite several differences in size, population, development, and power capability, China gives more importance to Nepal for security concerns. Nepal's geostrategic location has made rising China more severe in its security. This matter mainly relates to separatism, terrorism, and fundamentalism" (Baral, 2021). Beijing has always avoided interfering in Nepal's internal affairs. However, the Chinese ambassador to Nepal has made a concerted effort to address many issues within the NCP, which indicates that this stance is gradually changing. "The Chinese were active in ensuring that the communist force remained united. The Chinese have decided that a unified communist force in Nepal is in their strategic interest" (Rae, 2021). According to Nepal's media, China supports maintaining the NCP because of their shared ideological views, which might allow China to exert political and economic influence on Nepal (Pandey C., 2005). However, China's engagement has been more subtle than India's, focusing on economic interests rather than direct political interference.

**3. Geopolitical rivalry:** The findings also highlight the geopolitical rivalry between India and China, which has impacted Nepal's political stability. "Geopolitics is defined as the relationship between geographical factors and state and national politics, as well as their interactions with neighbouring countries and the international community" (Bhattarai, 2015). India and China are exerting pressure on Nepal as a result of geopolitical circumstances, which may have a significant impact on the political landscape of the entire world. "Economic strength is an important basis for political power" (Jackson, R., & Sorensen, G., 2016). However, Nepal is economically dependent on these two nations, it is forced to bear persistent involvement in the political affairs of its own country. Nepal has been caught

in the India-China competition for influence in the region, with both countries trying to counter each other's influence in Nepal. When India and China compete to increase their power in Nepal, it will impact Nepal. India and China contribute to international stability and should manage their differences to avoid conflicts (Panda, 2016). This rivalry has further complicated Nepal's domestic politics, with political actors often aligning with either India or China based on their strategic interests, resulting in instability and a lack of political consensus.

**4. Internal factors:** The study also identified internal factors within Nepal that have contributed to the instability of democracy, including weak governance, a lack of effective institutions, corruption, and a fragmented political landscape. Nepal has tried to balance its ties with China and India but failed. “Allegations of supporting either China or India have been levelled against all of Kathmandu's regimes” (Ranjan & Gurung, 2021). These internal factors, coupled with external influences from India and China, have created a challenging environment for democracy to flourish in Nepal

India and China have played a role in the instability of democracy in Nepal. With their interference in Nepal's internal affairs impacting its political dynamics, China and India are charged with meddling in Nepal's domestic affairs. Then, India was determined to incite a race war, but the Chinese envoy took the initiative to support Oli's government. Growing interference from India and China in Nepal's internal affairs seriously affects the country's political dynamics. “Through interference, India and China try to create a solid social and political constituency in their favour” (Ranjan & Gurung, 2021). The geopolitical competition between China and India has made the situation more challenging. However, internal factors within Nepal also contribute significantly to the instability of democracy. Addressing internal and external factors is essential for Nepal to consolidate its democracy and ensure political stability. This study provides valuable insights for policymakers, scholars, and stakeholders interested in understanding the role of India and China in Nepal's democracy and the challenges it faces in its democratic journey.

On May 28, 2008, the Constituent Assembly of Nepal announced the transition from a monarchy to a federal democratic republic. A President and a Prime Minister now lead the country, with the Rana Regime holding significant authority. The trilateral and bilateral linkages between Nepal, India, and China are expanding through soft power instruments such as financial assistance, loan grants, infrastructure development, military training, fellowships, scholarships, and educational programmes. India is mobilising its intelligence agency, the Research and Analysis Wing, to maintain Nepal's absolute security.

However, the people-to-people interaction, geophysical proximity, and age-old bilateral connection between these two countries are intangible aspects of their relationship. The friendship between China and Nepal dates back a long time, and since the founding of the People's Republic of China (PRC), this old bond has reached a whole new level. Regarding diplomatic relations, China and Nepal enjoy a sustainable, fruitful, and win-win partnership built on trust, social harmony, and togetherness for each other's core nationalism. Economic relations: Despite the Nepalese trade deficit, the Belt and Road Initiative (BRI) will bring massive opportunities to Nepal, and the country should actively direct BRI initiatives to achieve growth targets. Historical connections between China and Nepal include a cultural affinity for Chinese traditional medicine. The China-Nepal connection, which has existed for 64 years,

has benefited both nations, and the partnership between China and Nepal will continue to help both countries in the new age.

## Conclusion

Nepal's two neighbouring countries, India and China, are eager to increase their influence in the world's politics, and they have a rivalry to impact Nepal's politics. India and China have attempted to exert influence in ways that endanger Nepal's sovereignty. Then, due to their rivalry, the politics of Nepal are unstable, and the democracy itself is in crisis. They frequently help dissolve the Parliament indirectly because they want Nepali politics to serve their interests, and the government changes repeatedly. However, people have not decreased their trust in democracy in Nepal. However, India and China are trying to maintain their influence in Nepal, so the political system has not been sustainable. India and China have linked the issue of maintaining their total influence in Nepal's politics with their countries' security interests. As a result, they have shown their presence even at small political events in Nepal. Whether it is the internal problems within the parties or the problems in government operations, their direct presence has been seen. Thus, the rivalry between China and India has created obstacles to Nepal's economic development and political stability.

## References

- Adhikari, I. (2015). *Military and Democracy in Nepal* (1st edition ed.). London: Routledge.
- Baral, B. N. (2021). Neighbourhood Interest and Security Concerns in Nepal: A Geopolitical Perspective. *Journal of Political Science, ISSN 2362-1273 (Print); ISSN 2773-8132 (Online), Volume 21, HTTP://: www.ejournal of pncampus.edu.np/journals/ips/DOI: https://doi.org/10.3126/jps.v21i0.35262, pp. 39–49.*
- Bhattarai, R. (2015). *Geopolitical specialities of Nepal and international approach to conflict transformation*. Nepal Foreign Affairs. <https://nepalforeignaffairs.com/geopolitical-specialities-of-nepal-and-international-approach-to-conflict-transformation/>.
- Brown, T. L. (1995). *The Challenge to Democracy in Nepal* (1st Edition ed.). London: Routledge.
- Chalise, H. N. (2020). The COVID-19 Situation and Challenges for Nepal. *Asia Pacific Journal of Public Health, Vol. 32(5), 281–282, 2020 APJPH Article Article Reuse Guidelines:sagepub.com/journals-permissions DOI: 10.1177/1010539520932709 journals.sagepub.com/home/aph, 32(5), pp. 1–2.*
- Dahal, G. (2018). Foreign Relations of Nepal with China and India. *Journal of Political Science, Volume XVIII, DOI: 10.3126/JPS.v18i0.20439, pp. 46–61.*
- Dhungel, D. (2019). Nepal-India Relations: A Citizen's Perspective in the Context of the Post-Economic Blockade Situation FPRC journal, Foreign Policy Research Centre, New Delhi, pp. 22–30.
- ECK, K. (2021). Nepal in 2020: External Tensions and Internal Challenges. *Asian Survey, Vol. 61, Number 1, ISSN 0004-4687, ISSN 1533-838X.https://www.ucpress.edu/journals/reprints-permissions. DOI: https://doi.org/10.1525/AS.2021.61.1.202., pp. 202–206.*
- Jackson, R., & Sorensen, G. (2022). *Introduction to International Relations: Theories and Approaches(Sixth Edition)(Reprint)*. U. K: Oxford University Press.
- Jacob T., J. (2017). China's Belt and Road Initiative: Perspectives from India *China and the World Economy /Institute of World Economics and Politics, Chinese Academy of Social Sciences, Vol. 25, No. 5, 78–100.*

- Khadka, D., Pokharel, G. P., & Thakur, M. S. (2020). IMPACT OF COVID-19 ON THE TOURISM INDUSTRY IN NEPAL *Asian Journal of Arts, Humanities, and Social Studies*, 3(1), pp. 40–48.
- Mishra, B. P. (2019). *Essays on the Indian Diplomatic Dilemma in Nepal*. New Delhi: Adroit Publishers.
- Panda, J. P. (2016). *India-China Relations: Politics of Resources, Identity, and Authority in a Multipolar World Order* (1st Edition ed.). London: Routledge, doi.org/10.4324/9781315735382.
- Pandey, C. L. (2011). *Impact of Nepalese Domestic Politics Nepal-Indian Foreign Relations*. Germany: Lambert Academic Publishing.
- Pandey, N. N. (2005). *Nepal's Maoist Movement*. New Delhi: Manohar Publishers.
- Petric, Ernest, (2013). Foreign Policy, From Conception to Diplomatic Practice.
- Pudasaini, S. P. (1983). The Effects of Education in Agriculture: Evidence from Nepal. *American Journal of Agricultural Economics*, vol. 65, issue 3, 65(3), pp. 509–515.
- Rae, R. (2021). Kathmandu Dilemma: Resetting India-Nepal Ties. Haryana: Penguin Random House India.
- Ranjan & Gurung, A. (2021). The India-China Competition in Nepal in Recent Years *Artha, Journal of Social Sciences 2021*, Vol. 20, No. 3, ISSN 0975-329X, <http://doi:10.12724/ajss.58.5>, 93–111.
- Sharma, B. P. (2018). China-Nepal Relations: A Cooperative Partnership in Slow Motion. *China Quarterly of International Strategic Studies*, <https://doi.org/10.1142/S2377400185002394>, pp. 11–13., 04(03), 439–455.