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## Nepal's Foreign Policy: Challenges and Prospects

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### Abstract

Nepal has undergone tremendous changes since it became republic in 2008. With the promulgation of the new Constitution drafted by the elected people's representatives in 2015, Nepal has continued to engage with nations beyond India and China. This paper focuses on the foreign policy behavior and strategy of small states in the international system. Further, it explains the behavior and strategies employed by those states by examining several concepts and historic facts and applying them in the context of Nepal. The article states that geo-strategic situation and non-alignment stance of nepal that try to maintain and extend bilateral relations with the immediate neighbors and other actors in the international system, and further integrates them into regional and international frameworks to secure its survival.

**Keywords:** Policy, Challenges, Diplomatic relations, prospects

### Introduction

Geography is predominantly one of the determining factors for shaping the foreign policy of a country. King Prithvi Narayan Shah, soon after he ascended the throne of Gorkha, knew about the growing influence of the British in neighboring India and was fully aware of conflicts escalating among the tiny principalities of western Nepal. Considering that if these small states continued to fight among themselves, the British could easily take them over and annex them, he unified these states and became the founder of Modern Nepal.

Situated between two Asian Giants, India to the south and China to the north, Nepal was like 'a yam between 2 boulders' (the imagery used by King Prithvi Narayan Shah).

The yam imagery reflects the geo-strategic location of Nepal and has led policy makers to maintain balanced relations between the two immediate neighbors with diametrically opposite political and social systems. Given this reality, it is imperative on our part to take into consideration the reactions/feedback as well as the legitimate security interests of our neighbors. The Rana rulers who ruthlessly ruled the country by oppressing the people are, however, credited with having safeguarded the sovereignty, independence, and territorial integrity of the country.

Nepal opened up to the world outside after the overthrow of the Rana regime in 1951. In April 1955, the country attended the Afro-Asian Conference at Bandung, Indonesia, established diplomatic relations with People's Republic of China in August the same year and was also admitted to the UN the same year in December. These 3 significant events of 1955 confirm, in unmistakable terms, Nepal's efforts to diversify its external relations and forge new links of friendship and cooperation with other countries of the world. Commenting on such efforts Prof. YN Khanal, the doyen of Nepal's foreign policy, observes: 'Nepal has a distinct foreign policy which takes care of its national interests, and which is in line with its own national aspirations. We are aware that the real questions of war and peace are decided by the Great Powers, and we have little control over them. We are obviously conscious also of the fact that on account of our size and other limitations, we can only play a limited role in the world.'

The basic parameters of Nepal's foreign policy, such as the principles enshrined in the UN Charter, the *Panch Sheel* (5 principles of peaceful co-existence), Nonalignment, respect for international law and world peace are clearly set forth in all constitutions, including the latest constitution adopted and promulgated by the country on September 2015. Diplomatic relations have been established with more than 160 countries during the last six decades and a half. Nepal became a founding member of the Movement for Nonalignment (NAM) in the early sixties of the last century and has actively participated in all NAM summits at the highest political level. Nepal has continued to pursue a nonaligned foreign policy despite criticism that NAM has lost its relevance with the end of the Cold War resulting in dissolution, in the early nineties, of the Warsaw Pact, one of the two military alliances led by the former Soviet Union .

The end of the Cold War precipitated a dramatic shift in the balance of power in international relations. Many East European countries, the erstwhile republics of the former Soviet Union, have already joined NATO and obtained membership of the European Union. Ukraine, a former republic of USSR, became an independent country after the disintegration of the Soviet Union in 1991, but continues to be viewed by Russia

as a country within its sphere of influence. Sensing that Ukraine was tilting towards NATO and the European Union, and unhappy at NATO's eastward movement, President Putin of Russia warned the west not to ignore Russia's geo-political concern. Events, however, were moving so fast that Russia began deploying more than one hundred thousand troops near Ukraine border. Despite warning from the US and EU, Russia went ahead and invaded Ukraine on February 24 in 2022.

World leaders condemned Putin's action. President Biden described President Putin as the aggressor and joined EU countries to impose sanctions on Russia. Russia-Ukraine war has been going on for more than 18 months with no end to attacks and counter attacks in sight. While Ukraine's neighbors are already flooded with thousands of refugees, particularly children and women, Russia has paid no heed to American and European appeal to end military operation and stop full scale invasion. Western countries, in particular the US have reiterated support for Ukraine in the ongoing war with Russia. Diplomacy has failed in the ongoing Russia-Ukraine war and is bound to trigger a paradigm shift in international relations. While India and China, Nepal's immediate neighbors, abstained from voting, majority of countries including Nepal voted against Russian invasion of Ukraine in the UN General Assembly immediately after Russian invasion of Ukraine. Nepal has stated that it has not abandoned the policy of nonalignment and has justified its vote as a principled stand against foreign aggression.

### **Nepal's Foreign Policy Challenges**

Political stability and economic development at accelerated pace are major challenges for Nepal to conduct and implement its foreign policy effectively and efficiently. After the restoration of multi-party democracy in 1990, a new constitution was promulgated under which elections were held leading to the formation of a government headed by Prime Minister Girija P. Koirala of Nepali Congress. It was hoped that this government would remain in office for 5 years and provide stability to the country. PM Koirala, after internal wrangling in the party, went to the polls after dissolving the parliament, including his government which commanded comfortable majority in the House. This was the beginning of political instability. During the last 30 years, the country has witnessed more than 20 governments, clear evidence of ongoing instability. On the other hand, the Maoists of Nepal launched people's war that resorted to violence, killing nearly 17,000 people. The decade-long Maoist insurgency came to an end in 2006 after the signing of a comprehensive peace agreement (CPA).

A new constitution, as stated earlier, was promulgated in 2015 by the Constituent Assembly composed of 601 people's representatives. The government elected in 2074

and headed by KP Sharma Oli representing an alliance of CPN (UML) and Maoist Center commanded two-thirds majority in the House of Representatives, a rare opportunity to ensure political stability and get some important bills endorsed by parliament but it collapsed last year unceremoniously due to conflict and dissension between Mr. Oli and Maoist leader Pushpa Kamal Dahal 'Prachanda'. A 5-party government headed by Mr. Sher B. Deuba announced November 20, 2022 as the date for parliamentary and provincial elections in Nepal.

An account of such developments in the politics of Nepal amply illustrates existing challenges facing the country on domestic and foreign policy fronts. It is said that foreign policy is an extension of domestic policy. Before Nepal can achieve success and boost its image on the foreign policy front, the country is expected to put its own house in order, a prime requirement for domestic peace and tranquility. The historic people's movement of 2006 placed people at the center of politics and emphatically called for people's interests, aspirations and expectations to become the prime agenda in foreign policy decisions and measures that governments of the day would take, from time to time, taking into consideration the changing international situation.

### **Nepal's Foreign Policy Prospects**

With the end of the Cold War, globalization, liberalization, and privatization became buzzwords in an increasingly interdependent and globalized world. One of the least developed among developing countries Nepal badly needs development finance or foreign aid, including FDI, in terms of substantial resources, for poverty alleviation, industrial development and economic growth. Nepal has received, in the past, generous assistance from its development partners, including our immediate neighbors, China and India. Both China and India are rising powers and Nepal can immensely benefit from their high rates of growth and development. In recent years, development projects have become increasingly donor driven. To avoid donors dictating their own priorities, the adoption of a coherent foreign policy would persuade or even compel the donor community to relate their development assistance to the country's developmental needs and priorities. Diplomatic missions that are the country's chosen vehicles for the effective and efficient conduct of economic diplomacy are expected to make a strong case for increased development assistance, including FDI/foreign aid to Nepal for post-conflict rehabilitation, reconstruction and development.

Trade, investment, tourism, the development of water resources and foreign employment are potential areas for coordinated approach to economic diplomacy which has become by now a new and critical component of Nepal's foreign policy. Needless to

point out, economic elements need to be incorporated into foreign policy and diplomatic activities. The efficient conduct of economic diplomacy depends, to a large extent, on the development of trained manpower and expertise in all diplomatic missions. These missions should be provided with minimum resources to carry out promotional activities. It is important to remember that successful diplomacy seeks to widen the common ground to achieve the shared interests. Diplomats should be evaluated on the basis of their performance or their contribution to the country's prosperity through the prudent and practical application of their diplomatic skills, knowledge and experience.

### **Conclusion Based on a Few Recommendations**

In the light of the foregoing, it is obvious that Nepal's foreign policy formulation and implementation is beset with both challenges and opportunities. Nepal hopes to graduate from LDC status latest by 2026. One of Nepal's responsibilities is to realize the Sustainable Development Goals (SDGs, 2015) adopted by the UN not later than 2030. Graduating from LDC status and implementing SDGs by integrating them into the national planning structure and strategies are challenges that can be overcome by optimal utilization of available resources such as hydropower, tourism, agriculture and bio-diversity, potential areas in which Nepal enjoys comparative and competitive advantages. But continued political instability would pose a problem to promote and implement foreign policy goals and objectives. To conclude, it is necessary to build a strong and functional framework at a high level for inter-ministerial cooperation and coordination and hold its meeting at regular intervals for policy and implementation coherence.

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