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## Why Nepal Matters in the Geopolitical Chessboard

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### Abstract

*This study examines the position of Nepal in the geopolitical chessboard amid the participation of international actors, including China, America, and India's sphere of influence. It argues that the involvement of international actors in Nepal with their strategy-loaded projects like Belt and Road Initiative (BRI) and the Millennium Challenge Corporation (MCC) has put Nepal under the pressure to accommodate the geopolitical interest of both superpowers by adhering to its policy of non-alignment. The research further aims to identify the new geopolitical paradigm of Nepal and its growing significance in the geopolitical chessboard. After analyzing the available literature and the arguments of scholars, this paper found that Nepal has now become a land of geo-strategic importance that belies its weakness as a small state. This finding supports the conclusion that the external forces are taking interest in Nepal mainly because of its geographical positioning that gives them the advantage of connectivity potential, the balance of power, sphere of influence, and security outlook.*

**Keywords:** Geopolitics, Strategy, Foreign Policy, Relation, Economics, Equi-Distance

### Introduction

After the construction of modern Nepal during the last 200-250 years, regional and world geopolitics have been undergoing rapid changes. Due to the strategic importance of Nepal's geography in history, the British colonies tried their best to turn Nepal into a friendly 'buffer state' between China and British India to protect themselves from the possible Chinese aggression. At times, Nepal has benefited from the ability of the government and rulers to formulate their own policies. Other times, Nepal has been doomed with this geo-strategic position. Due to the inaccessible mountains on the one side and the accessible plain on the other, Nepal is automatically more tilted to its southern neighbor. From the first decade of the twenty-first century, new and big changes are taking place in the world politics. For the past three hundred years, the center of economic politics in the West has been gradually shifting to Asia. In the twenty-first century, there are signs of qualitative geopolitical change. The involvement of international actors like United States and China in Nepal with their strategy-loaded projects like Belt and Road Initiative (BRI) and Millennium Challenge Corporation (MCC), Nepal is under the pressure to accommodate the geopolitical interest of both superpowers by adhering to

its policy of non-alignment.

The shift of geopolitical perspective transformed Nepal from a buffer to a bridge nation, making it the game-changing dice in a geopolitical chessboard. Small states often remain vulnerable to foreign policy limitations, and Nepal too was doomed by the same fate of exercising the strategy of survival among its two neighbors. However, in recent days Nepal has been an important geo-strategic location with firm faith in the principles of non-alignment, and it is now slowly evolving in the position to bargain its interest. In 2018, the United States invited the then Minister for Foreign Affairs Honorable Pradeep Kumar Gyawali to hold delegation-level talks with Secretary of State H. E. Mr. Michael Pompeo. This invitation to Nepal Government generated some waves in the geopolitics of Nepal, primarily in its diplomatic relations with India and China. In this backdrop, Nepal's Sino-India-centric foreign policy has shifted to a new debate considering the balance of power and competition between India-China-US and its impact in Nepal. In the days to come, the way in which the world is becoming interconnected on different fronts, the balance of these relations and centers of power may change even faster. However, in the context of Nepal, the conflict and interests of China, India and the United States, which are already superpowers, have become crucial from regional geo-strategic perspectives. In these lights, Nepal becomes a vital strategic zone in a geopolitical chessboard of the powerful countries, of the West and Asia. In this regard, this study examines the role of Nepal in south Asian geopolitics within the involvement of superpowers like US, China and India.

Nepal's geographical standing as a landlocked country has turned itself into a hostage

land, ruthlessly off-putting its international opportunities in economic, political and diplomatic relation. Physical constrictions imposed by topography have not only limited its access to outer world beyond its neighbors but also has architected the complex structure of dependency in which Kathmandu exist as 'client state' to its providing bystanders. The transformation from land lock to land linked is burning issue in Nepal but instead of showing serious interest in this issue, the country is more engaged in its own internal politics. So, if Nepal seeks to uphold its geopolitical value, the country needs to take serious steps in determining its priorities. The first step of redefining Nepal's geopolitical situation is to look at the geography of Nepal in a subtle way. Nepal's location is connected to the Tibetan Plateau of China in the north, especially through the Himalayan range from Hindus to Burma to the vast plains of South Asia. In a way, Nepal stands like a ladder between India and China and this ladder is tilted to the southern neighbor India. This geographical fact has given a special shape to Nepal's geopolitics. If Nepal had a been a bridge between two flat lands, it could have equal or balanced relations with both sides (Shakya, 2016). Geographically, about one-third of Nepal's territory is part of the Tibetan Plateau and demographically, 90 percent of the population is tilted to the south. Due to such structural scarcity our economic, social and cultural relations have shifted further south. Especially due to the autocratic political system conditioned by Sugauli-Treaty, our relations became dependent only on the South. Nepal is trying to expand the border and economic relations to the north, but in practice, it is still leaning towards the south. Due to the fact that our neighborly relations have been shifting to the south rather than to the north and south. The complex

geographical play fated our country to deal with tragic incidents such as blockades, trade deficits and political instability. Historically, we have had a hard time managing this embarrassment between two neighbors.

China, meanwhile, has seen unprecedented economic growth over the past few decades by maintaining world's largest capital surplus. The massive strategic projects like BRI in search of markets for their surplus capital found Nepal as the way to execute their plan. Nepal's readiness to increase its relations with China by becoming a part of BRI has given Nepal the opportunity to overcome her dependency on the South (Kumar, 2021). However, in practice, it has not been able to move forward so far. As China gradually emerges as a world power, it has automatically attracted the attention of the United States. It is clear that recent US international policy has focused primarily on how to stop China's expansion. In this context, the United States has been advancing the 'Indo-Pacific Strategy' for several years. For that, the US has made a strategy to stop China by constructing a quadrilateral of US, India, Australia and Japan by considering the area from the west coast of the US to the west coast of India as the main area of influence. Consequently, the Nepali Foreign Minister visited the United States and it was clear that the US was trying to influence Nepal to become the part of strategy. However, Nepal has not been able to form a clear view on these issues (Poudyal & Khadka, 2020).

### **Review of Literature**

This section analyses the available literature on the area of geopolitics and the arguments made in previous studies concerning Nepal's geographical positioning between India, China and the power interplay of

other international actors. The exploration will provide grounds for reasoning and understanding for the importance of this research. The previous researchers have gone closely related issues but they have analyzed by focusing on the historical relation and showed Nepal as vulnerable between India and China. However, this research has argued that Nepal is in important geostrategic location which can influence the geopolitics of two giant neighbor. Most of the literatures produced so far has emphasized on the geopolitics of Nepal but few research works have been conducted on how Nepal is going to accommodate geopolitical interest of other countries.

The Cold War in world politics ended with the dissolution of the Soviet Union, America's ideological-geopolitical rival. With the end of the Cold War, the resurgence of China, which was expected to take the shape of a liberal system in international politics intensified the debate over the repetition of geopolitical competition. The recent geopolitical heights seen in Nepal cannot be understood without exploring these global trends (Nalbo, 2021). With the beginning of the twenty-first century and the strong presence of Asian nations in the world system, the priorities of Atlantic Ocean-centric US foreign relations also began to change after the Cold War. At the start of his second term, President Barack Obama signaled a shift in the US foreign policy by indicating his focus over Pacific region. At the same time, the rise of China has fueled global geopolitics. The current economic and strategic importance of international relations lies in the relationship between the superpower, the United States, which has dominated the current post-Cold War global power structure, and China, which seeks to change the status quo. There is always a

conflict between the status quo superpower and the emerging superpowers in maintaining the status quo and balancing power on the basis of new power configurations (Tyler, 1988). Therefore, it is only natural that the United States and its allies want to maintain the status quo of their power configuration in the Pacific and the Himalayan subcontinent, and that China should seek to change that. At the same time, it is natural for India to intend to maintain the status quo of the Himalayan subcontinent. It is a natural aspect of geopolitics for other powers to seek a new balance in the changed power configuration.

While making an analytical review of Nepal's history, administration, politics, and foreign relations, the discussion covers 1950 establishment of a "special relationship" between India and Nepal, as well as India's influence on Nepal's attempt to develop a modern democratic system from 1950 to 1977. It also examines the consequence and problems of Nepal's relations with India and China during the 1962 border conflict and in the years that followed (Hayes, 1981). Foreign policy and diplomatic demeanor in the pre-unification phase of Nepal was basically categorized into two wide-ranging connections with principalities within what once used to be a unified Nepal and relationship with Tibet, China and principalities of India (Levi, 1998). On the one hand the connection and diplomatic relation with states within Nepal were conditioned by suspicion and rivalry, on the other hand, the relationship with India, China, and Tibet was based on the strategy for survival, which largely preserved the regional control and safeguarded trade especially with Tibet. The trade with Tibet was the main source of income and each state always scrambled to control the trade with Tibet. The state that controlled the trade route

to Tibet also controlled the revenue. Several wars were, thus, fought with Tibet in different intervals of time basically for trade interest. (Kumar, 1963)

Nepal's diplomacy during the unification era was essentially directed by military principle. Nepal during the unification era trailed military diplomacy and had a little time to spare for other aspects of diplomacy like economics, trade and international relation. The concept of 'yam' and 'equidistance' coined by Prithvi Narayan Shah was the diplomacy based on military policy, which was necessary at that time when Nepal was a military state (Mishra, 1998). The notion of "Nepal as yam between two states and the need of Equi-distance" has guided Nepalese diplomacy even today. However, Nepal's discontent with India's expanding power began to surface at the same time, prompting offers to China as a counterbalance to India. Following the Sino-Indian border conflict in 1962, the relationship between Kathmandu and New Delhi warmed dramatically. While making the factual description of Nepal's connections with India and China, we can discuss on India's policy response to Nepal's act of improving connections with China in order to offset India's expanding influence, as well as China's search for geopolitical moves to protect its interests and undermine India's supremacy in Nepal (Savada, 1993).

While talking about Nepal-India geopolitical relations in the changing political climate after 1990, India and Nepal rushed to negotiate two new agreements in order to deter Chinese aggression and counter Beijing's claims: first, they signed a friendship treaty, and second, they created a trade deal (Maxwell, 1998). The buffer zone had relocated to the Himalayan border states, where China now competes with India

for dominance, as a result of the conquest of Tibet and the expansion of a strategic road network southward to the Himalayas. The book presents an explanation of India-China relations and the origins of their antagonism, and discusses India's and China's influence in Nepal to ensure their dominance over one another (Maxwell, 1998). Nepal's relations with India spanning through centuries is determined more by geography and history rather than any other considerations. The two countries not only share an open border and unhindered movement of people, but they also have close bonds through marriages and familial ties, which is unique in Asia. The open border is a symbol of their deep trust and friendship (Mishra, 2011). Nepal has a special place in Chinese foreign policy as well. China has always been following a modest policy towards Nepal ever since the two countries established diplomatic relations in 1955. However, after the improvement of bilateral relations, China started giving important place to Nepal in its foreign as well as neighborhood policy. China had been focusing on containing Tibetan refugees and their anti-China activities. Therefore, China had taken every step to persuade Nepal to contain the Tibetan refugees in the South of Himalayas (Acharya, 2013).

China believes that Nepal is a fertile area for Dalai Lama supporters protesting for Tibet, who have been in exile in India since 1959. So, it always seeks to influence Nepal for deterring any kind of anti-Chinese movement in Nepali land (Acharya, 2013). There have been discussions regarding the Chinese efforts in Nepal following the political transition, alarming India. The high-profile Chinese political, military, economic, or cultural mission arrives in Kathmandu every month (Upadhyay, 2012). It is because Nepal

is an essential part of China's South Asia policy. China has obtained guarantees from Nepal that it will stick to the one-China concept, recognize Tibet as an inalienable part of China, and ensure that no anti-China action is permitted on its land (Acharya, 2013). While mentioning that China has been closely monitoring the recent politics of its neighbors, China and Nepal can do much together for peace, stability and prosperity in the region.

Some of the scholars have examined India-Nepal relations from 1950 including treaties, bilateral agreements, and joint communiqués in the political, security, and economic sectors (Subedi, 2005). The book describes India and Nepal as the world's closest neighbors, but also states that they have the greatest number of disparities. Despite the fact that they appear to have a lot in common, they have a hard time addressing many important issues, such as border conflicts, trade and transit challenges, and water cooperation issues. The book also discusses India and Nepal's inability to adequately handle the changes that have occurred in their ties since 1950. Since the time of the first sovereign Prime Minister of India, Jawaharlal Nehru, it has used the same British colonial foreign policy in Nepal, referring to India's security concerns from communist China. In order to preserve security concerns, India has consistently pushed Nepal to maintain a distance not only from China but also from all other foreign nations. Since many influencing Indian politicians have frequently stated their concerns about security, notably with China and others. India has always said that Nepal is an independent country; however, they have never specifically stated that Nepal is a really independent country with the ability to conduct its foreign policy with its neighbors

and others.

While analyzing the above literatures, such as books, journals, articles, it is evident that all of them have emphasized on Nepal-India-China historical relations, vulnerability of Nepal, complexities for Nepal in geopolitical ground. Furthermore, the literatures have not discussed the geopolitical standing of Nepal amid the strategic moves of powerful nation like Belt and Road Initiative, Indo-Pacific Strategy, Millennium Challenge Corporation etc. My research takes departure by exploring the important role of Nepal in south Asian geopolitics concerning India and China, geopolitical opportunities for Nepal and analysis of current geopolitical scenario by considering some of the recent moves of India, China and United States.

### **Research Methodology**

This is a qualitative research focusing mainly on descriptive/explanatory approach and as a library based research is it largely dependent upon document analysis. The selection of literature was not a random process, rather this research has tried to incorporate Nepalese perspective of geopolitics by predominantly using the literatures produced by Nepalese scholars and researchers on the said area.

### **Research Design**

In this research, the tools used for data collection were content analysis of documents and available literatures. The researcher has used secondary sources for data collection such as books, dissertations, newspapers, bulletins, treatises, and journals. Unpublished documents such as research reports, press statements, working papers, memoranda, declarations and documents kept by various libraries, departments and ministries were also studied and analyzed. Further, I

have employed descriptive, analytical and comparative methods to interpret the data available. Exploratory research design has been used in this research to understand and discuss the ideas of various scholars regarding the geopolitical complexities and opportunities for Nepal. This research has used some primary data that was collected through online conversation with some diplomatic personalities.

### **Conceptual Framework**

The word ‘geopolitical chessboard’ is often used in academia to explore the position of nation state in international geopolitics. For example, Zbigniew Brzezinski presents a bold geostrategic vision for American preeminence in the twenty-first century by exercising power on the Eurasian landmass. In the same regard, this study has also accommodated the concept of geopolitical chessboard to analyze the role and importance of in geopolitics, particularly under the conflicting interest of international actors like the US, China and India.

Similarly, the metaphor of chessboard is relevant to define the geostrategic approach of US and China in Nepal. Unlike the western chess game, the Chinese geopolitical strategy in Nepal is guided by the Chinese game of “wei qi”. In Western chess, the emphasis is on finding the fastest way to capture the king but in wei qi, the goal is to slowly and patiently build up assets to tip the balance of the game in one’s favor for a long term gain (Mahbubani, 2019). From the same perspective, it can be argued that China is slowly acquiring assets that are progressively turning the strategic game in China’s favor, inter alia, through the BRI projects.

Furthermore, this research has progressed

on the ground of philosophy of realism that “international politics, like all politics, is a struggle for power” (Morgenthau, 1978) by considering India, China and US's approach towards Nepal. The bilateral relations between India and Nepal, China and Nepal are the result of a struggle for power not between India and Nepal or China and Nepal but between India and China and Nepal is being played in the geopolitical chessboard. The analysis made in this research is also framed under the Heartland theory of Mackinder- whoever controls Eastern Europe controls the Heartland. Mackinder had developed a deductive chain of reasoning that ‘if a particular country dominates east Europe, it will dominate all of Eurasia and if it dominates all of Eurasia it will dominate Eurasia and Africa and if it dominates Eurasia and Africa, it will dominate the whole world.’ The geopolitical tactics of India, USA and China in Nepal is explored from the same perspective of Heartland Theory-- and is discussed as an act which is done for the struggle of power and dominance in the Asian region.

Because the Heartland is a component of geopolitics, it transfers from one region to another when the situation changes. Shifts in geopolitics influenced many historical and political events, including World War I, World War II, and the Cold War. Because the fundamental reasons, characters, geography, and geopolitical circumstances of various historical episodes differed, it is clear that geopolitics is dynamic and evolving in nature, as is the Heartland. As a result, the Heartland has shifted to Asia, particularly the region of China and India, where Nepal is placed in the center of those nations, forming one of the New Heartlands of the twenty-first century. Due to a high engagement of the US and

China in this region, particularly Nepal will be emerged as one of the New Heartlands for global power competition in the twenty-first century power politics.

### **Data Analysis Method**

Content analysis of documents and texts (printed or visual) are conducted. United Nations Press release, Newspaper Articles/ Reports, journals, relevant scholarly articles, published books, and online reliable videos and data available from Ministry of Foreign Affairs (MoFA), Institute of Foreign Affairs (IFA), Nepal among others are taken into consideration and analyzed to quantify content in terms of predetermined categories and in a systematic and replicable manner. The collected data are analyzed through qualitative and exploratory methods. In this study, qualitative data are used to present in narrative form using descriptive research design. The study has analyzed the problem both in descriptive and exploratory manner. All the data are presented and findings are provided with recommendations for the purpose of further study.

### **Results and Discussion**

The return of geopolitics to the globalized world has made small countries feel more insecure in the international system. On the one hand, given the strategic importance of Nepal's geography in history, the British colonies tried their best to turn Nepal into a friendly 'buffer state' between China and British India to protect themselves from the Chinese aggression. As a result, soon after the end of British rule, the new ruler of India, realizing the geopolitical importance of Nepal, immediately started writing letters in

1950 mentioning peace and friendship treaties as well as security issues. On the other hand, despite some flexibility in the border dispute, China signed a peace and friendship treaty with Nepal in 1960, which was driven by its geopolitical interests (Koirala, 2016).

The geopolitical situation of Nepal, which is located between two big neighbors, is becoming more and more complicated in the changing global environment. Theoretically, the ultimate form of geopolitical competition is war. Therefore, the process of exploiting complex geopolitical positions is not always profitable (Kaplan, 2009). Nepal has come to the present situation by undergoing various political tests after enduring many political blows and setbacks. Due to the political developments of the last two decades, Nepal has become a matter of concern in international relation (Chalise, 2017). China, a northern neighbor eager to become a world power, has been steadily progressing since 1949 through a one-party communist system. Similarly, India, a southern neighbor, has been moving forward on the path of development since 1947, freeing itself from the British rule, through parliamentary democracy, like China (Chalise, 2017). Nepal, which is between these two neighbors, is trying to remain neutral upholding the non-alignment policy. Nepal's recent political developments are being monitored in their own way by the United Nations, European countries, and neighboring China and India. Being groomed under different political systems of governance, both neighbors- Indian and China, are in the race for the world power. Both these neighbors are competing to make their presence felt by considering Nepal as an area of geo-strategic importance in line with their neighborhood policy. After the British left South Asia in 1947, the balance of power

in favor of India gradually changed in some years. China, which was dormant at the time, has now made a strong presence (Frank, 2010). It has strengthened its presence in the Indian Ocean by building multi-purpose infrastructure in Pakistan, Sri Lanka, Bangladesh and the Maldives. In the world strategic arena, China's encircling of India is understood as a 'string of pearls'. And, China's ambitious infrastructure projects like BRI is not only for economic purposes, but also of strategic importance. Currently both the Asia-Pacific and the Himalayan subcontinent are going through a transition period of disintegration of the geopolitical status quo of the past and the creation of a balance of power based on a new configuration of power. In order to maintain the status quo or to prevent the spread of China in in this transition phase, the immediate neighbors of China became valuable for the containment of dragon state. And, this is the reason why Nepal, which is in a sensitive geopolitical position, has also felt the movement of increasing geopolitical competition (Gokhale, 2021).

In this situation, Nepali geography is a potential 'front' for the US-led anti-China front, including India and Japan. The tensions in the region should be understood as a confluence of both India's attempt to maintain its monopoly power in the Himalayan region and the US alliance's strategy of encircling China. However, the failure to maintain it as its sole sphere of influence is the result of India's conservative attitude towards Nepal. Due to this depressing mentality, India resorted to direct intervention like blockade, which yielded counterproductive results by forcing Nepal in the lap of China (Ojha, 2010).

India, which has always been skeptical of its neighbors on security issues, has been



enjoying its own direct and indirect presence in the neighborhood. It is a remnant of the British colonial mentality in Indian foreign policy. In other words, India has always believed that strong monitoring in neighbors internal affairs help her to ensure strong grip in the region. India is still stuck in the half a century ago Nehru-era doctrine of 'Himalayan Frontiers Policy', which considers the Himalayas as its shield (Kirk, 1992). Annual Sino-Indian trade has now reached 75 billion, but the 1960s wartime mentality towards China is still dominant in Indian foreign policy thinking because of which it is not happy to see Nepal's proximity with China. In past years the trade relations between China and India have been growing and China is trying to get as close as possible to India. However, the United States, which does not like China's growing power, is trying to put India in competition with China, and India also seems to play along with the desires of the United States. This dimension of US-India relations has not kept pace with India's growing political and strategic friendship with China. Therefore, Nepal, which is at the strategic center of Sino-Indian-US relations is trying to develop in a new way now stands at the edge of new challenges and opportunities. Similarly, the problems of Tibet, the growing Indo-US relations and the anti-China activities in the Chinese territory bordering India are of Chinese interest (Gokhale, 2021). Considering the far-reaching impact of India-US relations on China, Chinese activism in Nepali politics is also increasing. The confrontation between the US and China could be inevitable in the near future, as China seeks to make up for the US weakness in the balance of power in South Asia as a whole. As the US-India alliance seeks to build stronger ties with countries dissatisfied with China, a long-term confrontation between

China and India is inevitable (Gokhale, 2021). In such a global strategic area, there is an urgent need for Nepal to formulate a balanced and strategic foreign policy that can reach a national consensus.

Whether the two countries- India and China move forward by convergence or by divergence, as an immediate neighbor, Nepal is experiencing the effects of their geopolitical confrontation. Nepal's national security policy can also be deeply reflected in the security challenges posed by its geographical location and the geopolitical turmoil of the two major countries. Well, neither side has made the slightest effort to address the crucial question of Nepal's security concerns. During a visit to China in 2018, the Indian Prime Minister Narendra Modi and his Chinese counterpart Li Keqiang agreed to develop Lipulek in Darchula district, which also includes Nepal, as a trade route, which was immediately made public in a joint statement. Knowing that Lipulek falls under Nepal's territory, China and India did not consider Nepal's consent or participation necessary (Dixit, 2020). Not only that, but both neighbors became indifferent to Nepal's claims, protests and dissatisfaction with the agreement. This trend was guided by the convergence policies of China and India. It reminds us of the quote from the American scholar Robert D. Kaplan that geography has new meaning in the globalized world. At the same time, looking at recent events, the effects of geopolitical relations in a new form are beginning to be seen in world politics. And, geography and geographical proximity are becoming predominant in it (Dixit, 2020). The Lipulek case also highlights how small countries are affected by this type of relationship. Nepal currently is living the metaphor of "When elephants fight, it is the

grass that suffers” where India and China are elephant, between them lies Nepal as grass (Adhikari, 2012).

In the changed context, China and India are essentially competing to become the first political power on the Asian continent. Indians understand that China's non-cooperation in depriving it of membership of the Nuclear Suppliers Group (NSG) some time ago as an act of enmity (Saran, 2020). In response India too sided with the United States in supporting the ruling of the International Court of Justice in The Hague against China in the South China Sea issue. India is stepping up its naval activities in the Indian Ocean and the Persian Gulf. She has been conducting joint military exercises in the South China Sea with Vietnam and the Philippines and other Asian countries, including Japan, Sri Lanka and Australia. Meanwhile, China is strengthening ties with countries that do not have good relations with India, including Pakistan, Myanmar and after unofficial Indian blocked with Nepal too. Over the past decade, China's new economic prosperity, its efforts to find alternative maritime routes for the natural raw materials needed for its conservation and development have significantly changed the geopolitical dimension of South Asia. Related to this is the concept of the Sea Silk Road under the Belt and Road initiative put forward by China.

The development and expansion of the BCIM Economic Corridor, a major partnership between China and India, which China later described as the Southern Silk Road, has been hampered. Tensions between China-India-Pakistan have started due to the strengthening ties between China and Pakistan and the economic corridor within the BRI. Similarly, another sub-regional organization Bangladesh, Bhutan, India and

Nepal (BBIN) has been formed under the leadership of India in line with the concept of trilateral cooperation proposed by Nepal and supported by China (Baruah, 2018). Geopolitics has come to the forefront in terms of economic assistance provided by India and China, humanitarian relief, and the use of multilateral diplomacy. The significant grant of foreign aid in the aftermath of last year's devastating earthquake was not only due to Nepal's immediate needs and the humane sentiments of its allies. There was a geopolitical reason for that. Mainly in the last decade, the similarities and differences in the policies of these two giant Asian countries in Nepal's politics and their impact have been discussed. If we look at the developments so far, Nepal has benefited from the healthy competition or cooperation between China and India, but the 'convergence' or 'divergence' between them is fatal for Nepal. Therefore, it is necessary for Nepal to pursue a foreign policy that attaches high importance to its neighborly relations with both China and India. Furthermore, Nepal should be able to demonstrate its presence, necessity and importance even in their mutual relations.

### **Conclusion and Recommendations**

The involvement of international actors like United States and China in Nepal with their strategy-loaded projects like BRI and MCC, Nepal is under the pressure to accommodate the geopolitical interest of both superpowers by adhering to its policy of non-alignment. Today's developed nations have gone far beyond the tradition of understanding geopolitical relations only in geography and politics. It is now evolving to the different paradigm of foreign investment and share resources which put resourceful nation like Nepal in the eye of international powers. Nepal-India or Nepal-China relations cannot

be seen in isolation when it comes to overall geopolitics. Since Nepal's relations with both countries affect each other, Nepal-China-India relations should be viewed holistically in terms of geopolitics. In other words, whatever relationship Nepal share with China or India, it will affect the other country. And, due to its geographical location, Nepal cannot stay away from the influence of 'systematic' geopolitics. That is, an extreme influence of either China or India in Nepal that affects the other country as well. That is why Nepal's relations with China and India cannot be seen in isolation. It needs to be seen as Nepal-China-India relations, both in theory and in practical policy making. Otherwise, there is the risk of arriving at the wrong conclusion. If India's relations with the smaller South Asian nations are not cordial, they will automatically get tilted towards China. It is not uncommon for the eyes of small South Asian countries to be so focused on China's growing global influence. However, such a situation, of playing the China card, has been insinuated by Indian diplomats.

In the past few decades, the setting for international relations between states has transformed considerably at the regional and global levels. There has been paradigm shift from one of geo-political safety concerns to more of economic and social security concerns. The magnitude of economic interdependence between nations and associations based on a win-win position are becoming the new sustainable values in world politics. Nepal has already been touched by the drastic surge of right-wing nationalism across Europe and America. Nepal needs to recognize its big neighbors' policies and their implied strategies because policy does not come out of nothing. Hidden mechanism and interest are always present there. If we fail

to exercise diplomatic caution on analyzing their policy and remain playing China card or India card against both neighbors, we are sure to encounter doomed fate which could stake our entire nation.

In recent years, after 2010, Nepal seems pursuing equi-proximity towards its neighbors, but geography as well as culture, puts New Delhi closer than Beijing. Nepal crammed between Northern and southern neighbor has been sharing very reliant relations with India since the beginning of 1950s after signing Treaty of Peace and Friendship. Lately some political circumstances have forced Nepal into historical realization that India has been interfering in its domestic matters and Kathmandu slowly began to nurture relation with Beijing. Alongside such circumstance, in order to preserve sovereign identity, Nepalese ruling government were constantly duty-bound to balance the South against North. Equidistance approach became primary groundwork of its foreign policy between both giant neighbors. Despite sharing geographical and socio-cultural relations with India, the post-2008 geo-economic and political conversion in the region stimulate Nepal to turn towards China.

In case of southern neighbor, the relational magnitude seems many steps ahead because of deep etymological similarity, social as well as religious affinity, ancient bonds with geographical proximity and other spheres of domestic relation between India and Nepal— whose newly cultivating trade and economic link with China cannot absolutely outweigh Indian ties. Mainly the People-to-people relation existing among Nepal and India is way forward than contact on Chinese side. In India, there is saying that Nepal and India have: *Roti & Beti ka rista* (Translation: Relationship of Bread & daughter) (Upreti,

2016). Many daughters from Himalayan country have in-laws in Indian homes, similarly thousands of Indian sons-in-laws are tributed with Nepali '*chaurasi benjyan*' honour. Nepal-China relation is also framed by marriage of Lichhavi princess Bhrikuti with Tibetan king Songtsän Gampo in 638 BCE. However, one clichéd or over-celebrated antique ties cannot actually determine the contemporary relation between two nations. The tact of diplomatic balance has been historical strategy excelled by every ruling government in Nepal, whether royal power, democrats or communist. To extract benefits from India, Nepal usually took privilege of playing "China card" – tilting to Beijing, was the shrewd way to reap favor from India. While such ultra-smart move has frequently worked in the past, it's likely to confront new trials as balance of power witness gradual shifts resulting high possibility of Sino-Indian clash. It can be concluded that the geographical relation should be balanced accordingly with context and balanced doesn't mean absolute 'equal'. Ideologically, equidistance as Cold War strategy was implemented by small countries in the then bipolar world. But in today's multipolar world, equidistance seems an outdated idea. Still, Nepal continues to express its commitment to the equidistance policy, through different mediums, including the proposal of Trilateralism. To further open new bilateral avenues both nations will have to redress the past blunders.

As the picture itself speaks, the facts prove that Nepal is in a geopolitical complexity. Therefore, it is necessary to have a national consensus on how to maximize the benefits by turning this important geography of Nepal into an opportunity. Accusations, rebuttals and apprehensions cannot lead to

a balanced foreign policy formulation and implementation. There are indications that Nepal's participation in the Belt and Road Initiative program led and conducted by China in the last phase, India's non-participation and India's participation in the US Indo-Pacific Strategy and Nepal's inability to make concrete decisions on MCC so far could complicate Nepal's geopolitical situation. Given the neighboring relation with India and China, the proximity, trilateral geopolitics and semantics have crossed stages of unity, struggle, cooperation and competition in different historical periods in the political, diplomatic and trade dimensions. But at present, strategically important programs such as BRI and MCC and the question of participation and partnership in them seem to be further complicating the relationship. One of the reasons for this may be the trust deficit seen in the Nepali leadership. On the other hand, Nepal's political stability and economic development will only balance the relations with India and China.

Being a geographical bridge, Nepal automatically plays the role of critical security ground for both China and India. In turn, it also remains under the threat of its sovereignty buffered among two South Asian giants. In regard to the growing concern of whether Nepal will join Indi-pacific or not? What would be the stand of Nepal? Why BRI? Why joint military exercise? All of these questions have single practical answer - Meticulous Diplomacy. Here I would like to push the concept of meticulous diplomacy which involves the strategic use of our foreign policy and diplomatic maneuver. Neutrality is not a foreign policy that Nepal needs in present context rather the country should endeavor to exercise the prototypes of meticulous diplomacy by attempting

to maintain Equi-distance and non-alignment with both American and Chinese initiatives (Ghimire, 2017). Precisely Nepal should practice meticulous diplomacy by undertaking the hedging strategy- which implies shifting the policy approaches in accordance with changing geopolitical circumstances. Meticulous diplomacy is when the current government responds to both BRI and MCC by upholding its policy of non-alignment. It is when Nepal manages to break the ambivalence by putting forward its precise intention of being involvement with either BRI or MCC. There has been a lot of talks about Nepal relation with India, China and US, its foreign policy, Equi-distance strategy, neutrality, nonalignment, BRI, MCC and so on. In regard to the Millennium Challenge Corporation, except some buzz in media nothing has progressed on ground and the political echo chamber ongoing on media has contributed to Nepal's ambiguity in MCC. In middle of this ambiguity, the country may have to face some unexpected consequences. So, before footing any steps forward, Nepal needs to identify the context causing this ambiguity and seek a strategic ground to exercise meticulous diplomacy.

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