**Stabilising India-Nepal ties in changing times**

In Nepal, there is a palpable sense of restlessness, dissatisfaction and uncertainty in the air these days because of the overall political and economic environment. While the transition to a full-fledged democracy underpinned by credible political institutions seems to be an unending one, there is also confusion about the direction in which it is headed.

And, there are a lot of questions. Was it premature for Nepal to have decided through a Constitution (which was rushed through and barely debated) that it should be transformed instantaneously into a secular federal democratic republic? This when as a young democracy it had just battled one upheaval after another, and was in dire need of leaders, experience and institutions capable of handling daunting challenges? Should Nepal, which had a wonderful tradition of being deeply religious but with a secular and tolerant ethos, revert to its Hindu identity which it had lost when political parties were negotiating with the Maoists for an end to their 10-year insurgency? Should the monarchy be restored for want of institutions which could make sure that red lines were respected in the interests of safeguarding democracy? Was a genuine federal setup not an invitation for Nepal’s disunity? How can Nepal survive in the post-COVID-19 world when corruption and misgovernance are so rampant?

The new government in New Delhi in June will have its hands full handling its foreign policy priorities. One of them will continue to be China. And for that reason alone, a high level of attention being paid to Nepal is certain, especially in view of recent developments there and the high probability that political certainty will continue there in the months ahead.

**Changes under China’s shadow**

One reason for attention is the recent dramatic change in the coalition partners of the incumbent Prime Minister, Maoist leader Pushpa Kamal Dahal ‘Prachanda’, which saw the largest party in Parliament, the centrist Nepali Congress (NC), being replaced by the second largest party led by K.P. Sharma Oli, who when Prime Minister in the past, had gained the reputation of being pro-China and anti-India.

The Chinese were the first to officially welcome the renewed alliance between the two major left parties, which they have been urging for long, sometimes publicly, and clumsily.

This time around they managed to avoid public controversy and allow the revival of the partnership to look as if it was a purely internal matter. Yet, they would have relished the readiness of the new left government to ignore Indian sensitivities. Nepal’s Foreign Minister departed from convention by making his first official foreign visit to Beijing rather than New Delhi, and, despite domestic warnings of falling into a Sri Lanka-like debt trap, agreed to revive cooperation on China’s Belt and Road Initiative (BRI).

There have also been high-level military visits where new understandings have reportedly been reached. China’s intentions are very clear: to expand its influence in Nepal at the cost of India’s. Interestingly, the revival of the far left is being accompanied by a strong clamour from forces on the far right, which include calls for the restoration of the institution of monarchy and Nepal’s Hindu identity.

Nepal, which was once the world’s only Hindu kingdom, was converted by its Parliament into a secular federal republic shortly after the Maoist insurgency ended and the Maoists agreed to be mainstreamed into the country’s democratic polity a few years ago.

Both sets of forces have the reputation of being ultra-nationalistic, pro-China and anti-India. Even otherwise, continuing political instability and malgovernance could invite a proliferation of India-directed mischief from Nepal by third countries and their non-official partners — the ‘nexus’ of smuggling and terrorism in Pakistan that India’s External Affairs Minister S. Jaishankar recently described as an ‘industry’.

During the last phase of the King Birendra years, political instability accompanied by frequent changes of government (a result of political opportunism), facilitated the spread of a Maoist insurgency within Nepal which later established its headquarters in a jungle hideout in India. In parallel, there was an escalation of the smuggling of drugs, arms and terrorist-related cross-border activities masterminded from Pakistan against India, from Nepalese soil. The latter culminated in the hijacking of flight IC 814 in December 1999.

The redeeming feature then was a stable relationship between India and Nepal under Nepal’s ‘twin pillar’ policy of supporting the king and multi-party democracy, which resulted in India’s discreet cooperation and good relations across the political spectrum. It also saw Indian and Nepalese intelligence agencies working to expose Pakistani involvement.

Eventually, the situation quickly developed into a multi-faceted crisis, causing upheavals and transformations in Nepal and new questions about the quality of its bilateral ties with India.

Unlike in the past, China is now proactively working against India in Nepal. No longer does it have a low profile. It would probably be openly supportive of any cross-border instigation of terrorist activities in India — which, for China, would come under the category of “good terrorism”. It suits Pakistan to do its bit too as it knows that it can rely on China for support when needed. Theoretically, India is not alone. It has the Quad (Australia, India, Japan, the United States), Indo-Pacific and other groupings keeping a close watch on China’s moves to expand its influence through fair means and foul. However, it would be risky to assume that these would be of help if a Great Game 2.0 begins in a shaky Nepal.

**India’s stand**

India has been playing its cards reasonably well, keeping a low profile and avoiding controversy by staying out of Nepal’s internal affairs. However, pressure from some Nepali quarters to give “advice”, or the temptation by some in India to give it in at least two important matters can be anticipated. Should Nepal revert to its old identity as a Hindu nation? And, should the calls for restoration of monarchy be encouraged given rising frustration with a democracy without strong institutional underpinnings?

India (whether at the level of central, State or civil society) will have to give careful answers. In Nepal, opinions are often over-interpreted and confusion caused as a result of ‘mixed signals’ from India. It is for the Nepalese to decide on such issues. India could consider offering a new and holistic development road map which would excite public imagination and attract cross-party political consensus.

For example, there could be a transformative, sustainable development agenda aimed at improving the quality of life of its people. Innovative approaches in sectors such as health, education, food and nutrition, child development, gender and jobs, will ensure that the BRI and other Chinese pet projects are not a priority.

High-level Indian attention could inject a sense of optimism, stimulate investment in key sectors, and promote cross-party consensus on major projects. This will ensure that there is continuity and time-bound results even in the midst of instability, foster new inter-linkages between industries in both countries, address the demographic dividend, respond to the yearning in Nepal for a sense of equality and sovereign space, and build on the foundation of common civilisational assets which make the India-Nepal relationship so unique. India should also never forget that for the big brother-small brother syndrome to be overcome, the onus lies on the big brother — the style of diplomacy matters as much as the substance in relations between the two countries.

With regard to Nepal, the many concerns complicating the India-Nepal relationship need not be an insoluble migraine. The new government in New Delhi in June this year has its work cut out.