

**POLITICAL GEOGRAPHY OF NEPAL :  
A Study of Interaction between  
Domestic Environment and External Policy**

Dissertation submitted to the Jawaharlal Nehru University  
in partial fulfilment of the requirements  
for the award of the Degree of  
**MASTER OF PHILOSOPHY**

**SURJIT KUMAR**

POLITICAL GEOGRAPHY DIVISION  
CENTRE FOR INTERNATIONAL POLITICS,  
ORGANIZATION AND DISARMAMENT  
SCHOOL OF INTERNATIONAL STUDIES  
JAWAHARLAL NEHRU UNIVERSITY  
NEW DELHI-110067, INDIA

1991



CENTRE FOR INTERNATIONAL POLITICS  
ORGANIZATION AND DISARMAMENT  
SCHOOL OF INTERNATIONAL STUDIES

19<sup>th</sup> July 1991

C E R T I F I C A T E

Certified that the dissertation entitled "Political Geography of Nepal: A Study of Interaction between domestic environment and external policy" submitted by MR. SURJIT KUMAR in fulfilment of Nine Credits out of total requirements of Twenty-four credits for the award of Degree of Master of Philosophy (M.Phil.) of this University, is his original work and may be placed before the examiners for evaluation. This Dissertation has not been submitted for the award of any other degrees of this University or of any other University to the best of our knowledge.

*Sumitra Chishti*

PROF. (MRS.) SUMITRA CHISHTI  
Chairperson

*R.C. Sharma*

PROF. R.C. SHARMA  
Supervisor

*DEDICATED TO MY PARENTS*

## A C K N O W L E D G E M E N T S

The present study owes its existence to the stimulating and incisive guidance of my supervisor Prof. R.C. Sharma, Head Political Geography Division. At every stage of this work, he clarified, rectified and encouraged me a lot to get through labyrinth of complexities in the right direction. My debt to him is immense.

I am also deeply indebted to Prof. Sumitra Chishti, Chairperson of the Centre for extending cooperation throughout for the completion of this work.

I take this opportunity to express my gratitude to Librarian, Indian Council of World Affairs, Sapru house, Staff of J.N.U., Teen Murti, the American Library and P.U. Chandigarh for extending every possible help.

In course of writing this dissertation I received cooperation and encouragement from a number of friends and colleagues. I express my heartiest thanks to them all especially my friend, Mr. G.P. Regmi, Research scholar in J.N.U. from Nepal, Mr. D. Bhattarai, first Secretary, Nepali Embassy, New Delhi, Dr. Prabhas C. Sinha, Manoranjan Mohanty, V.K. Sharma, Sajoy Dhall, Lanusashi & Parmod for their valuable suggestions and for providing me necessary research material.

At last but not least I express my indebtedness to my parents; Vijay Bhaia, sister Kusam and Savita who remained as a constant source of inspiration in accomplishing this task.



SURJIT KUMAR

# C O N T E N T S

Page No.

ACKNOWLEDGEMENTS		
	INTRODUCTION	1-8
CHAPTER - 1	GEOGRAPHICAL FRAMEWORK	9-37
CHAPTER - 2	EVOLUTION OF NEPAL AS A NATION STATE	38-60
CHAPTER - 3	DOMESTIC ENVIRONMENT AND POLITICAL SYSTEM OF NEPAL.	61-71
CHAPTER - 4	ECONOMIC NEEDS, COMPULSION OF BEING LAND-LOCKED AND DEVELOPMENT.	72-91
CHAPTER - 5	GEOGRAPHICAL DETERMINISM, FOREIGN POLICY AND RELATIONSHIP PATTERN.	92-105
CHAPTER - 6	NEPAL'S EXTERNAL RELATIONS.	106-125
	CONCLUSION	126-134
	APPENDIX - I	135-138
	APPENDIX - II	139-140
	SELECTED BIBLIOGRAPHY	141-150

LIST OF TABLESPage

1.	Forest cover of Nepal.	16
2.	Distribution of population by Ecological Zones (census year 1971-1981)	21
3.	Growth of population (1911-2000)	24
4.	Distribution of population by Development Region Nepal census	27
5.	Road ( Black topped + Gravelled & Earthen by Development regions (Mid-July 1989)	29
6	Man-land Ratio by ecological zones	30
7.	Number of Industrial Establishment by Development Regions	31
8	Health: Hospitals Beds by Development Region (1988-89)	33
9	Literate population, six years age and over 1981.	34
10	Nepal: Educational facilities 1988 by Development Region	35
11	Distribution of Development Expenditure between 1972/73& 1975-76 and in 1978-79/1979-80 (in millions Rs.)	36
12	Nepal: Production by Geographical Region ( fiscal year 1988-89)	75
13	Government expenditure & source of finance, 1986-87 to 1989-90.	77
14	Government Revenue for 1984-85 to 1987-88.	80
15	Nepal: Trade Balance	85
16	Nepal: Volume of Trade	87
17	Direction of Nepal's Foreign Trade	88

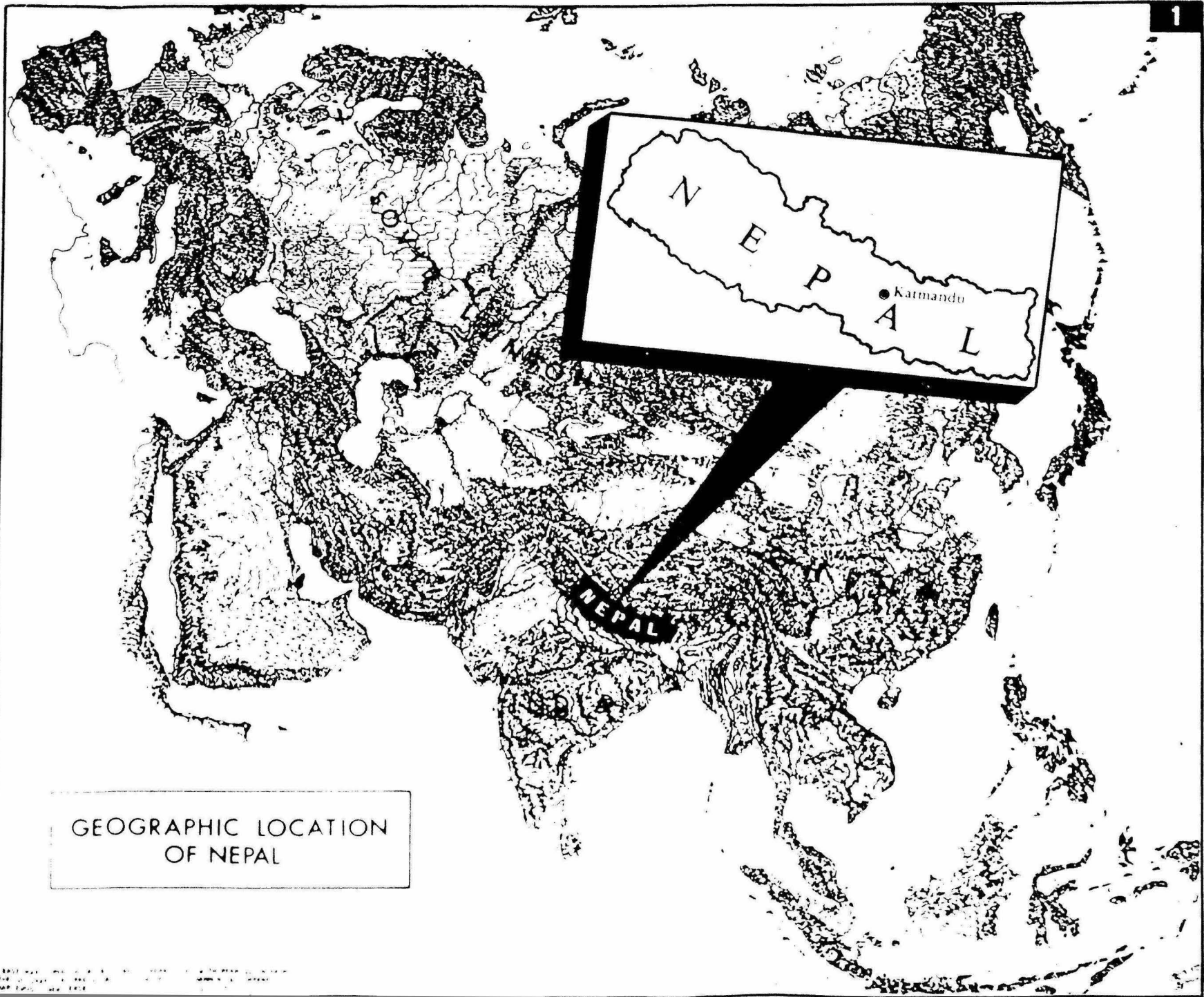
I N T R O D U C T I O N

Political geography is concerned with the study of those geographical aspect of politically organized areas that affect the political life and activities of such areas. Richard Hartshorne has expressed his views in his definition of political geography in the following words: "Political geography is the study of the variation of political phenomena from place to place in interconnection with variations in other features of the earth as the home of man included in these political phenomena are features produced by political forces and political ideas which generates those forces".<sup>1</sup>

The features which are studied under political geography are landforms, climate, water bodies, and economic activities or settlement patterns. With the help of these factors political geographers are able to analyse and discribe the diverse ways in which man organise space for political purpose. It also studies the national and international boundaries the processes and problems of its external behaviour. The nature and development of these aspects of a politically organized area are conditioned by its relationship which exists between the physical environment and its human inhabitants.

Geographically, it is very interesting when the study is made of a nation-state which happened to be landlocked by nature of its geography. It has been found that the landlocked countries of world are generally less developed countries of the world. Even maps of world's least





GEOGRAPHIC LOCATION  
OF NEPAL

MAP OF NEPAL AND NEIGHBORING COUNTRIES  
SCALE: 1:1,000,000  
DATE: 1980

developed countries show this pattern. Today the countries which are landlocked is less than 20 per cent of all the states. But on the other hand they account for 50 per cent of the least developed countries of the world.<sup>2</sup> These countries happened to be poor by virtue of their relative locations. They have no direct accessibility which leads to their underdevelopment. A landlocked country occupies an isolated position with respect to their international trade and commerce is the greatest problem which they faces. Landlocked countries cannot communicate themselves either by land or by air or water with outside world except her immediate neighbours. Obviously their dependence becomes crucial and vital on their neighbouring countries for an access to sea for trade and commerce. Therefore distance factor becomes very important for these landlocked countries. Generally high cost of transportation via other countries discourages and slows down the infrastructural development in the concerned country. As a result these countries dependent on other countries for economic development becomes vital especially for industrial establishment, projects, transportation facilities and also they become importers of manufactured goods from neighbouring countries and exporters of cheap raw material to the neighbouring countries. These all factors account for the stagnation of the economies of landlocked countries.

Geopolitical position of a country is very important but in case of landlocked country, due to their unfavourable geopolitical position. Sometime it becomes very difficult for these countries even to survive when restrictions are imposed on these countries by their neighbouring countries upon whom they depend for their trade and transit facilities. Because these countries use the ports of neighbouring countries for outlet to the sea. Even the political borders are closed, economic restrictions are put upon the landlocked countries by their neighbouring countries to accept their own benefit and thus landlocked countries become the victims. They also become the innocent victims of actions by a third party against the transit state on which they depend for their access to sea.<sup>3</sup> So to avoid any confrontation with their neighbouring countries, they always try to have a good relations.

The level of interaction with the neighbouring regions are a function of the natural constraints which get expressed in the form of highly rugged topography and other geographical features surrounding it. In case of Nepal two geographical features, the ecology of Nepal and Mount. Everest play a great part in orienting the development of space, the relationship of Nepal with immediate countries. Nepal's interior location between two giant countries India and China has been the single most important factor which has determined the nature and course of its

development. It is its strategic location that facilitated Nepal to protect its territory from neighbouring countries India and China.

Chapter first is specifically devoted to the geographical framework of Nepal. Its main emphasis is on spatial aspects of the phenomena namely diversities and accessibilities and various natural and human resources are covered. Economic transformation and regional disparities and consequences are the other fields which are analysed and discussed here.

Evolution of Nepal as a nation-state, is necessary to understand the political and associated phenomena in relation to the past. Unity and integrity are the important part of a country's political development. So keeping in mind this fact, the process of integration and national unity is also concerned in this chapter. Boundaries of a politically organized area are among the most important of its attributes. Security and outside movement of a country depends upon its boundaries. With the development of a nation, the administrative boundaries also changes. So in this second chapter, an attempt has been made about the boundary demarcation and administrative geography of Nepal.

Nepal's political set up affect its domestic environment and external policies and of course international relations. The administrative system and role of monarchy needs to be understood and explained in

the case of Nepal which will be discussed in this chapter. People's participation in the development and governance of the country is always a question mark and democracy and democratic movement frequently emerged with the hope to hold the country together in the task of national reconstruction. All these factors will be discussed and analysed in this chapter.

Nepal's economic needs are different and pose always serious issues concerning development with or without external participation. It is primarily an agricultural country with forest as playing significant role. Therefore this chapter attempts to discuss economic needs of Nepal. Nepal is a landlocked country, which is a great disadvantage to her economy. Its impact will be discussed in this chapter from different perspectives especially in relation to resource mobilisation and technological requirement of the country. Besides these, external trade partnership and development issues are also important part of the economy will be attempted in this chapter.

Nepal's external linkages, partly Indo-centric but always under test. The regional and international forces have placed pertinent stamp on the nature and character of Nepal's foreign policy framework. They are always conditioned by threat perception and geostrategic consideration so to understand these factors within geographical framework have been discussed in the 5th

chapter.

The last and the final chapter has been fully devoted to Nepal's external relations especially with her neighbouring countries India and China. Their relationship pattern and associated problem have been analysed and discussed. A brief discussion has been done about super power relations with Nepal and their economic assistance.

Lastly, a conclusion has been drawn in brief of whole work and other factors like future prospects and problems of Nepal has been highlighted in brief. A brief account of Nepal and SAARC and Regional interdependence is given in conclusion.

#### OBJECTIVES

Nepal's geographical compulsion of being a small and land-locked nation has affected the political geography intimately. Considering the many facts of political geography of the Nepal, the basic objective of the study is to understand man-nature-development or relationship especially in the context of Nepal as a Land-locked developing country. An attempt is also made to analyse and understand the distinctive elements of Nepal's political geography in relation to its small size and land locked location.

#### DATABASE:

To facilitate aforementioned objectives and major thrust put forward on "The political geography of Nepal: A Study

of interaction between Domestic environment and External Policy" necessary information and data are collected from various secondary sources, viz Newspaper clippings, various treaty and agreements, documents, census reports, statistical abstracts and gazetteer and other historical documents.

Limitation:

Considering broad scope of political geography of Nepal encompassing many fields the unavailability (i.e. difficult to get) of relevant and reliable primary sources on domestic environment has offered an inability to make present work more comprehensive.

METHODOLOGY

To make the aforementioned objective more comprehensive, the information and data collected are analysed and systematised with the help of cartographic and quantitative methods and techniques.

## References

1. Hartshorne, R., "Political Geography in the Modern World", Journal of Conflict Resolutions, vol.4, 1960, p.52.
2. According to the recent United Nation definition of Least developed countries those are least developed. Interestingly 15 of these countries happened to be landlocked countries. These are Africa continent -- Botswana, Burundi, Central African Republic, Chad, Lesotho, Malawi, Mali, Niger, Rwanda, Uganda and Upper Volta, Asian continent -- Afghanistan, Bhutan, Laos and Nepal.
3. Barton, T.H., Outlet to the Sea for the Landlocked Laos. Journal of Geography. 59 (May, 1960), pp.206-20.



## CHAPTER - 1

### GEOGRAPHICAL FRAMEWORK

Diversity and Accessability - Natural Endowments and Human Resources:- Economic transformation and Regional disparities. Levels of Development and consquences.

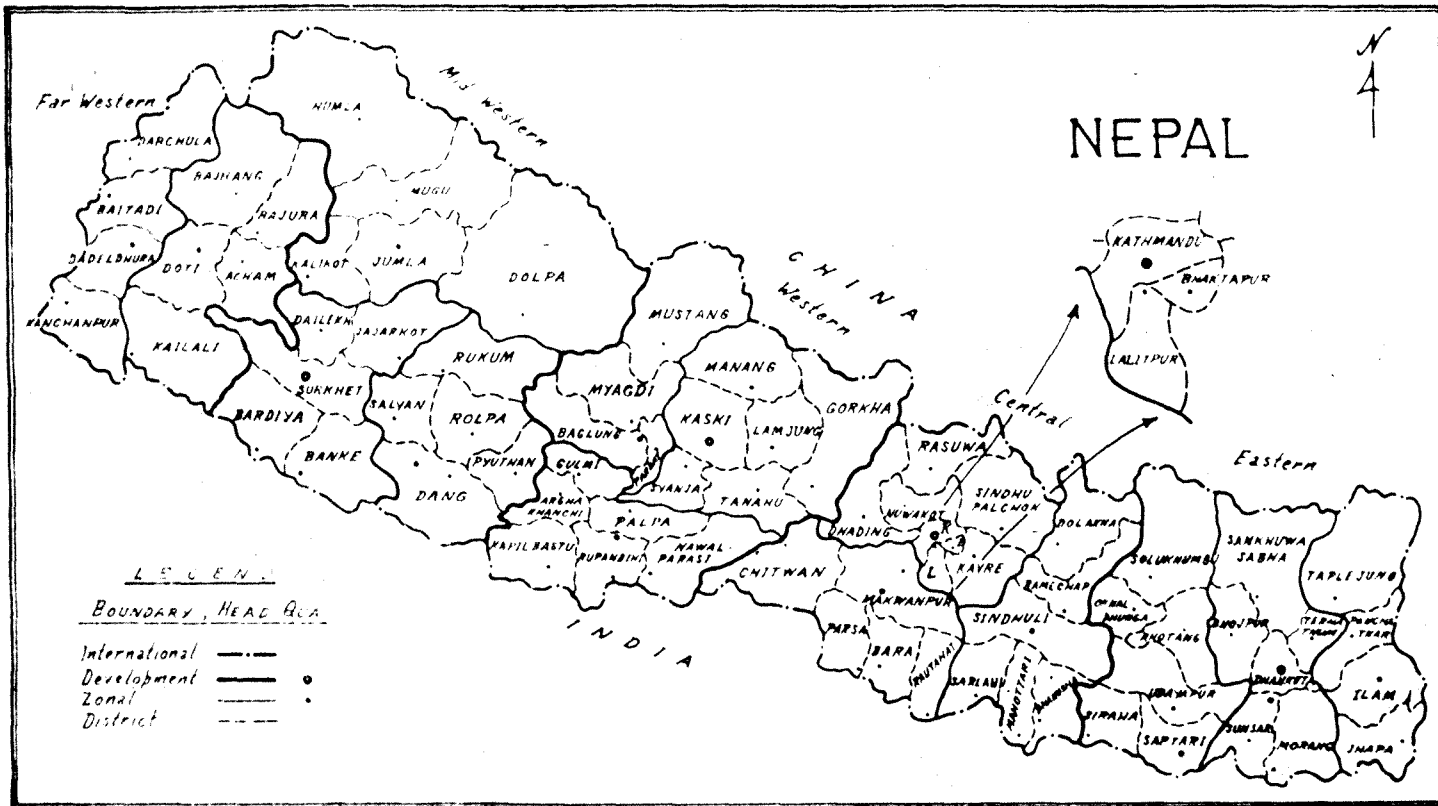
The Sovereign independent Kingdom of Nepal is situated on the southern slopes of the mid-Himalaya. Dominated by the formidable mountain barrier it is located between  $28^{\circ} 22'$  and  $30^{\circ} 27'$  North latitudes and  $80^{\circ} 4'$  and  $88^{\circ} 12'$  east longitudes. Its total area is around  $147,181 \text{ km}^2$ . It stretches for about 885 kms. from East to West. the North South width varies from 241 to 145 km with mean width of about 193 kms .

Being a landlocked country Nepal's northern boundary merges with the Tibet region of the People's Republic of China. On the east side its border lies with the states of Sikkim and the Northern West Bengal division of India. Southern Boundary of Nepal touches the Indian state of U.P. and Bihar.

#### PHYSIOGRAPHY

The major part of the country is mountain and rolling hills. It accounts for about 77% of the total land area and the remaining 23% is occupied by the flat land of Terai. Altitude varies from 152 meters above mean sea level in the Terai region in the south to more than 8839 meter in the Himalayan region.

On the basis of altitude alone, the country can be divided into three natural regions.



### **Himalayan Region:-**

Covering almost the entire Northern Nepal the altitude in this region varies from of 4877 to 8839 meters. The Himalayan ranges like the Kumbhakarna, the Jugal the Mustang, the Ganesh, the Annapurna and the Machhapuchhre run almost parallel in east west direction. In this region the world's famous peaks such as Everest (8848 meters), Kanchanjungha (8598 meters), Makalu (8470 meters), Dhaulagiri (8172 meters) and Annapurana (8078) are located.

### **Hill Region:-**

This region, also known as the mid Himalaya is formed by the Mahabharat range that soars upto 4877 meters. To the south of it lies the Chruia range where altitude varies from 610 to 1524 meters. There are valleys of various width at different attitudes between ranges. They are known as Doon or Inner Terai. The hill region accounts for about 42% of the total land area.

### **Tarai Region:-**

The Terai region has a width of about 26 to 32 kms and medium altitude of (i.e. 305 meters). It occupies about 23% of the total land area of the

country. The Eastern Terai is wider and spreads continuously while the western Terai is narrower and irregular. The forest of the Char Koshe Jhadi, famous for big games lies east to west. It was named after the belief that its average width is 4 Kos (13km).

#### **Rivers and Lakes:-**

Nature has gifted so many river and lakes to the Nepal due to its location on the southern slope of the Himalaya. In summer melting snow adds to their volume and ensure perennial flow of bigger rivers in particular. The river system of the country is made up of three main rivers and their tributaries. The most important river is the Koshi River. It is actually a confluence of seven rivers, i.e. Koshi, Sunkoshi, Arun, Tamor, Tamakoshi, Indrawati and Likhu. Therefore it is known as the Sapta Koshi or the Seven Koshis. The river drains the eastern part of the Nepal. Another river rinn Gandaki is also composed of seven rivers i.e. Trisuli, Kali, Seti, Madi, Daraundi etc. At the point where all the tributaries meet, the river take its name as Narayani. This river drains the central Nepal. The third river is Karnali which drains the western part of Nepal.

Many among the big and best known lakes are

located in the Pokara valley. They are Phewa, Roopa, Begreasa, Sipang and Medi. Rara lake is situated at a height of about 3353 meters. This is the biggest and most beautiful lake in the country.

#### **Climate :-**

The Topography of the country and the moisture laden monsoon from the Indian ocean have a direct effect on Nepal's climate. The Nepal experiences tropical, mesothermal, microthermal, taiga and tundra types of climate. 60 to 80% of the annual rainfall falls during the south west monsoon season (June to September) due to western disturbances north western part of the country receives rainfall greater than that of eastern part. At higher altitude, most of the precipitation falls in the form of snow.

Due to the altitudinal differences, the Nepal may be climatically divided into three types viz. Sub tropical, Temperate and Alpine.

#### **MAJOR RESOURCES**

##### **Natural Resources :-**

Natural resources are the backbone of every country. For the all round development of the country

a careful utilization of natural resources is necessary. In the case of Nepal it is having different type of Natural resources especially immense water resources, mineral resources, forest resources etc. Water is vital for realising full potential of Agriculture sector and country's development.

As far as water resources is concerned, Nepal is the second richest country in the world possessing about 2.27 percent of the world water resources<sup>1</sup> as the most important natural resource of the country.

Glaciers, snowmelt from higher reaches, rainfall and ground water are the major sources of water. It is estimated that there are altogether 6000 rivers having about 4500 kms. length<sup>2</sup>.

The important river system of Nepal are Koshi, Gandaki, and Karnali streaming from East to West. Other important river are Babai, Kamala, Narayani, Bagmati, Rapti, Seti, Mahakali etc.

#### **Forest Resources:-**

Forest are a great asset in every country. These are a renewable sources and contribute substantially to economic development. They also keep the ecological balance of the country. They yield material for industry, timber for housing and other

purposes, and fuel wood for the poor masses.

Another major natural resources of the Nepal is forest. It is estimated that it supplies about 92% of the total fuel supply in the country and more than 50% of fodders to the animals of the country. The total land convered by forests & shrubs in the country is estimated 63067 sq kms. which is 42.7% of the total area. Forest accounts for more than 90% of the National Income.

TABLE: I

Forest cover of Nepal		
Total Forest Area	=	63,06711 (Hectare)
1) Hard wood forests	=	53.5%
2) Mixed forests	=	20.7%
3) Conefer forests	=	14.8%
4) Shrubs	=	10.9%
Total	=	100.0%

Sources:- Forest and Land presentation Ministry

**Minral Resource of Nepal :-**

As far as mineral resources of the country is concerned , knowledge of the rock type and geological formation of Nepal and their assoicated mineral is meager. The reason being lack of adequate scientific and extensive geological survey of the country. One the



basis of simple preliminary surveys, coal, iron, copper, mica, gold, lead zinc, limestone, slate, mineral oil & gas, nickel, sulphur, graphite, dolomite are available in the country. Economically, these minerals are located in areas where access is difficult and transport is costly for profitable commercial exploitation.

Many countries of the world are helping Nepal in geological survey like Swiss, American and Geological survey of India.

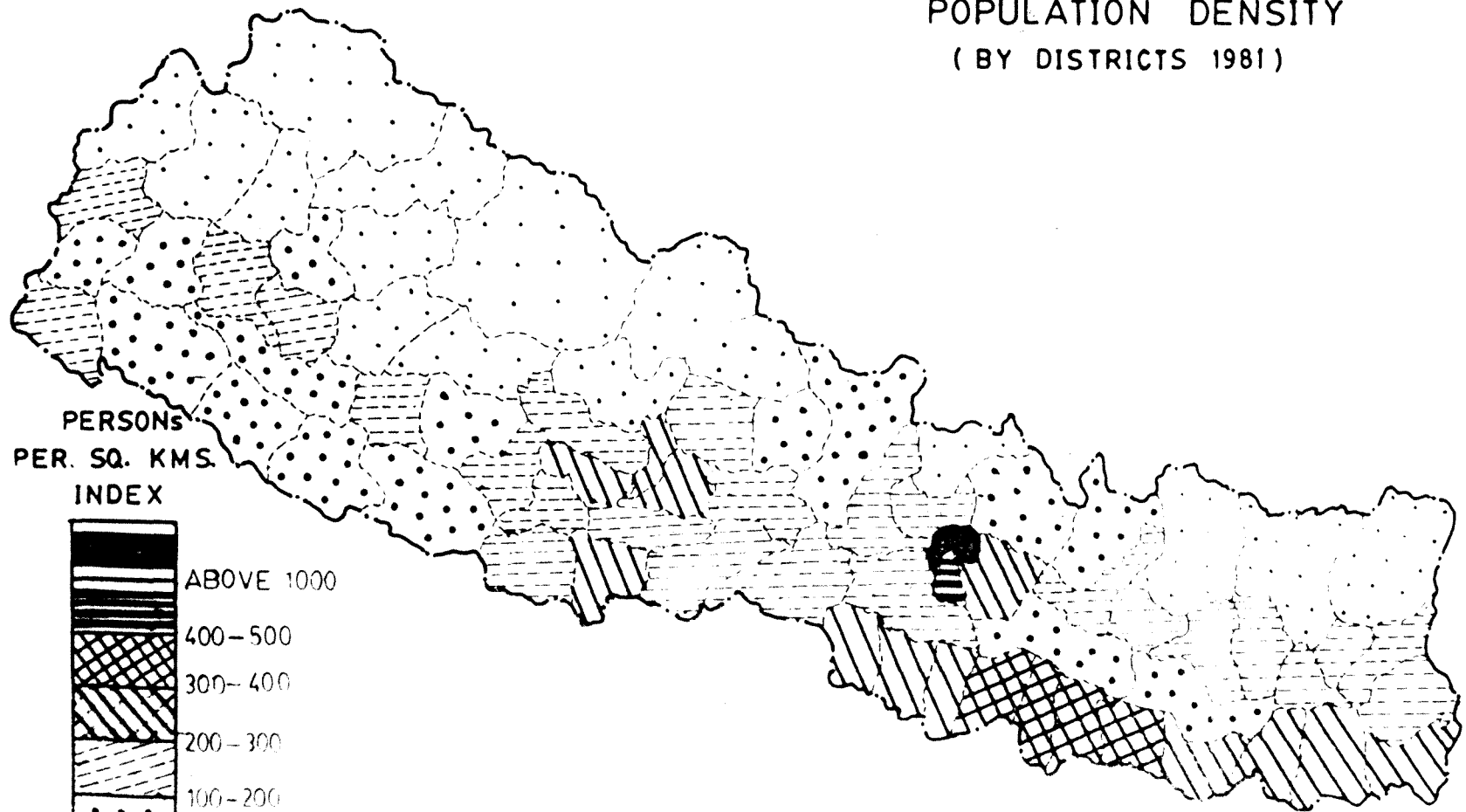
#### **Human Resources -**

Human resources are the backbone of every country. If we see the population factors in Nepal, then we find that diversity rather than numbers is the chief politico geographic problem of Nepal. According to 1981 census the total population of Nepal was 15,022,839. Total population was estimated at 18,437,621 in 1989 and 18,916,304 in 1990. resulting in a compound growth rate of 2.56 percent during 1989 to 1990.

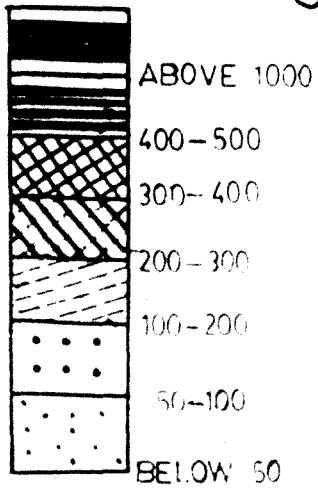
The major part of Nepal's population lives in villages. Urbanization process is very slow mainly due to sluggish economic growths. the proportion of rural population to total population was 93.6 percent in 1981.

# NEPAL

POPULATION DENSITY  
( BY DISTRICTS 1981 )



PERSONS  
PER. SQ. KMS.  
INDEX



The ethnic composition of Nepal's population and its cultural heretage have been deeply influenced by Indian and Tibet, two of its immediate neighbours. Its population is divided into two predominant racial groups. Causasoid and mongoloid .

5

The caucasoid possess predominantly Indo-Aryan traits as their ancestors migrated to Nepal mainly from north India. More specifically high Hindu cast migrated to Nepal during frequent muslim invasions of India. The malla dynasty, which ruled the Kathmandu valley from the thirteenth century until 1769-69, and the Shati dynasity, which was the sure current ruling family of Nepal originated from the same clans as those Rajput Chiefs who left Rajasthan while seeking shelter in Nepal to save their religion from the muslim on slaughts .

6

People of Mongoloid origin, on the other hand, originated mainly in Tibet and the southern provinces of China.

Distribution of population by ecological zone is irregular. It shows that about 8.7 percent of population lives in mountain region, 47.7 percent in hilly region and 43.6 percent in Terai (Plain ) region in 1981 (see table )

NEPAL

Distribution of population by Ecological Zones (1971-1981)

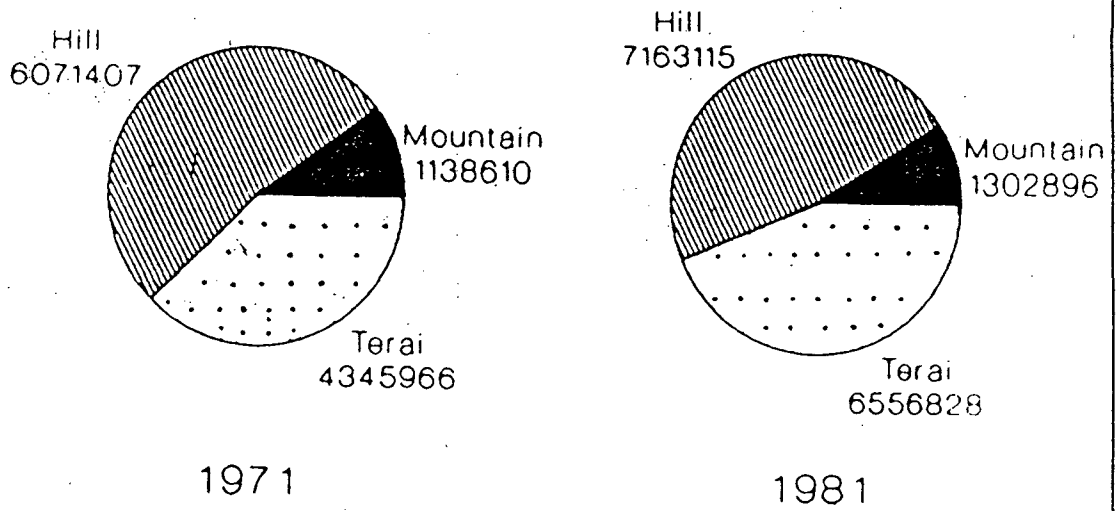


TABLE: 2

DISTRIBUTION OF POPULATION BY ECOLOGICAL ZONES (CENSUS YEARS 1971 - 81)				
Year	Mountain	Hill	Tarai	Total
1971	1138610 (9.9%)	6071407 (52.5)	4345966 (37.6)	11555983 (100%)
1981	1302896 (8.7%)	7163115 (47.7%)	6556828 (43.6)	15022839 (100%)

Source Central Bureau of Statistics 1980.

TH-3774

The table indicates that there was population flow from mountain & Hills to Terai during 1971 - 81. Distribution of population by development regions in 1981 respectively was as in Eastern Development Region 24.69 percent, central 32.68 percent. Western - 20.82 percent, mid - western 13.02 percent and far western 8.79 percent.

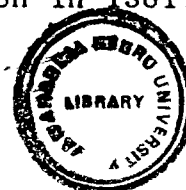
Average density of population in 1981 was 102 person per sq. kms. District wise distribution of population indicates that highest density of population is found in the district of Bhatkpur (1342.6) person per sq. km. followed by Kathmandu (1069) the capital city of Nepal and lowest is found in Dolpa district 2.8 person per sq. kms. Sex Ratio was 105 male per 100 females in 1981. Male female proportion in 1981. was.

DISS  
327.1095496  
K9606 Po



TH3774

21



765336 male to 7327503 female.

According to 1981 census, the literacy was 23.3% about 91.4 percent of the total economically active population was engaged in agriculture and its allied activities. About 70 percent of the total population was in working age group and 65.1 percent of the working population was economically active in 1981.

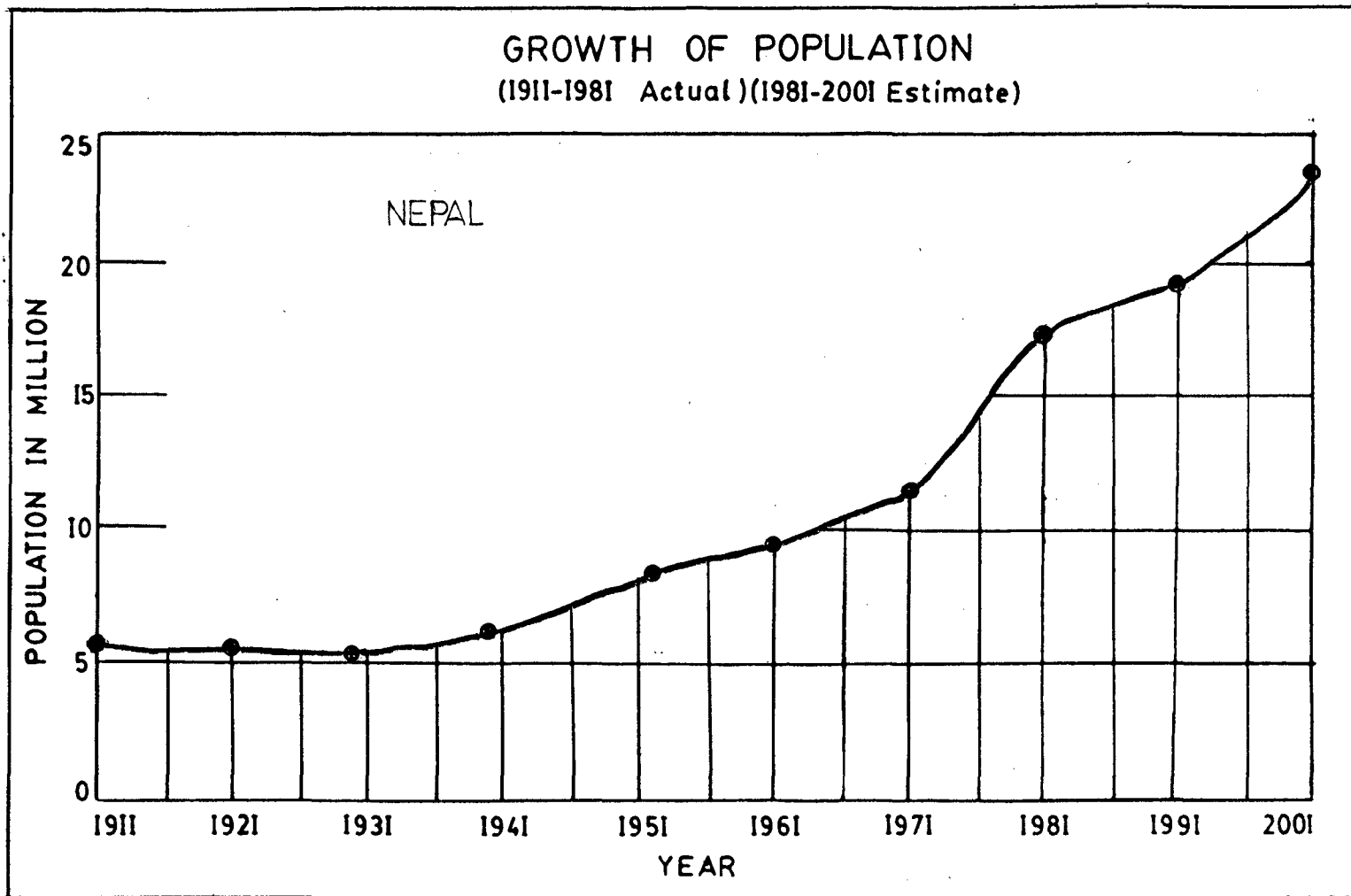
Birth and death rate for 1986/87 (estimate) were - 41.00 per 1000 and Death Rate - 16.00 per 1000 population.

The life expectancy at birth (estimate) was 54.88 year for males and 52.10 years for females in 1989. Total estimated fertility rate in 1989 was 5.70.

The majority of population in Nepal is Hindu. Out of the total population 89.5 percent were Hindu, 5.3 percent buddhist, and muslim comprised only 2.7 percent in 1981 and some Jains and others.

# GROWTH OF POPULATION

(1911-1981 Actual)(1981-2001 Estimate)



## GROWTH OF POPULATION (1911 - 2000)

TABLE:3

Year	Population (000)	Growth Rate
1911	5639	-
1921	5574	- 0.13
1930	5533	- 0.07
1940	6284	1.16
1952/54	8473	2.30
1961	9413	1.65
1971	11556	2.07
1981	15023	2.66
1986*	17131	2.66
1987*	17557	2.49
1991*	19370	2.49
1996*	21539	2.15
2001*	23593	1.84

\* Projected as medium variant.

Source:- Statistical Pocket Book, Nepal, 1990

### Regional Disparties

In line with other developing countries, Nepal has been marked not only by low development level but also by sharp disparties between different regions and regional disparities itself within a region



8

Regional disparities . comprised of factors which are not natural or phyiographic but human, institutional and historical socio-political and economic technological. Boudharyan Anatytical Framework and indicateores" Indian Journal of Regional science , vol VII, No.1, 1975 pp 11 -34. With its per capita annual income in (US\$ 160) 1985, Nepal comes under the category of "least developed among the developing countries"

Geographically the Nepal is divided into three natural regions viz. mountainious region, the Hill region and Terai Region each, with its own distinctine environment. The buntiful terari area, which occupies nearly 21.4% of the Nepal's area, has 43.6 (1981) of Nepal's population and more than 65% of

9

the country's cultivated .

Mountainous area in the north occupies 34.4%

10

of Nepal's area and 8.7% (1981) of Nepal's population . and in the centre of mountainous and terai are lies the Hilly area, which occupies nearly 44.2% of the total

11

area and 47.7% (1981) of Nepal's population .

Further in these three geographical regions, there are five development regions, viz Eastern Central, western mid - western and far - western

development region.

How do various regions of Nepal differ from each other in terms of their relative developmental level? Which underlying processes have been responsible for generating these regional disparities? What appropriate strategies can be adopted not only for accelerating the over all development process but also for narrowing regional disparities?. These are the questions which will be answered here.

Infact an unchecked and uncontrolled process of growth leads to regional disparities viz, disparities in area, population density, literacy, transport, educational facilities, health facilities, industrial development and agriculture. Infact in Nepal the regional disparities which led to under development of the economy, are to be primarily attributed to the rugged topography and monarchical rule which always tried to maintain formal political autonomy.

There are wide spread regional disparities between regions and region. Terai region in general is more developed than mountainous region. Because terai is plain area, and near to India, it attract more developmental expenditure. Even on the mountainous area, the southern part is more developed than the

northern part. The remote areas in the north are the least developed. The following table reveals the man - land ratio.

Distribution of Population by Development Region Nepal,

TABLE:4                      Cenus Year ~~1981~~ - 1981

Development Region	Year	Male	Female	Total
Eastern	1981	1901957	1806966	3708923 (24.69%)
Central	1981	2538615	2370742	4909357 (32.6%)
Western	1981	1584542	1544317	3128859 (20.83%)
Mid-Western	1981	994505	961106	1955611 (13.02%)
Far - Western	1981	675717	644372	1320089 (8.79%)
Total	1981	7695336	7327503	15022839

Source : Central Burean of Statistics. 1990.

The above table, reveals that the central region has the largest concentration of population (32.67% of total ). and density of population nearly 179 per sq. km. The total land area occupied by it is however, less i.e. 18.63% the mid - western region has

the largest land area (28.8% of the Total) and lowest density of population. 46.1 per square kms. The far - western region has less land and smaller population than any other region and population density is 67.6 persons per sq. kms.

To the certain extent these above regional disparities can be attributed to Nepal's physiography. On the other hand economically, with the exception of Kathmandu valley (Heart of Nepal), the Terai region is the most developed region of Nepal and accounts 75% of the country's revenue. Terai offers the greatest developmental possibilities and that is why a majority of Nepal's industries are located in Terai region in south.

Infrastructure in terms of road is responsible for the development of industry in Terai region, whereas to construct roads in mountainous and hilly region is very difficult and costly. The benefit of development in the matter of roads have been mostly in favour of central regions, which brings more development in this region. On the other hand far Western region has 550 kms long road. Which is the lowest. The following Table shows the distribution of road length by region.

TABLE: 5

Road ( Black Topped + Gravelled & Earthern by Development Regions (Mid - July 1989)		
Development Region	Road length (in Kms)	Population * influenced Per km of Road (number/Km)
Eastern	1745.0	2645
Central	2575.5	2306
Western	1309.3	2898
Mid	0826.6	2911
Far	550.0	3062
Nepal	7007.0	2632

\* Based on estimated population

Source : Department of Roads. Kathmandu

Regional disparities also exist in agricultural development in regions i.e. regional dispute exists in respect of area under cultivation. This is followed from the Table.

TABLE: 6

Region	Cultivated Land (000 Ha)	Population 000
Mountainous	130 (4.86%)	1139 (9.86%)
Hilly	756 (30.36%)	6070 (52.53%)
Terai	1440 (64.78%)	4346 (37.61%)
Nepal	2326 (100%)	11555 (100%)

Source: Central Bureau of Statistics, Kathmandu, 1973.  
Ministry of Food , Agriculture and Irrigation

The table shows that terai region has the highest cultivated land (64.78% of the total cultivated area of Nepal). On the other hand mountainous region has only 4.86% of the total cultivated land area of Nepal, which is the lowest.

In the development regions, central region dominates with an area of 857,000 hectares the Eastern and western region follows with 664,000 hectares and 522,210 hectares respectively. The mid-western and far-western region have less area under cultivation i.e. 345,600 hectares and 227,030 hectares

respectively.

There are regional imbalances in the location of industries in Nepal. A majority of the industries are located in the Terai area. Factors viz transportation facilities macadamegned roads, irrigation facilities and power resources are avilable easily in Terai area. On the other hand other region like mountainous and hilly has less concentration of industries due to rugged topography

Tabel :7 Number of Industrial Eastblishment

Development regions	1972-73	% of the total	1981-82	%of the Total	%age increase 1981-82 over 1972-73
Eastern	507	20.23	977	19.92	82.70
Central	1,392	55.50	2,495	50.89	89.37
Western	382	15.24	974	19.87	154.97
Mid - Western	142	5.67	265	5.40	86.61
Far-Western	84	3.35	192	3.92	128.57
Total	2506	100.00	4903	100.00	95.65

Source : Statistical Pocket Book, Nepal, Kathmandu 1984 and 1988.

The table shows that the central and Eastern

regions have the maximum number of industries followed by the western region. Few industries are concentrated in mid - western and Far - western regions but the industrial establishment have shown rapid increase in the mid - western and far - western region.

Electricity which is vital for industrial development of the Nepal's economy is having regional disparities in electricity generation in Development regions. In central region, electricity generation was highest i.e. (500768 MWH) in 1987/88 followed by western region (60391 MWH). Far western region has lowest electricity generation (388 MWH) in 1987- 88.

Social development in Nepal is lopsided. Generally economic development leads to social development. Social development can be measured in terms of health, educational facilities and literacy. The following table shows the number of hospital and beds by development region : in 1988-89.



Table: 8 - Health : Hospitals Beds by Development region  
1988-89

Development Region	Hospitals	Beds
Eastern	23	0697
Central	34	2364
Western	19	0670
Mid - western	13	0263
Far - western	12	0335
Total	101	4329

Source : Statistical Pocket book Nepal 1990.

It shows that central and eastern regions have the maximum health facilities whereas mid-western and far-western region have the least.

There are also regional disparities in the level of literacy in Nepal. This has a direct bearing upon the economic political development of the country. The following table indicate population Table

Literate population, six years ages over 1981

TABLE: 9

Development regions	Total NO. of Literates	%	Male %	Female %
Eastern	832,085	27.4	74.23	25.77
Central	909,704	22.7	73.57	26.33
Western	656,551	25.8	74.62	25.38
Mid - Western	254,008	16.4	78.12	21.88
Far - Western	181,087	17.3	78.2	21.80
Nepal	2833,435	23.3	74.72	25.28

Source : Statistical Pocket Book Nepal Kathmandu 1984.

The table shows that in 1981 there was only 23.3 % literacy in Nepal out of which male and female literacy was 74.72% and 25.28% respectively. By development regions, the level of literacy among women is low in far western (21.80%) and Mid western regions (21.88%) than in the Eastern region (25.77%) central (26.33%) region. Male literacy is highest in mid - western (78.12%) and Far - western region (78.2%) but low in central but if we see the overall literacy, than eastern region has the highest (27.4%) and mid - western region lowest (16.4%).

Education facilities has a great effects on literacy rate . The following table shows education

facilities.

## NEPAL

Table:10-Educational facilities 1988

Development Region	Primary School	Lower Secondary School	Higher Secondary School
Eastern	3227	949	371
Central	3642	1111	517
Western	3379	989	460
Mid - Western	2017	501	170
Far - Western	1248	347	120
Nepal	13514	3897	1638

Source:- Statistical Pocket Book Nepal Kathmandu (1990)

The above table shows that maximum facilities of all types of school are available in central region followed by western and eastern region.

Regional disparities can also be attributed to the concentration of development expenditure mostly in accessible regions. This is especially in Terai region where maximum development activities are concentrated. Kathmandu valley also gets maximum share of development expenditure due to its physiological advantage.

The Table : 8 shows the distribution of development expenditure between 1972-73 1975-76 and

1978-79 / 1979-80 by region . It shows the bias in favour of central region. Table shows that maximum development expenditure has been attracted by central followed by Eastern and Far-western region

Table:11

Distribution of Developmental Expenditure between 1972-73 /1975-76 and in 1978-80 (in million Nepalese Rs.)

Development	1972-73/1975-76	1978-79/1979-80
Eastern	619.65(13.75)	892.4(15.88)
Central	1716.71(39.09)	2418.1 (43.05)
Western	553.33(12.28)	853.8(15.2)
Far Western	659.13(14.63)	855.5(15.23)
Non-identified	912.26(20.25)	597.7(10.64)
Nepal	4506.08 (100.0)	5617.5 (100.0)

Source : Y.P. Pant and S.C. Jain, Regional Imbalanced Process of Regional development in Nepal (Delhi, 1980),

1. Statistical year book of Nepal 1987 p-iii 2.
2. Statistical year book of Nepal 1987 p - iii
3. Statitical year book of Nepal, 1987).
4. Pearson, G.E. "Nepal's prospects" Far Eastern Economic Review, vol 34. (Oct 19, 1961), p. 170-71.
5. (Leo e. Rose and Margaret W. Fisher, The politics of Nepal : Persistence and change in an Asian Monarchy (Ithaca), N.Y. Cornels university Press 1970, p.9.
6. Rishikesh Shaha Nepali Politics : Retrospect and Prospect (Delhi ; Oxford University Press, 1975), p. 19.
7. Central Bureau of statisties Nepal 1990.
8. Boudhayan Chattopadhyya and Moonis Raja ", Regional Development : Analytical Framework and indicators", Indian Journal of Regional Science Vo. VII , No. I, 1975 p. 11 - 34.
9. Leo. E. Rose and John. T. Scholy, Nepal : Profile of Himalyan Kingdom, 1980, pp. 5
10. Statistical Pocket Book Nepal 1990.
11. Statistical Pocket Book, Nepal; 1990.

## CHAPTER - 2

### EVOLUTION OF NEPAL AS A NATION - STATE

Historical perspective - Process of  
Integration and National unity - Boundary Demarcation  
and Question of unity - Geography of Administration.

## EVOLUTION OF NEPAL AS A NATIONAL - STATE

In the process of state formation, state may be defined as a portion of the earth's surface politically organised by a resident population and having a government an effective control of its entire area<sup>1</sup>. (Dikshit, RD). In the modern state, sovereignty is the main characteristic feature. as Max Weber (1964 p. 78) put it, "a state is a human community that claims the monopoly of the legitimate use of physical forces within a given territory."

Though in common man words the terms "State" and "Nation" are often terms used interchangeably. But in political geography. The term nation denotes a community of people bound together by at general sense of belonging owing to common sharing of certain historical memories, traditions, language, religion, culture, and common political aspirations - or the most of these.

Nation building should be viewed as the process of achieving political stability within sovereign nation - states through the mechanics of fuller and freer participation by its national in the political process of the state\* (Dikshit). Where as

nationalism is the political expression of nationhood the nation - state is the politico-geographical expression of nationalism.

In the study of nation, building - we are inevitably concerned with the territorial unit or the political region called the nation state.

In a historical perspective on a nation - states could reveal that a "modern state is likely to show the greatest stability and permanence when it corresponds closely with the nation"<sup>2</sup> (Pounds, 197, p. 12) process of bringing together culturally and socially discrete groups into an organic (i.e. fully functioning spatial system and the establishment of a strong national identity inseparably bound with the territory of this system.

The nation building (or national integration refers. "specifically to the problem of creating a sense of territorial nationality which over shadows or eliminates subordinate parochial loyalties"<sup>3</sup> Weiner, 1965) .

Nepal's political development from centuries has been decreasingly affected by its position between the two great neighbours India and china . The study of the evolution for Nepal as a nation - states



envvles therefore, a detailed analysis of the historical and political functions in South Asia.

As a unified political and social system the contemporary nation - state of Nepal is of relatively recent origin, dating back only to the latter decade of the eighteenth century <sup>4</sup> says the present "Nepal" was earlier called Kathmandu Valley the present Capital of Nepal.

Historically, the area that is now known as Nepal was divided into numerous petty independent states during the 17th and 18th centuries . It is all but impossible to establish an accurate chronology for early history of Nepal <sup>5</sup> .

Some Historians have agreed that the Kathmandu valley and other parts of modern Nepal were well populated at the time of the birth of Gautama Buddha in the 563 B.C. The first recorded use of the name "Nepal" occurs in the fourth century A.D., when the country was under the suzerainty of the Gupta dynasty of India.

Infact hisoty, of Nepal is the History of the Kathmandu Valley. Earlier the valley was swampy lake ; sorounded by the mountains until an earthquake released the impounded waters , permittting them to drain out to

the south. Left behind was a fertile valley enriched by alluvial soil and comfortable climate.

With the passage of time highly developed culture was established in the Kathmandu valley notably during the Gautam Buddha, and the region seems to have become a center of art, religion and learning of the ancient world. Historians have agreed that it was the <sup>6</sup> NEWARS who developed the Kathmandu valley.

Although the Nepalese have been nominally an autonomous, for most of their history they have been either directly or indirectly, under some measure of foreign domination. <sup>7</sup> The influence of Gupta dynasty of India is noted by the fact that in a panegyric to emperor Samudra Gupta found on a pillar at Allahabad, The "King of Nepal" is listed among those paying tribute to and obeying the imperial master. Further Rana in his work "Charita Harsha" records that the Indian ruler Sri Harsha invaded the country in 607 A.D. and placed the country under the ground rule but was soon driven out by Anshuman, one of the early rulers of Nepal.

Anshuman, who came to power in 620 A.D. was the first of the Nepalese King to assume the title "Parama Bhattaraka Maharaja Dhihaja" King of Kings. He founded a new dynasty and brought Nepal to new heights

of achievements perhaps to the greatest glory it has ever known.

Chinese records indicate that as late as the eighteenth century A.D. Nepal was a vassal of Tibet. though Kathmandu valley remained as the political core of the nation during much of her history the present territory of Nepal was divided into a large number of principalities. during the thirteenth century, for instance, some 24 small states surrounded the Kathmandu valley; during the 17th century the valley itself was divided into three principalities, one centered at Kathmandu, another two miles away at Patna and the third one six miles away at Bhatgaon.

Further around 13th century the Hindus from North India fled due to the invasion of muslim and set up number of small kingdoms in the hills of western Nepal. It was the little western kingdom of Gurkha, formed by some refugees of Rajputs origin, which in the eighteenth century consolidated this territory and formed the modern state of Nepal: Gorkha prince Prithin Narayan. in 1769 conquered the Kathmandu valley and thus he became the king of Nepal.

But later on by the end of the eighteenth century the new nation had extended its territory to the

kangra valley in Punjab an expansion which was checked by the sikh leader Ranjit Sigh. But it was not the end their further territorial disputes brought them into conflict with the British East India comapny in the beginning of the ninteenth centry and that led to the anglo - Nepal war of 1814-16. Where Nepal was defeated in the war.

A treaty of Sugauli was signed on Nov 28th 1815. By the terms of this treaty Nepal los sikkim Kumaon Garhwal and all of the Terai west of Kali Riner. as a result the Kingdom was reduced to approximately its present boundaries.

Nepal developed in its own way, preserving its feudal pattern of life during the period when the western world was being swept by radical new social doctrines, shortly after the conclusion of the Anglio - Nepali war, Gisbhan Juddha Vikram Sahi died and the throne was descended to his infant son, Raheindra Vikram Sahi, This event was to have a profound effect upon the poltical further on the country. The Prime Minster at this time was Bhim son, and With the aid of the queen mother, Tripari Sundari, this ambitions man increased the power of his posed at the expense of that of the monary with the death of Queen's Mother in April , 1832 the power of sen was sharply reduced which ended

with the tragic suicide of Bhim Sen's in 1889.

In 1845 Jang Bahadur a talented man became the Prime Minister of Nepal. The capable man who instituted many reforms was pro-British under his he restored the relationship with British which had been uneasy since the treaty of Sugauli, since 1816 from time to time Jang Bahadur offered Gurkha troops to serve the British under his personal command.

In 1854 the Nepalese clashed with the Tibetans over the treatment of Nepalese nationals in Lhasa. But after a fierce struggle, on 13 March 1856 a treaty was signed between Nepal and Tibet by which Tibetans submitted an annual tribute of 10,000 rupees.

In 1856 Bam Bahadur brother of Jang Bahadur became the Prime Minister but it was short lived. With the death of Bam Bahadur died in 1857 and Jang Bahadur was recalled to office. He was also given the title of Maharaja by King Surendra Vikram Shah in recognition of his service to Nepal.

But shortly after his return in June 1857, the mutiny had broken out in India, and under his personal leadership during the campaigns of 1857 and 1858 he led 12,000 Gurkha troops against Indian rebels. In recognition of Nepal's assistance British

Queen made Jang Bahadur a grand commander of the order of the Bath and restored to Nepal a tract of territory along the oudh frontier which had been ceded to the

9

British under the treaty of Sugauli .

The first of Nepal's hereditary Prime Minister died in 1877. In 1885, Ranaudip Sighwo followed Jang Bahadin, was assassinated ; then came Bir Shamsaer Jan Bahadur but died in 1901. D Deb Shamsheer succeeded him but he was followed in the same year by Shri Chandra Shamsheer.

In February, 1951, the 104 year old Rana Oligarchy was brought to an end by an almost bloodless revolution under the leadership of the late king Tribhuvana Bir vikram Shah Deha, called "the FATHER OF

10

MODERN NEPALS" . One February 18th King Tribhuvana proclaimed Nepal a constitutional monarchy and abolished the hereditary rule of the Ranas.

Under this enlightened monarch Nepal reentered the world community and for the first time in history Europeans were welcomed to the country as official guest. under his influence. It was under the leadership of king Mahendra the first general election of Nepal was held in 1959.

The period between 1951 and 1959 was marked by political instability and a rapid succession of governments but it was also a period of achievements and of persistent effort by the king and some of the political leaders for the development of democratic institutions, resulting in the general election of 1959.

The factors like the distribution of population the diverse topography, climate and natural vegetation, and lack of adequate transportation and communication facilities, mass poverty and Malnutrition, represent major forces of disunity in the Himalayan Kingdom of Nepal. One can think that this problem of disunity misunderstood & economic problems can be solved by opening of road and communication where one can easily interact and integration can easily play its role. Also it is important from the nation's administration point of view.

Now the problem is of tying such a mountainous country together is aggravated by the far distance and lack of communication. We see the Terai (Plain) in the south of Nepal which is completely cut off physically from other parts of Nepal by a series of rugged mountains. Even there were deep valleys in between these there result is development of a large

number of isolated population groups without a strong sense of national unity. The state idea is weakly consequently, developed in Nepal. Such a state as has existed for the state in historic period has been based largely on the military power of the Gurkha ruler in 18th and nineteenth centuries. In fact Nepalese have no common concept of nation, and the lack of common language and of mass communication media has prevented the development of a national culture. The fact is that nearby powers have tended to attract segments of Nepal away from Kathmandu's control which is one of the factors for disunity of the country.

To overcome the problems of National disunity Nepal Govt conducted first general election in the year of 1959 in which the response of the people was positive and it suggested that this may have given rise to nationalism among Nepalese. The other factors like the long history of Nepal as Nation and the unifying influence of common region may operate also to strengthen the sense of national unity among the Nepalese.

It was only in the seventh century A.D. that the convergence of a powerful kingdom in Tibet with its capital at Lhasa transformed Kathmandu valley, an isolated area, into the intellectual and commercial



entreport between India and central Asia 11  
Even Chinese and Tibetan records assert that the a  
great Tibetan ruler Song - Tsen Gampo (Srong -Bstan  
Sgam - po) excercised some form of authority over  
Kathmandu valley, reportedly for having helped king  
Narendra Dena and his family regain the throne that had  
been usurped by a powerful minister, amshuvarma, two  
decades earlier. "for this service the chinese sources

states that", he had to subordinate Nepal to Tibet 12  
However Historians of Nepal deny that Kathmandu was

13  
ever subordinate to Tibet

#### **Political Integrity and Stability:-**

The Himalayan Kingdom of Nepal has been  
dependent of one nation or another for much of her  
history and still that dependency is continue to exist  
Nepal is a multiparty democracti state at present ",  
having full degree of control over its extremal affairs  
; but its economy is dependent upon neighbouring  
country like India.

The difficulties of mass communication, the  
high rate of illeteracy make poltical cohesiveness  
nearly impossible. So thee is urgent need to import  
modern science & technolgy and expectite communication  
process and also promote facilits to the whole  
population to educate the female population especially.

An essential politico - geographic feature of a state is the existence of a pattern of circulation that permits the free exchange of goods and ideas among the peoples within the territory. Through this circulation a national consciousness is cemented and a feeling of mutual interdependence between various areas

14

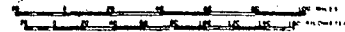
of a country is furthered. But in Nepal it is lack of such a flow that contributes so much to the difficulties of establishing effective political control. Even this absence further narrows regionalism and inhibits the development of a common national purpose. These all lead to the conclusion that the problem of circulation is basic in Nepal. Which if solved, will lead to political cohesion and national integration.

#### **Boundary Demarcation: -**

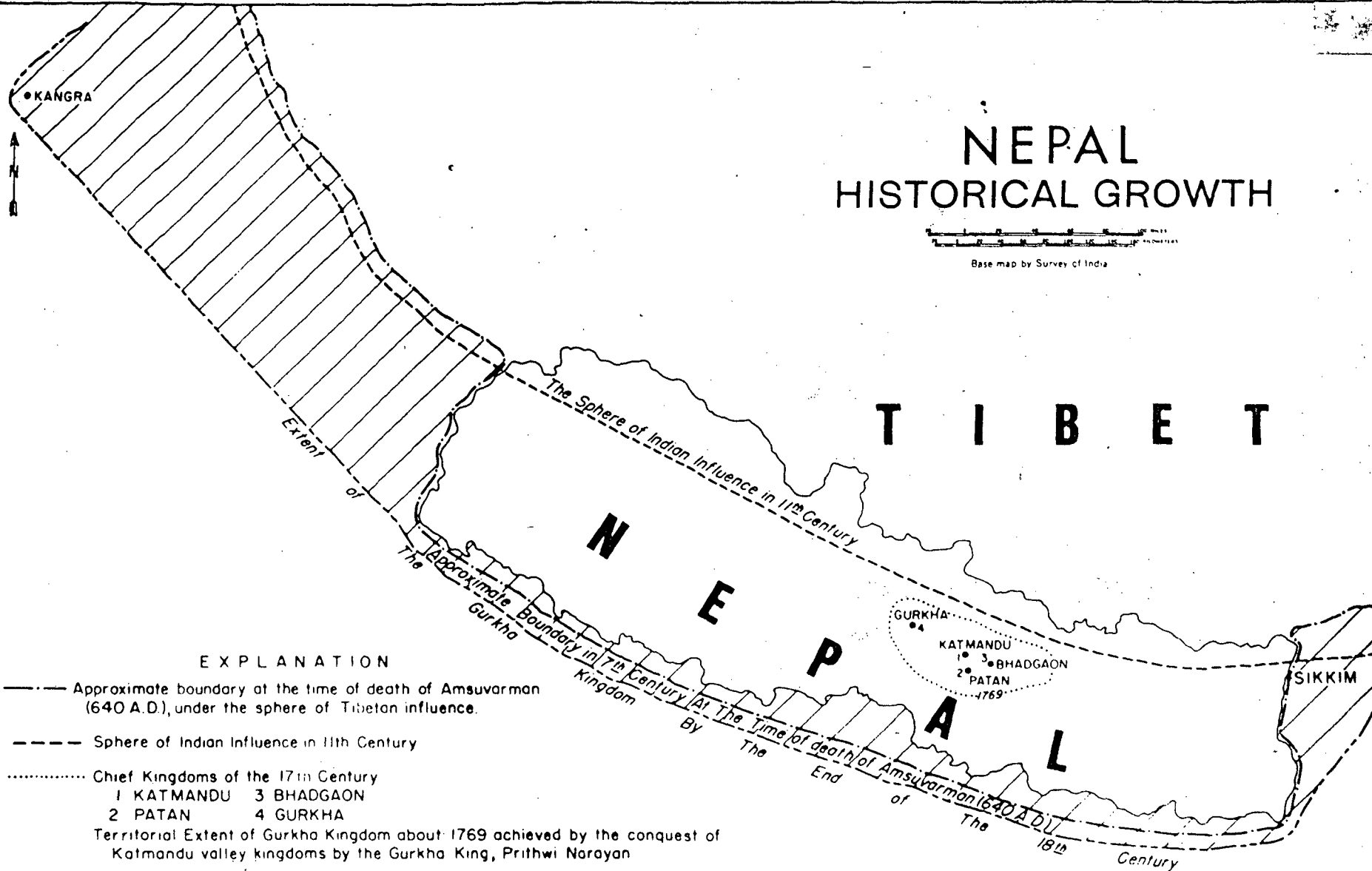
Boundaries of state mark the limits of source authority and define the spatial form of political regions. The accurate demarcation of boundaries helps to reduce the conflict because they remove uncertainties which become the cause of disputes.

In case of Nepal she at present has a 804 km long free and open border with India on the south. This boundary between Indian & Nepal has been

# NEPAL HISTORICAL GROWTH



Base map by Survey of India



## EXPLANATION

- Approximate boundary at the time of death of Amsuvarman (640 A.D.), under the sphere of Tibetan influence.
- - - Sphere of Indian Influence in 11th Century
- ..... Chief Kingdoms of the 17th Century
  - 1 KATMANDU    3 BHADGAON
  - 2 PATAN        4 GURKHA
- Approximate Boundary in 7th Century
- Territorial Extent of Gurkha Kingdom about 1769 achieved by the conquest of Katmandu valley kingdoms by the Gurkha King, Prithwi Narayan
- - - Maximum extent of the Gurkha Kingdom by the end of the 18th century
- Territories lost to British India as a result of Anglo-Nepali War 1814-16
- Present limits of Nepal

# INDIA

demarcated by pillars set up at regular intervals  
 Infact the present boundaries of Nepal were established  
 approximately as they stand today by the treaty of  
 suganuli in 1814 - 15 between British and Nepal .  
 Historically, the territory of modern Nepal was divided  
 into a no of small principalitive with a central govt.  
 Infact Kathmandu valley itself was divided into three  
 principalition King Kathmandu Bhatgaon and Patna (see  
 Map )in seventeenth centry>: But take on in 1769m  
 Gurkha king Prithvi Narayana conguered the three  
 principative of the Kathmandu valley and ascended the  
 throne as king of Nepal. later on he also conguered  
 other terotiers and extended the Gurkha Kindom from  
 Punjab to Sikkum.

With the passage of time in  
 the second half of the eitheenth century Gurkha force  
 in Nepal and British east India company in India  
 confronted each other in the Terai (plain). But the  
 result was Anglio Nepali war 1814 - 15 was counted into  
 the treaty of Sugenli in 1815. The treaty was

satisfied in March 1816 and under district of  
 Nainital, Amercia Gurhwal, and Dehra Dun was annexed by  
 the British. Simla Himalaya was also coded to the  
 British and some part in the east were given to sikhim

its present state of Modern Nepal . However. during  
 the multing in 1857 in India the British sought the

service of the Gorkha troop. This returned some Territories surrounded by Nepal after the treaty of Sugauli.

#### Nepal Tibet Boundary :-

In contrast to the well defined boundary with India, Nepal's 500 miles border with Tibet is undemarcated . The northern boundary coincides more or less with the high peaks of the great Himalayas, along the frontier of Tibet and China. due to undemarcation of northern boundary it has created occasional dispute between Nepal and China.

Historically Nepal was regarded as vassal state of Tibetan empire between 640 and 730 A.D. and the later part of 1730 the small principalities of the northern Nepal paid tribute to the Manchu emperors. But Gurkha ruler ceased to pay tribute but later on in 1856, Gurkha attacked Tibet and result was that Tibet agreed to pay an annual tribute to Nepal. which continued till 1953 .

This was not the end of border dispute between Nepal and China. In 1957 Chinese troops made advancement toward the incursions into northern Nepal. However due to protest by Kathmandu an agreement was signed in 1960 in Beijing (old capital of China).

under which boundaries Between Nepal and China were classified the three sector:

Firstly, where delineation the boundary is identical on the map of the two countries and the jurisdiction is unders puted ; Secondly, , areas where delineation is identical but jurisdiction is disputed ; and thirdly , area in which there is disagreement on both delimeeation and jurisdiction.

Again in 1960 at the meeting of the joint bounday comession in Kathmandu it was suggested that the boundary should be drawn along the distinct physiographic line or places. However, it was found that there was only few placs by name along the border that is effective. Even a boundary treaty could not be signed, however without a decision on mount everest the highest peake in world (88 meter ) both the countries made their claims of mount everest . But later on it was agreed that the peak remain a symbol of chinese Nepalese friendhsip. In general the sino - Nepalese boundary agreement affering the principles of custom, tradtion known geographical feature and water sheeds as the bassis for the determination of the Nepal

19  
Tibet boundary . Under the terms of boundary treaty of Oct 1961 the boundary pillars were eracted on the ground, so as to avoid the further misunderstanding and disputes.

## **Geography of Administration:-**

The administration of Nepal has been changing from time to time. Each and every dynasty follow its own convenience to suit the existing condition. In many instances, administration boundaries have followed water parting, or provincial unit have been formed on the logical basis of drainge basins. However, as late as 1924 there was no modern maps (or maps of any accuracy) for the entire country were The various political dimensions existed but no one knew their extent and boundaries. In the three season between 1924 - 27, staff members of the survey of India mapped the entire 54,345 square miles of Nepal map ( 1 inch to 4 miles) showing the political dimsion and physical features of the country which is the first of tis kind.

In 1958 , Nepal had 38 districts some of them further divided into subdistricts. These districts were divided into a total of 491 counties (Thums) . Each of the 38 district was administered by a Bara Hakim (Governor ) appointed by King (P.P. Karna ) gathering information from all the notes, sketches, and informations collected from various sources, a map complete of Nepal was prepared. In many cases the country boundaries followed the natural features, but in other they exist independenty of physical or

cultural boundaries.

With the passage of time to their convenience Nepal government revised these units of Administrations. And presently Modern Kingdom of Nepal, Administratively has been divided into fourteen zones and 75 districts.

The following are the names of the fourteen zone .

- |                    |                    |
|--------------------|--------------------|
| 1. Mechi Zone      | 2. Koshi Zone      |
| 3. Sagarmatha Zone | 4. Janakpur zone   |
| 5. Bagmati zone    | 6. Narayani zone   |
| 7. Gandaki zone    | 8. Dhawalgiri zone |
| 9. Lumbini zone    | 10. Rapti          |
| 11. Bheri zone     | 12. Karnali zone   |
| 13. Seti zone      | 14. Mahakali zone  |

The 75 districts have been regrouped into five development regions to promote all round development of the country. These five development regions are :

1. Easter development region
2. Central development region
3. Western development region
4. Mid - western development region
5. Far - western development region



Each districe has been further divided into several small sectores called village or town panchayats, which are regarded as the smallest local administration units. There were 4015 village panchayat and 33 town panchayats in 1987. Each district was headed by a chief District officer (CDO). He is mainly responsible to maintain law and order in his district and also to co-ordinate the works of feeld agencies of different administries branch similarly, in each of the 75 districts of the country, a local development officer (LDO) is posted by the ministry of Panchayat and local development to help, and coordinate the development plans and projects of the various Panchayat and class organizations. Under the recent decentralization act the district panchayat is the main body responsible for district development planning LDO is the member secretary of the district panchyat . Each zone is headed by a zonal commission who coordinates the activities of COD's and LDOs of the district under his jurisdiction and also ensures corrdination betwen districts and supervisors the developmental activates of the zones.

As noted earlier the Hemalayan Kingdom of Nepal had its beginning in Kathmandu valley. It was from this core area that it extended into the outlying

regions. Infact, the national territory beyond the Kathmandu valley remained under developed and disorderly maintained in administration too. One of the major factor was due to the lack of the network of transport and flows of goods and the more serious natural problem is its location which is rugged in nature. However inspite of all thse problem that stand on the way to Nepal's integration in recent times people are more aware, more educated and overall development is slowly picking up showing a sign for future. Kathmandu the national capital of Nepal, take like many other states exerts an influence far above that implied in its role as the administration centre.

Nevertheless the independence of Nepal from the beginning till date now, has been coming across many obstacles in the development of Nepal as nation state, Process of National Integrations and unity is still on the process and will still take time to develop fully.

#### FOOT NOTE

1. R.D. Dikshit, Political Geography : A contemporary Perspectives, (new Delhi , 1985), p. 160.
2. N.J.G. Rounds, Political Geography ( New York, 1972), p. 12
3. M. Weiner, "Poltical Integration and Poltical Development", Annals of the American Academy of Poltical & Social Sciences, vol 358. (1965), pp. 486-499.
4. Leo. E. Rose & John T. Schoby, Nepal : Profile of of Himalayan Kingdom ( )p. 4.
5. P.P. Karan, Nepal : Cultural & Physical Geography, p.4.
6. Newars are supposed by many to be one of the oldest living groups in Nepal and India; a people of phculian culture who were possessed of great artistic and organizational ability.
7. Karan, n. 5, p. 4
8. ibid, p. 6
9. ibid, p. 6
10. ibid, p. 6
11. Leo E.rose Nepal: Strategy for survival (Berkeley & Los Angeles, 1971) P.10.
12. Chin-T'ang-Shu (Old History of the T'ang Dynasty), vol 40, Chuan 198, pp. Ia -Ib.

13. D.R. Regni, Ancient Nepal, Calcutta, 1960) p. 214
14. P.P. Karan & W.M, Jr, Jenkins , The Himalayan Kingdom : Bhutan, Sikkin, & Nepal, ( New Jersey, 1963)
15. Rishikesh Shah, Modern Nepal : A political History, ( 1769 - 1955) vol I, (1769-1885), 1990.
16. C.C. Atchinson, Treaties, engagements and Sunnuds, Vol. II, ( Calcutta, 1863), pp. 110 - 112.
17. K.C. chaudhuri, Anglo - Nepalese Relations (Calcutta, 1960), pp. 163.
18. Karan & Jenkins, n. 14.
19. Times of India ( Delhi) , Nov 25th, 1961.

## CHAPTER - 3

### DOMESTIC ENVIRONMENT AND POLITICAL SYSTEMS OF NEPAL

Monarchy and People's participation - Question of  
Democracy and People's Movement and Spatial Behaviour -  
New Political System - Provision and Practices and  
Problems

In South Asian countries, the domestic environment and political system are almost parallel having a lot of influence on the foreign policy of respective country. Moreover internal condition of a country also have a great impact upon her external policies. If a country is having stable political setup, it will be more advanced in other fields also which will lead to economic and social progress the country. Thus Spatial behaviour has a great bearing upon the development of country.

In case of Nepal since 1950's external situation has taken different modes from time to time. There were continue ups and downs in the polity of Nepal. Monarch which was autocrate in nature ruled the country very ruddly. But after the independence of India in 1947. and also Pakistan establish Democracy it was natural to have influence of these Democracies on Nepalese people.

The Political system of Nepal took structural changes. with the collapse of the Rana regime in 1950. These changes were seen in the form of new process in politics. As Rose<sup>1</sup> has mentioned that by the mid - 1970's, Nepal had " representative " institutions at the local level, a cabinet led by a Prime Minister, a system of courts and a modern code of

law, an organized cadre of civil servants , and of course a planning commission.

Nevertheless, these political changes the monarchy continued to be the axis around which the political life Nepal revolved.

### **The Old system of Government and constitution**

Nepal has been a monarchy since the present Kings's tenth ancestor, king Prithvi Narayan shah, unified the country two centuryies ago. There have been extended periods when the king was merely a figurehead while the country was ruled by various oligarchis, the last of whome was ousted in 1951<sup>2</sup>. Though the great king Mahendra initiated a berief experiment in Pariamentary democracy in 1959, but soon it was terminated in Dec. 1960 when the king dismissed the duly elected goernment of Nepali Congress of K.P. Koirala. Since then Nepal has remained an autocractic absolute monarchy. The constituion of Nepal was promulgated by the late King Mahendra in 1962, and it was anended in 1967, and again in 1975<sup>3</sup>. Under this old constitution Nepal was a Constitutional Monarchy in which the sovereignty of the country was vested in the King ; all executive , legistive, and Judicial power were vested in the crown. Further in 1961, King

Mahendra developed the Panchayat system of guided "Partyless democracy" to facilitate his direct involvement in National politics. Royal powers were exercised through a cabinet led by a Prime Minister selected by the King himself from among the members of the National Panchayat. Obviously the Prime Minister was the man of King. The panchayat system was a three-tiered structure leading from assemblies to a national legislature of indirectly elected and appointed members representing localities, the king, and class and professional organizations. The constitution provided for a state council (Raj Sabha) whose duties included naming a successor to the throne and appointing a regency council.

National legislation was the unicameral Rashtriya Panchayat at the apex of hierarchy. The Rashtriya Panchayat was a perpetual body whose members served staggered terms of 4 years each. Even the party alignments of any form were prohibited. Further in 1975 the system was restructured when the class and professional organizations were disbanded and all candidates for the national legislature were selected by a government body.

Since 1951 when the Ranas were overthrown, Nepal has had three monarchs : Tribhuvan Bir Bikram



Shah (1951-54) , Mahindra Bir Bikram Shah (1954 - 72), and Birendra Bir Bikram Shah 1972 onward though he is a only constitutional Monarchs at present. A National plebiscite was announced in 1979 by then King Birendra that gave the people a choice between a 'suitably reformed' panchayat system and a multiparty system of government. The majority about 54.7% of the six million voters opted for the panchayat system of King Birendra. This happened so because there was more influence of the elite panchayat on people.

Again on 12th may 1986 elections were held to elect the representative to the Rashtriya (National) Panchayat and on 16 June 1986 a new ministry was formed under the Prime Ministership of Mr. Man Mohan Singh Shrestha which was ruling till the recent general elections.

#### **Nepal's new Constitution and Political Setup:-**

After the prolonged fight of people of Nepal for democracy, the new Democratic constitution of Nepal was promulgated by king Birendra on November 9, 1990<sup>4</sup>. It was a historic proclamation for the people of Nepal. On the same time the constitution of 1962 has also been abrogated. New constitution transforms an old absolute, autocratic monarchy with a supposedly democratic "partyless Panchayat" system of

representation to a multiparty democracy and the consitutional monarchy in Nepal.

According to the consitution the sovereignty of Nepal resides in the Nepalese people. Constitution declares Nepal a Multiethnic, Multi-lingual, Democratic, Independent, Indivisible, Sovereign, Hindu, and constitutional Monarchical Kingdom. His Majesty the King remains the symbol of the Nepalese nation and the unity of the Nepalese people in the new set-up. Executive power of Nepal are vested in the King and council of Ministers. The Corwn will exercise executive powers with the advice and consent of the council of Ministers through the Prime Minister excepting those which are within his exclusive domain or which are to be done on the recommandation by official or institution.

Consitution provided for a Bicameral legislature known as parliament. It will consist of the King, the House of representatives and National council. The Hosue of representative shall consist of 205 members and National council 60 members, which is permanent body. The terms of the house of representative is to be five years and that of National council six years.

According to the provision of constitution, various political parties are required to register with the election commission and in order to get recognition a party must have five percent women candidates, and should obtain, at least, 3% of the total vote cast in the General election. No law is to be passed which bans or lays restriction on political parties of the country.

Though command of the army continues to be vested in his Majesty, but it has been specifically mentioned in the constitution that the monarch "shall", on the recommendations of the Prime Minister appoint the "commander - in - chief" Moreover the Royal Nepali Army is to be administered and deployed by the king but on the recommendation of the National Defence council, comprising the Prime Minister as Chairman, the Defence Minister and the Commander -in - Chief are its members.

King have the power to declare a state of emergency in a grave crisis in the country but these declarations must obtain the approval of the House of Representative within three months.

Provisions are laid down for the amendment of constitution if necessary by a two - thrid majority in each house of the Parliament. However the amendments or repeal of any of the articles of this constitution

cannot frustrate the spirit of the preamble of this constitution.

The new constitution, declares that the treaties and Agreements signed on serious matter closely linked with the basic interest of the country, like Defence and strategic Alliance, the boundaries of the Kingdom of Nepal, Agreements of peace and Friendships, and treaties concerning utilisation and distribution of natural resources, are to be ratified, acceded, accepted or approved in the manner as laid down by law.

Provisions have also been laid down in the constitution for the formation of council of Minister. It declares that " His Majesty shall appoint the leader of the party which command a majority in the House of Representative as the Prime Minister <sup>6</sup> . King shall also constitute the council of Minsters under the Chairmanship of Prime Minister.

The courts of Nepal will consist of three tiers viz; Supreme Court at the apex, Appellate courts and thirdly the District Courts.

The constitution also provide fundamental rights of the people but at the same time it has been specified that during emergency the fundamental rights,

with the exception of the right to the remedy of Habeas corpus, may be suspended <sup>7</sup> .

The constitution also makes provision for the establishment of a "Raj Parishad" on the King's insistence with a standing committee including large number of ex-officio members and crown nominees. There could be a danger of such a Royal Secretariat so to speak, becoming a rival centre, if not of power, then atleast a considerable influence <sup>8</sup> .

With the victory of democratic forces in Nepal, Interim government was formed under the Prime Ministership of K.P. Bhattarai. The general election for the formation of duly elected government were held recently. According to the constitutions provision there were 205 members for House of representative. On May 12th near about 11 crores voters went for voting to elect their new leaders. Virtually the main contenders were only two parties i.e. Nepali Congress and United Marxist - leninst (UML). Nepali Congress won 110 seats, emerging as the largest party in General Election. On the other hand UML became the second largest party perhaps the largest communist opposition in the world by winning 69 seats of the total 205.

Thus Nepali Congress Government was formed under the Prime Ministership of G.P. Koirala and covering 15 member Ministry on 29th May 1991.

Now with the formation of Democratic government in Nepal, the success of Democracy will depend both upon people and monarch of Nepal and also the opposition parties in the country.

FOOT NOTE

1. Rose L.E. Nepal ; A profile of Hinalaya Notes Kingdom (USA ; 1980) pp. 41
2. George E. Delury, world Encyclopedia of political systems, vol II, Longnan 1983.
3. George Thomas Kurian, Enyclopedia of the third world, vol, II, Mansell publishing Ltd, London, 1982.
4. Nepal Mews , Vol. XXIX, No. 19, November 15, 1990, New Delhi.
5. Grave crisis caused by threat to the sovereignty ; indivisibility or security of the country due to war, foreign aggression, armed revolt and extreme economic revolt.
6. Nepal News, (New Delhi), vol, XXIX, No. 19, 1990 p. 10
7. Singh, S.P., the Democratic Nepal in CSC, Feb 1991, Delhi.
8. New Nepal order, Times of India ( Nov. 12, 1990).

**CHAPTER - 4**  
**ECONOMIC NEEDS, COMPULSION OF BEING LAND**  
**LOCKED AND DEVELOPMENT**

Question of linkages and problems Involved - Resources  
mobilisation and Technological Requirements. - External  
Trade partnership and Development Issues.



Most of the political system of the third world  
are faced with an economic development crisis<sup>1</sup>. They  
are trying to meet the needs of their people with a  
limited resource which are at their disposal.

Nepalese economy which is predominantly based  
on agriculture, faces a similar dilemma. Despite the  
long and continuous planned development<sup>2</sup> efforts of  
more than 35 years, Nepal is still acknowledged as one  
of the "hard core" of the least developed countries of  
the world. Even as early as 1974, an UN report stated  
that "Nepal is poor and is daily becoming poorer"<sup>3</sup> and a  
similar axiomatic conclusion was given by Blaikie<sup>4</sup> in  
1980. "Nepal is now in a state of crisis, fundamentally  
rooted in a failure of productive organization  
associated with its economic and political under  
development.

The other problems which Nepal's economy  
facing are growing population, increasing unemployment,  
increasing magnitude of environmental problems high  
mortality rate (107 in 1986/87<sup>5</sup> estimated),  
malnutrition, poverty etc. The key factors in the  
emergence of these problems have been an excessive  
dependence on foreign assistance, increasing trade  
deficit, rapidly growing foreign exchange deficits,  
illiteracy, and of course, where monarchy is also

responsible upto some extent to the existance of these problems. As a consequence, the economy of Nepal is nearly in a state of stagnation.

In the National economy, agriculture represents a source of living for about 90 percent of the economically active population and Agriculture contributed about 53% of the total GDP, in 1987-88 and more than 55% in 1988-89 (tentative estimate) .<sup>6</sup>

However the problem is this vital agrarian economic activity is constrained by the scarcity of appropriate land. In terms of population density per sq. Km. of cultivated land Nepal suffers a most disadvantageous position when compared to other countries of the region and it is one of the most land scarce countries of the world. According to the 1971 census, 62.4 percent population lived in the mountains and hills and has slightly decreased only to 56.4% in the year 1981, (See table ) But more importantly for the present hills are subjected to lower productivity and relatively lower returns to labour (1) mountain therefore, food deficit regions of the country. this table reveals all this :-

TABLE : 12

Production by Geographical Region (fiscal  
year 1988-89)(unit : Metricton)

Geographical Region	Production	Necessity	Surpus (+) Deficit(-)
Mountain	142423	176163	-33740
Hill	1331187	1289692	+41495
Terai	1943959	145548	+488564
Nepal	3417569	2921249	+496320

Source: Statement of consumable food of kingdom of Nepal. Food & Agricultural marketing service Department.

Nepal's, disadvantageous geographical locations per se has severely handicaped it from the waves of contemporay structural changes that occur in the east of the world, but this problem has exacerbated due to its landlocked situation. Equally due to its rugged geographical structure with its stupendous mountain chain result in high transportation costs. Which leads to the slow development of the Nepalese economy.

Therefore, the extreme poverty can be taken as the salient features of the Nepalese economy.

Solving this problem will certainly a broad process of structural changes, but structural changes cannot be through in isolation of the system of political governance. I mean develop process is highly sensible to administration and implementation. But hope can expected from new democratic government of G.P. Koirala. We hope newly regime may take it very serious and try to implement it.

In the development programme, Nepal all alone cannot meet the requirement and it has to seek redressal from the outside world i.e. regional development partnership and of course India's continued assistance as well as from developed countries viz: USA Germany, USSR and China etc. Further for the development of the economy of Nepal, technological and capital inputs are vital and needs to acquire from outside. And thus Nepal's dependence on other countries is crucial which has to be continue.

#### **Resource Mobilization and Technological requirements:-**

Government Revenue and expenditure are backbone of every country. Revenue and expenditure affects all sectors of the economy. Hence government should prepare the budget very carefully keeping in mind the possibility of mobilising new resources and

TABLE: 13

## NEPAL

GOVERNMENT EXPENDITURE AND SOURCES  
OF FINANCE, 1986/87 TO 1987/88  
(Rs. in Million)

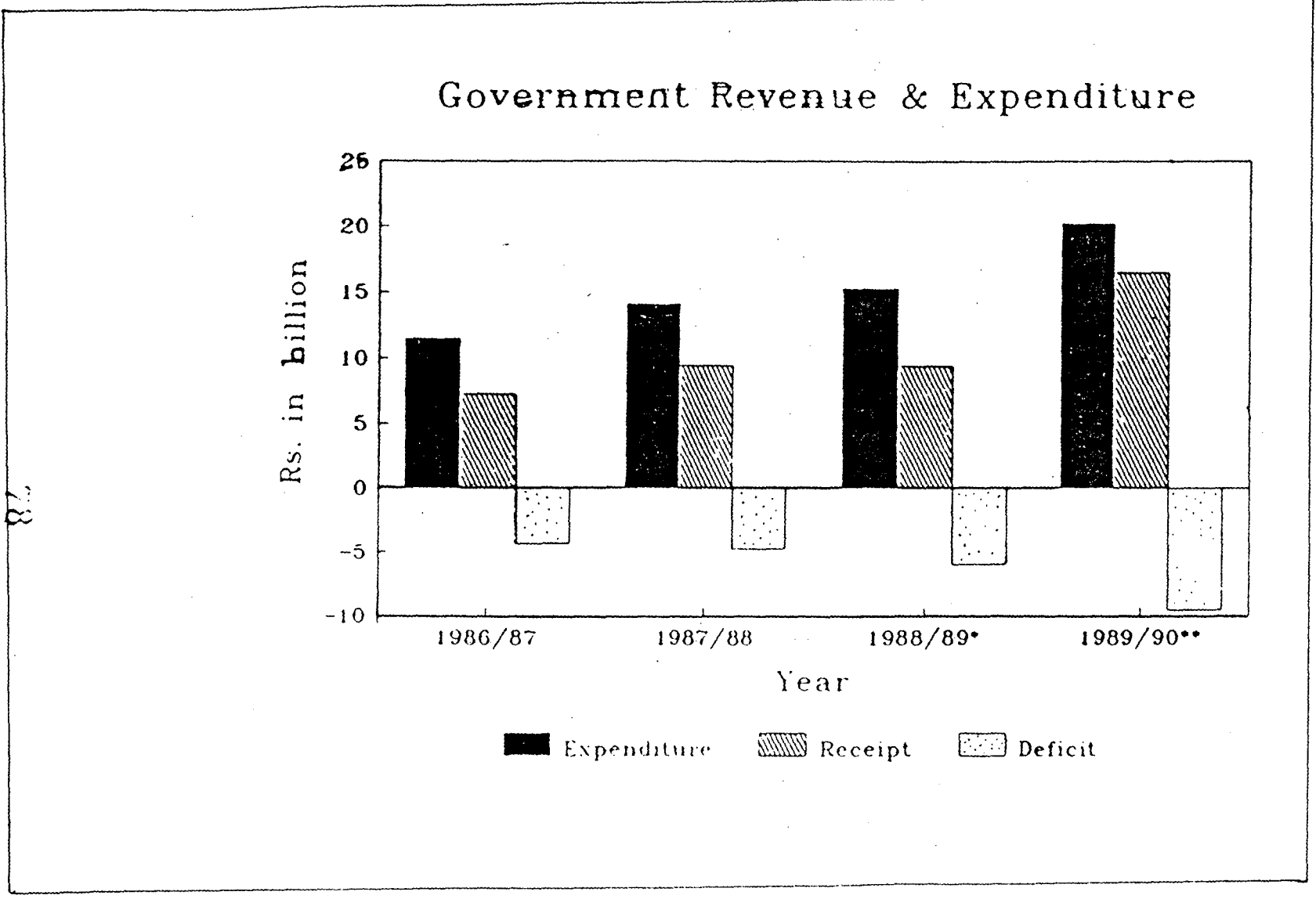
Item	1986/87	1987/88	1988/89*	1989/90**
Expenditure	11513.2	14104.9	15260.6	20241.9
Regular	4135.2	4676.9	5765.1	6651.2
Development	7378.0	9428.0	9495.5	13590.7
Receipts	7260.2	9427.2	9358.6	16501.2
Revenue	5975.1	7350.4	7540.7	8500.6
Foreign Grants	1285.1	2076.8	1817.9	8000.6
Overall Surplus (+) or Deficit (-)	-4253.0	-4677.8	-5902.0	-9517.3
Sources of Financing				
Deficit Foreign Loan	2705.8	3815.8	4169.4	7767.4
Internal Loan	1644.7	1130.0	1130.0	1750.0
Cash Balance Surplus (-)	-97.5	-268.0	402.7	-

\* Rev. Estimate

\*\* Estimate

Note: Figures have been rounded off.

Source: Economic Survey (1988/89), Budget Speech (1989/90)  
Ministry of finance.



87

their production useses for the development of economy.

Main sources of revenue are tax revenue which includes custom duties on exports, Imports and others excise revenue, sales tax, Income tax, land revenue etc (see Table). Other sources of revenue are non - tax revenue consists of forest and administration.

The table shows that expenditure is larger than the revenue. This deficit is met by external revenue. The rest of the Foreign grants, Foreign and internal loan and older sources which are used for the rest of the development expenditure . Table also shows that though revenue is increasing every year but it is always less than expendtirure. Foreign aid in terms of loan and grants are also increasing their every year.

Now the question is what are the different area which can help for the resource mobiligation, first of all. Though Nepal is getting foreign aid but I think it should mobilise extra resources domestically. The other aternative would be to increase the productivity of investment .

There are scope for raising direct taxes, especilly income tax. As the given table shows that in

TABLE: 14

NEPAL				
GOVERNMENT REVENUE FROM 1984/85 TO 1987/88 (In Million Rs.)				
	1984/85	1985/86	1986/87	1987/88
1. Tax Revenue	3151.2	3659.3	4372.4	5752.8
A. Customs Duties	1064.5	1231.0	1505.7	2214.6
a. Export	55.7	73.3	79.4	107.9
b. Import	907.6	1081.1	1285.3	1984.2
c. Indian Excise Refund	100.0	75.6	138.3	121.2
d. Miscellaneous	1.2	1.0	2.1	1.3
B. Excise	483.9	558.7	678.6	825.3
C. Sales Tax	845.8	985.9	1143.8	1300.5
D. Income Tax	307.3	364.4	437.5	579.0
E. Other Taxes	231.1	275.0	322.7	466.5
F. Land Revenue	76.9	74.2	72.4	80.7
G. Registration	141.7	170.1	211.6	286.2
2. Non-tax Revenue	765.6	985.2	1602.7	1597.6
A. Forest	90.5	115.6	129.3	101.1
B. Public Utilities	162.6	190.0	182.1	247.1
C. Interest and Dividend	120.3	297.9	256.0	325.4
D. Civil Administration	381.4	371.2	1028.2	852.6
E. Miscellaneous	9.9	10.5	7.1	71.4
Total	3916.8	4644.5	5975.1	7350.4
<p>Note: (i) Excise includes Industrial production and Liquor contract</p> <p>(ii) Other tax includes Entertainment tax, Hotel Tax, Air Flight Tax, Contract Building construction Tax, Urban House and Land Tax, Vehicle Tax, Tax on Interest &amp; other taxes.</p> <p>(iii) Income Tax includes Income tax from public Enterprises, Income Tax from Semi-public Enterprises, Income tax from private corporate Bodies, Income tax from Individuals &amp; Income tax from salaries.</p> <p>(iv) Civil administration includes charges, Fees, Fines &amp; Forfeiture, Royalty and sale of fixed Assets and Loan Repayment from companies &amp; corporations.</p> <p>(v) Public Utilities includes drinking water, Irrigation, Electricity, Postal Services, Food and Agriculture, Education, Transport and others.</p> <p>(vi) Interest Dividend includes Dividend, Interest from Loan to companies and corporations &amp; others.</p> <p>(vii) Figures have been rounded off.</p>				
Source: <u>Economic Survey (1988/89), Ministry of Finance.</u>				



8  
1987/88 the income tax revenue was over 8% of the total revenue collected in that year so government can raise these tax for more revenue, resonably.

Apart from income tax/direct, the Nepali government should use other resources very effectively. In 1991. there are some area for example public enterprises they get maximum subsidies but their contribution to government revenue has been minimal. So the improvement in the performance of public enterprises would generate a major additional flow of revenue.

Discretionary measures for raising revenue included some increases in the rate of excise duties, slaes taxes, and imports tariffs, particularly on luxury goods (eg., electronic products, Urban houshold appliances , vehicles, cosmetics , certain textiles).

Summing up, increased resource mobilisation by Nepalese government in 1990's is crucially dependent upon improvement in the collection system and in techniques of resources management.

Technology is the key to the process of economic development of a country. Use of technology leads to the development of Industries (large and small) agriculture etc.

In case of Nepal ; as earlier mentioned Nepal is a pre - dominantly agriculture country, more than 90% of the economically active population is estimated to be involved in agriculture and this sector contributed about 53% of GDP in 1987/88<sup>9</sup> Technological developments have made a major impact on the agriculture sector in Nepal. New techniques involving uses of high yielding varieties and inputs in the form of fertilisers, pesticides etc are needed for the growth of agriculture.

To further develop exports, technical assistance is needed to identify projects and then appropriate, do preliminary feasibility studies as a means to inform private entrepreneurs of viable opportunities. Technical assistance is also needed to build up local capability for industrial project design & management. One point which is very important and crucial for the economic development of Nepalese economy is small scale industries and firms. These firms are faced with shortages of technical and skilled workers. So for the fulfilment of all these objectives Nepalese economy needed technology Nepalese economy needed technology which if not available in the country can be imported.

Nepal has so far not discovered oil in their own country due to lack of advanced technology for exploration. The centre of the exploration is stated to be the shivalik foothills. So technology is needed here.

10

#### **External Trade Partnership and Development issues:-**

Exchange of commodities among different countries is known as international trade. It is the barometer of the economic development of a country. Infact Foreign Trade has become an important source of Nepal's economic development Nepal depends for most of its consumer and producer goods on imports.

Nepal has a long history in the foreign trade policy. Nepal's traditional trade ties were strongest with her northern neighbour untill the eighteenth

century. But soon a rapid shift in Nepal's trade came in favour of south, specially India. This upto 1951 trade relation of Nepal were limited only with Tibet and India. But with the estbalishment of democracy in 1951, Nepal attempted to establish trade relationship

12

with third countries. But geography has created many problems for Nepal. Because Nepal is land-locked country and almost all of Nepal's merchandise trade moves over land to or through India, using the port of

calcutta for overseas trade. which makes Nepal to have maximum trade with India. Otherwise she has to bear more cost of transportation and administration.

However, trade diversification and export promotion are the basic objective of Nepal's foreign policy. Nepal has trade agreements with sixteen

13  
countries . These are :

- |               |                  |
|---------------|------------------|
| 1. Bangladesh | 2. Bulgaria PR   |
| 3. China PR   | 4. Czchoslovakia |
| 5. Egypt AR   | 6. India         |
| 7. Korea Dpr  | 8. Pakistan      |
| 9. Poland     | 10. Srilanka     |
| 11. UK        | 12. USA          |
| 13. USSR      | 14. Yugoslain    |
| 15. Romania   | 16. Korea R      |

Various aspects of trade indice that the major item of exports to overseas countries consists mostly of Readymade Garments, woolen carpet, Tanned skin, and Handicrafts.

Similarly on the import side the major imports itense from overseas countries are machinery and transport equipments, Petrolun products Fertilisers, Textiels, construction material , medicine and Medical equipments, and raw material for Industries

which are essential for the country's industrial and agricultural development

Nepal has an adverse balance of trade mainly on accounts of heavy imports necessary for its development. More over stagnancy in export growth combined with continuously growing imports has resulted in a large and growing trade deficit. From the below given table it will be seen that total imports and exports of the country in 1988-89 (provisional) was Rs. 16240.5 million and Rs. 4155.5 million respectively indicating the trade deficit of Rs. 12085 million in the same years. Thus table also indicate that Nepal's trade deficit increased from Rs. 5001.5 million in 1984-85 to Rs. 12085.0 million in 1988 - 89 (Provisional).

#### NEPAL TRADE BALANCE

TABLE: 15

(1984 - 85 to 1988 - 89)(IN million Rs.)			
Years	Imports	Exports	Balance
1984-85	7742.1	2740.6	-5001.5
1985-86	9341.2	3078.0	-6263.2
1986-87	10905.4	2991.4R	-7914.0
1987-88	13869.6	4114.6	-9755.0
1988-89P	16240.5	4155.5P	-12085.0

P - Provisional

R - Revised

Source : Statistical Pocket Book of Nepal, 1988 , 90

## Composition of Nepal's Foreign Trade

The foreign trade scene in terms of its composition has taken now different mode. According to provisional trade statistics, Nepal's exports consisted mostly of Manufactured good<sup>14</sup> which in 1988 - 89 accounts for over 85% of the total exports.

On the import side, 'Primary goods'<sup>15</sup> accounts for over 17% and manufactured goods over 82% of the total imports in 1988-89 (Provisinal). (See table)

**Volume of Trade:** In case of exports of Nepal in 1956 - 57 it was Rs., 95.5 millions and Rs. 209.7 million in 1960 - 61. During 1956 - 60 the average was Rs. 125.62<sup>16</sup> million.

**TABLE : 16**

**Nepal : volume of Trade**

(in Rs.million)

Year	Exports			Imports		
	Total	India	Overseas	Total	India	Overseas
1956-57	95.5	93.5	2.0	169.9	165.8	4.1
1960-61	209.7	204.2	5.5	398.0	375.1	22.9
1970-71	400.6	310.2	90.4	6999.1	616.8	82.3
1980-81	1608.6	992.4	616.2	4428.2	2179.0	2249.2
P 1988-89	4155.5	990.6	3164.9	16240.5	4216.2	12024.3

P = Provisional

Source :- 1956 - 81 quarterly Eco. Bulletin. Mid -Oct 1972 mid July, 1976, 1983 Nepal Rastra Bank and overseas trade statistics, 1982 - 83 trade promotion continue 1988-89 statistical Pocket Book Nepal, 1990. Total volume of trades was Rs. 400.6 millinin 1970-71 out of which Indian share was Rs. 310 .2 million and in 1988-89 Rs. 4155.5 millin (India Rs. 990.6 millin & overseas Rs3164.9 million). curently volume of trade with India has been declined which is only 23.8%.

On the import side the volume of trade has gone from Rs. 169.9 million in 1956-57 to Rs. 16240.5

## Direction of Nepale's Foreign Trade

( Percentage )

TABLE: 1817

Year	Export			Imports		
	India	others	Total	India	others	Total
1984-85	58.4	41.6	100.0	50.3	49.7	100.0
1985-86	40.3	59.7	100.0	42.5	57.5	100.0
1986-87R	43.5	56.5	100.0	39.0	61.0	100.0
1987-88R	38.1	61.9	100.0	33.1	66.9	100.0
1988-89P	23.8	76.2	100.0	26.0	74.0	100.0

P = Provisional

R = Revised

Source : Nepal Rastra Bank



million in 1988-89. If we see the India's share then in absolute terms it has been increased but in percentage it has been decreased from 97.6% in 1956-57 to 26.0% in 1988-89. This change of trend in export and import is partially due to diversification of foreign trade.

**Direction Nepalese Foreign Trade :-** Nepal's trade was long confined virtually to India. Until 1964/65, 96 percent of Nepal's foreign trade was with India. But Indian share in total export of Nepal has been decreased to 23.8% in 1988 - 89 and in India's share in imports has also been decreased to 26.0% in the same year.

U.S.A. Germany F.R. , (before unification), and U.K. were the main partner in overseas exports after India in 1987/88. On the side of imports Japan , Singapore, Germany F.R. \*(old) and Korea P. were main partner in overseas imports after India, these accounts for over 50% of Nepal's overseas imports. Japan was the largest partner in overseas imports after India

17  
in 1987/88.

**FOOT NOTE :-**

- 1) Buxter (eds.), Govt & Politics in South Asia
- 2) Nepal initiated to first medium term development plan in 1955.
- 3) ARTEP, A Challenge to Nepal : growth and Employment (Bangkok, 1974).
4. P. Blaikie, etc, Nepal in crisis : Growth and stgnation at the periphery, (London : 1980)
5. Nepal : Statistical Pocket Book, 1990, p. 34
6. Ibid, p. 35
7. Pradeep K. Ghosh, "Developing South Asia : A modernization Perspective", (connecticut, 1984) pp. 213
8. Nepal : economic survey 1980/89, Ministry of finance, Nepal, pp. 201
9. Nepal : statistical Pocket Book, 1990, pp. 35
10. Regional Studies, Insitute of Regional Studies (Islamabad). vol III, No.2 Spring 1990.
11. Prakash Lohani, "Industrial Policy : The Problem child of history and planning in Nepal", in Rana & K.P. Malla, eds, Nepal in Perspective, CEDA, 1971.
12. i.e., countries other than India
13. Statistical year Book of Nepal 1987, p. 393.

14. "Manufacture goods" include : (i) Beverage and Tobacco, 2 mineral fuels, lubricants etc, 3. Chemical & drugs , 4 Manufactured goods classified by materials, 5 Machinery & transport equipments 6 Misc. Manufactured articles, 7 Miscellaneous .
15. "Primary goods" include : (I) Foodstuff  
2. Inedible crude materials (except fuel) 3.  
Animal & vegetable oil & fats.
16. Quarterly economic bulletin, mid - oct, 1972.
17. Statistical year Book Nepal , 1990.

## CHAPTER - 5

### GEOGRAPHICAL DETERMINISM, FOREIGN POLICY AND RELATIONSHIP PATTERN :-

Ecological Unity and Question of Security -  
Determinants of Foreign Policy and option Available -  
Evolution of Foreign Policy of Nepal - Priorities and  
Issues Involved.

The progenitor of the present ruling dynasty in Nepal, Maharaja Prithvi Narayan Shah, once aptly described his newly conquered kingdom in the central Himalayas as "a root between two stones"<sup>1</sup>

These two newly emerging dominant powers, were British East India Company in India and Chinese presence in Tibet in 18th century. Nepal's most formidable problem in the formulation and implementation of foreign policy was due to the presence of these two giant powers. Present day Nepal thus perceives its critical geopolitical situation from a long tradition history as a buffer state and with some deeply ingrained attitudes towards the policies and practices required to maintain its political and cultural integrity.<sup>2</sup>

Due to the conditions of Nepal's pre-occupation with mere survival its foreign policy has a psychological orientation different from that of the larger states, including India and China, its two giant neighbouring countries, whose physical attributes are in themselves a fairly reliable guarantee of security.<sup>3</sup>

If we see the past history of Nepal we can say that there was basic similarity between King Prithvi Narayan Shah's analysis of Nepal's role in the

Himalyan region and his application of tactics, and that of king Mehendra Bir Bikram Shah Dev.

Nepal therefore provides a useful case study of the processes and style with which a small state in a difficult geopolitical situation confront and confounds the intrusionist and directive policies of the major powers.

In fact Nepal's difficult geopolitical situation has dominated Nepal's foreign policy from the very beginning. Historically speaking before 1951 Nepal's foreign relation was limited with four countries i.e. India U.K., USA and France (4) However after the establishment of constitutional monarchy in 1951 by king Tribhuvana, Nepal established foreign relations with 99 countries of the world upto the last<sup>5</sup> of May 1987 .

If we see the definition of foreign policy of a country as given by S.P. Shah, " The term foreign policy can be defined as the policy adopted by a certain country with relation to other countries (be they close neighbours or otherwise) peace and harmony (among themselves).

Similarly Jaiswal T.N. has defined foreign policy as projection of Nation's requirements and needs

which are influenced by internal and external variables based on situations and conditions. It implies that policy moves, 'up and down within set of principles and goal.

#### **Determinants of foreign Policy:**

Foreign Policy of a country is determined by constant factors as well as the prevailing international environment. These factors are historical traditions, geopolitical situations, geographical setting, political ideology, socio-economic conditions and international climate.

In case of Nepal it has inherited certain geographical and historical factors from the past which have generally shaped its foreign policy. The geographical perspective has remained one of the constant variables influencing power and ability to survive Nepal as an independent state.

Geopolitically Nepal is situated between her two main neighbours - India and China both having different systems of government. India having parliament democracy and China having communist set up. Even the founder of modern Nepal, King Prithvi Narayan Shah once said "Nepal is like a yam, between two boulders. Which can be interpreted in a way "sandwiched

between the two contrast nature, or Nepal is critically located".

### Geographical features as a factor in Nepal's Foreign Policy

As far as geography of Nepal is concerned Nepal's central location on the southern slope of the imposing mountain system that separates the Tibetan plateau from the gangetic plains of India has always strongly conditioned the country's history and foreign policy. Modern Nepal control approximately one - third

6

of the Himalyan baston .

Nepal's Geographical location, size and rugged topography determines Nepal a unique foreign policy . Since she has common border with both India and China. India on her south has a long stretching border which is in fact no proper demarcation of the boundary makes Nepal more open and accessible towards India. On the other hand, in her nothern part the border runs between tibetan platean of china, pasing through the world's highest mountain the Himalyans. There are so many passes running north south of Himalayas and pasing through Nepal. There are attest 17 passes in the central Himalyas. range that are used for communication between Tibet and Nepal, cent of the fourteen passes, one is regularly use for



communications. The famous among the passes are Kerong & Kuti. These passes were used for trade and commerce as enterpot in the beginning most of these passes were under Nepalese control later on the two most important passes viz, Kuti & Kerong were captured by Chinese in 1791. These two passes are also strategically very important for China and Nepal as well. The other passes of the region remained inaccessible for greater part of the year due to its high attitude, which is more than 17000 feets .

This Himalayas forms a natural zone of protection " <sup>7</sup> which always work as shield for Nepal during invasion especially in the northern part of the country.

On the southern side the border between India and Nepal run parallel to Terai (Plain) in the economically most important region for Nepal and Indo-gangetci plains in the Indian side to which S.P. Muni calls " Zone of exposure". has made India and Nepal accessible to each other without any obstacle unlike . Nepal - China border. Due to this easy accessibility, there has been Historical contact between these two friendly countries from the very old days. Social cultural exchanges and poltical influence between these two countries has greatly been encouraged and

facilitated even we known, that Nepal who is landlocked country has easy access to the sea via the port of Calcutta for her trade and transit .

In fact the zone of protection" have made Nepal including South Asia a separate geographical unit different from the rest of the Asian continents<sup>8</sup> Even he (Kant) says, that strategically Nepal falls within the comprehensive defence parameter of India.

From the old days the relations between India and Nepal has been regular the reason being easy accessibility to India but on the other hand the relationship between Nepal and China has been occasional and formal because the access to sea for trade and commerce from the northern side is prohibitive. It means strategic location has played major role for the international relations with neighbouring countries of Nepal.

Geographically speaking Nepal has an area of 54,717 about 17 million (in 1987) . Though Nepal is the largest Himalayan states but as compared to her two neighbours she is 22 times smaller to India and 75 times smaller than China in size.

Other features of the Nepal - China border is that the different rivers are flowing from the great

Himalyas but great Himalyan range does not form watershed every where between the north and south flowing rivers. P.P. Karna has correctly observed that " As the great Himalyas some southwards . . . flowing rivers have eroded their valleys headward to a point where they drain areas well to the north line connecting the highest crest ". Rivers in Nepal flowing southward have their origin in the glacier of Himalayas but some of the important river of Nepal china - border viz Arun, the Karanli & Gandata 's headwater, rise far beyond the main Himalayan Range . But these rivers join the other rivers of the main Himalyan range either by headward erosion or by antecedence . carving very deep Gorges in the region they are flowing .

Nepal has a rugged Topography in general, however various other topographic features are also found in Nepal. The main one are three mountain ranges viz. the Himalyas, Mahabharat and third one is Sivalik (the foothills of Himalyas). which are parallel to each other, and lie along the east west axis. We also found major three river system in these Himalyan ranges viz the Karnali, the Gandak and Koshi - flowing towards south into Indian plains these vertically cut through these mountain ranges and disrupt

east - west communication. Because it becomes very difficult to cross the deep gorges and rugged transverse ridge created by the various river systems. To construct road and railway tracts become a very difficult and very costly through these insulated rugged terrain. Though some rope way have been constructed, it does not help in transportation of heavy goods and materials. Thus transport and communication is so poor that it has to depend most of its economic development from India.

The country can be divided into three regions viz, the high Himalayas (mountain), the Hills (including valleys) and lastly, the Terai (Plains). Mountain have an area of 46780 Km<sup>2</sup> but only 8.9 % (1981) population of the total, residing there world's highest peaks - Mt everest (8848 meter) Kanjinjunga, Makalu, Dhavlagini, and annapuran are found here the altitude of mountains varies from 4877 meters to 8848 meters above sea level

On the other hand terai a marshy region extends almost from east to west along the Indo Nepalese border. Geographically terai is an extension of the Indo-gangetic plains of India forming a very fertile land of Nepal. Its length varies from 16 to 50 miles in breadth. About 40% of its land area is under

cultivation Economically terai is the more developed part of the Nepal, except Kathmandu . It yeild abotu 75% of the total revenue of two country the reason beings, it is plain and fertill area, easy access to Indian market, better transport and communication with the neighbouring regions and industrially more advanced. But poltically this region is not so active. Some times it creates problems like socio poltical and regional, in the poltics of their country. Being located in a better position this region provide good trade and transit facilites throughout the Nepal. The other regions are basically hills which lies between Mountain in the north and plains in the south. Kathmandu, the hearts of Nepal area about 62630 K.2 and 49.2% population was residing have in 1981.

These mountainous region of Nepal is a great obstacle in way of all round development of Nepal. These maintain has created problem of transport and communication between different parts of the country. and even adminstively , to control whole area from centre (Kathmandu) is very difficult which has created problem of National integration and unfication of the country.

Another point is that these mountainous region also prohibite the mobility for defence reason

and that also retard the development of this region. But at the same time these mountain region work as a shield for the protection of Nepal from the Northern outside forces. Further there are some areas in Terai mean whole southern area where it easy to reach from Indian side but tough from Kathmandu. it has made the dependence of Nepalese economy crucial on India.

From the above mentioned geographical feature, one can understand that these topographical feature have palyed an importnt role in shaping the Nepal's society in different ways. These geography is the major feature which determine the foreign policy of Nepal. Two basic features of Nepal's foreign policy, economic development of its economy and political independence , are largely determined by her difficult geography and geopoltical situation. Nepal from the strategically can be more safer from India. This is due to long history of friendship, common religion is another factor which also plays a great role for better relationship between the two countries. Nepal also knows that its dependence on India is crucial and vital for her all round economic development. Nepal's major foreign trade partner is India and even for transport and transit facilities it depend upon India. Trade and transit facilites are being provided

to the post of Calcutta though recently there was conflict between Nepal & India due to some misunderstanding arising out of expiring of trade & Transit treaty on 23rd March, 1988. But was later on solved. However there is no denial that China and Tibet are playing important role in Nepal's economic development. But the existing relationship between Nepal and India is more closer, looking from different perspective.

Socio, economic and culturally. Millions of Nepalese are residing in India and Gorkha soldier in the Indian army are still fetching large amount of foreign exchange. Even Nepalese people are allowed to join Indian highest services etc. These all factors show the inclination and dependence of Nepalese on India.

As far as Evolution of Foreign Policy of Nepal is concerned, G.B. Rajbhandary<sup>12</sup> has given the following four basic principles. These are:-

- 1) Keeping away from military alliances
- 2) Belief in the charter of the UN
- 3) Our foreign policy aims at the promotion of cooperation among nations
- 4) We are following our foreign policy on a pragmatic basis.

Moreover even the new constitution

13  
promulgated on November 9th, 1990 declares that, the  
foreign policy of Nepal shall be guided by the five  
basic principles viz : Principle of united nationa  
charter, Non-Alignment Panchsheel, International law  
and the recognition of world peace



## FOOT NOTE

1. Leo. E. Rose Nepal Strategy for survival, 1971
2. Ibde. n. 1
3. Leo. E. Rose Nepal Strategy preface pp. VII.
4. Statistical year Book Nepal, 1987
5. Ibde n. 4
6. Leo. E. Rose : Nepal strategy for survival, p.3
7. Muni, S.D. foreign policy of Nepal (Delhi : National, 1973)
8. Kant, Rama "Geography as a factor in Nepal's Foreign Policy ", south Asian studies (9th July 1973) : 55.
9. Antecedence:- If the course of the river predates the elevation of the mountain or ridge, and yet managed to keep its path,s then it is antcendent.
10. Goages :- A Narrow & deep valley of river.
11. Statistical year Book Nepal 1987 p.7
12. Foreign policy and King Birendra. p. 146 - 147
13. Nepal News " vol XXIX, No. 19 (Nov. 15, 90) New Delhi.

**CHAPTER - 6**

**NEPAL'S EXTERNAL RELATIONS**

Indo - Nepal Relations and Problems Associated, Sino -  
Nepalese Relationship and Problems Associated, Nepal  
and the Super - Power Relationship pattern:

Relationship between various countries are determined by different factors. In case of Nepal its Domestic environment and political set up in the the country are the main factors which determined its external relations. Nepal is a landlocked country situated between two powerful countries India and China. This Geostrategic situation of Nepal is also responsible for having close relations with India on whom her dependence is vital and crucial . Due to landlocked situation trade and transit facilities are being made accesible by India through Calcutta port for out let to the sea. Infact political isolation of the Nepal is mainly attributed to its complicated geography and landlockedness .

Moreover India also share with Nepal undisputed long culture, ethnic and religious heritage. It has also histrocial link with India namely Joint strategy during wars or crisis, long standing ethnic links and trade ties. So all these factors leads to have a good relations between India and Nepal. But on the other hand geogrphically china is not easily accessible to Nepal, though she is accessible to Nepal via Tébet. So this distance factors is responsible for not having as close relations with China as with India.

## **Indo - Nepal Relations and Problems Associated:-**

Historically speaking , the relations between Nepal and India are very old. Infact the relations between both countries from 1950 onward are governed by the treaty of peace and friendship and treaty of trade and commerce both signed on 31st July 1950<sup>1</sup> . The treaty of peace and commerce acknowledged the independence, territorial integrity, and sovereignty of the Nepal and the treaty of trade and commerce recognize Nepal's right to import and export commodities through Indian territory and port of Calcutta without payment of customs.<sup>2</sup> Though the treaty on trade and transit had experied on 28the march 1989. But again by an agreement between the two government the transit right were restored to Nepal.

The relationship between India and Nepal from time immemorial have been very close and intimate. The earliest authentic evidence of relation between India and Nepal - is found in the 6th country B.C.<sup>3</sup> During this time Buddha the great religious preacher of India, visited the Nepal after enlightenment. Even the Asoka (273 - 32BC) of Maurya dynasty had visted the Nepal during his reign and Sanudra Gupta of Gupta dynasty. conquered the Nepal .<sup>4</sup> has been recorded on a pillar at Allahabad. Even during the Muslim invasion in India,

many people from India especially of high caste Brahman  
or Kshatriya caste - sought refuge in Nepal<sup>5</sup>. The  
mallas, descendants of a Prince of outh Hari Singh Deo,  
ruled Nepal till their defeat by Gorkha (1767-68).

Besides these social and cultural relations  
there were also trade contract between India and Tibet  
through Nepal. Infact Nepal served as a enterport for  
trade between India and Himalyan Kingdom of tibet. due  
to its Central positions in Himalayas since ancient  
times.

The earliest relationship between Nepal and  
British began with the British ascendeney of the East  
India company in Bengal, when the battle of plassey  
(1757) was fought which was won by the British. It  
was the beginning of British east India company as  
political power in India from mercantile firm<sup>6</sup>.  
Basically the British had occupied Indian territory for  
commercial purpose for which political influence was  
necessary. Obviously for trade purpose they needed,  
commercial market to sell their product and extract raw  
material. It was widely believed that Nepal contain

<sup>7</sup>  
several gold mines. Obviously British interest became  
more in Nepal for gold. During this period of 1767 to  
1861 the objective of the British was to safeguard and  
foster the customery trade between Bengal and Tibet

8

through Nepal . But the Gorkha militancy upset the peace in the Himalayas region in 18th centry, and as a result trade of Himalayan region affected. The result was war between Nepal (Gorkha) and the East India company in 1814 - 16 and subsequently treaty of Sagouli was signed. and thus Nepal came more close to British leading to the revival of the Indo Nepalese trade. The Treaty of sagouli came naturally to be looked upon as the very basis of Anglo - Nepalese relations.

9

The most important provisions of the treaty (1) authorized the British to establish residency at Kathmandu (2) surrendered all of Nepal's hill territories west of the KOshi River as well as the disputed Terai areas below the hills to the company or its subordinate Indian states and (3) turned over territories between the Singalila large and Tista River to the company which then restored them sikkim.

Under the agreement British Indian representative was the only foreign representation in that country and guided, Nepal's foreign affairs in such a manner that they should not obstruct relation of British India vis-a-vis Nepal.

Between 1816 and 1846, Nepal adopted a low profile in dealing with British India, changing its

tactics from one of open obstruction to that of

10

fraustration Jung Bhadur the Prime Minister of Nepal, helped British India company by sending Gorkha Soldiers against Indian Mutiny of 1857 and in reward, British Government returned whole territory to Nepal which was earlier lost by Nepal but the last ruler of Rana regime ended in 1950.

Historically speaking the origin point of crisis of confidence between the Nepal and India goes back to the year 1960 when the king Mahendra dismissed the elected government of the Nepali congress. India did not support it because its interests were seen to be better served by Nepal's broad, people based government. It made the then king perceive India as an ally of his domestic political foe. The king started exploiting nationalistic emotions against India and at the same time he had established its diplomatic relations with India's enemies, notably China and Pakistan. It led to the erosion of the structure of the Indo-Nepal treaty of cooperation, peace and friendship. The growing involvement of China in the Affairs and activities of Nepal was viewed by India as disregard to the treaty of 1950. Also it was seen by India as potential threat to her national security because of already strained relations with China at

that time. Hence given India's relatively low level of defence preparedness to cope with powerful China, India wanted to improve bilateral ties with Nepal and for this, she tried to distance herself from the domestic democratic forces in Nepal which made the king somewhat less aggressive towards India.

The security, independence and integrity of Nepal hinges on the existence of cordiality between India and China and of course, also on the balance of power in the broader world sphere. Strategically Nepal is so situated that their attitude must be taken into account in consideration by Nepal of any major problem relating to defence, trade, industry or economic policy. Nepal's freedom of choice is in fact limited by the expedience of power politics. Whatever concessions may have been temporarily acquired by Nepal from India and China through the clever manipulation of her strategic position they will not amount to much in the long run in the absence of a peaceful and lasting compromise binding on all the parties concerned .

11

But the complete normalization of the bilateral relations, according to India could not be restored because of the Nepal's strategic concept of balanced neutrality between two giant neighbours India and China.

12



King Birendra's proposal Nepal as a zone of peace (ZOP) put forward in Feb 1975 has been rejected by India contributed significantly towards the mutual distrust in the region. The proposal had been come to be commended by 116 countries of the world<sup>13</sup>. Rejection of ZOP Proposal by India is because it entirely dilutes the the provision of treaty of 1950's between India and Nepal. Even Prof. Leo E., Rose has pointed out that "it is naive to assume that India is prepared to defend such remote and comparatively less strategic sections of the frontier as Ladakh and NEFA against Chinese aggression and yet docilely permit Nepal, a dagger aimed at the heartland of northern India to come under Chinese domination" So it very vital for the govt of Nepal to come to terms of India's vital security considerations.

The following are the seven points of Nepal a zone of peace

1. Nepal will adhere to the policy of peace, non-alignment and peaceful coexistence and will constanly endeavour to develop friendly relations with all the countries of the world regardless of their social and political system and particularly with its neighbours on the basis of equality and

regard for each other's independence and sovereignty.

2. Nepal will not resort to the use of threat of force in any ways, which might endanger the peace and the security of other countries.
3. Nepal will seek peaceful settlement of a disputes between itself and other state or states.
4. Nepal will not interfere in the international affairs of other states.
5. Nepal will not permit any activities in its soil that is hostile to other states supporting this proposal and in reciprocity, the states supporting this prosposal will not permit any activities hostile to Nepal.
6. Nepal will continue to honour the oblegations of all the existing treaties which it has concluded with other contreis as long as they remain valid.
7. In confirmity with its policy of peace and non alignment, Nepal will not enter into a military alliance nor will it allow the establishment of any foreign military base on its soil. In reciprocity they will not allow establishment of military base in their soil directed against

However with the victory of democratic forces in Nepal an interim government was formed and Prime Minister Bhattarai has categorically denounced the perverted perception of insecurity vis-a-vis India. Even Prime Minister has rejected the king Birendra's ZOP Proposal and assured to India that security of Nepal vis-a-vis India will be on the basis of mutual understanding.

Nepal's dependence on India is vital and very crucial. India's contribution to the overall development of Nepal's economy cannot be underrated. Despite its financial constraints and its own struggle to raise the living standard of its people emerging from the long era of colonial stagnation and exploitation, India has done quite a good job for Nepal in its all round economic development. For instance the kosi and Gandak projects preferential treatment to Nepalese primary products and manufactured good in the Indian market on a non - reciprocal basis ; special excise duties concessions on Indian goods imported by Nepal, financial grant, loans : technical help etc.

The reality of India - Nepal relations can be known better by taking into accounts the role of China,

hostile to India, Pakistan, super power.

The hostile diplomatic relations between India and china and Pakistan found a new avenue in the form of bitter relations between India and Nepal to terrorise Nepal against India. Infact both china and Pakistan never missed any oppourtunity to capitalise the strained relations between India and Nepal and every time they went against India, no matter what the merit of their support to Nepal was. It was and still continue largely because of India's growing influence in the world politics in genral and in the Asian continent in particular. The role of USA in playing Nepal card to the disadvantage of India has been indirect through Pakistan and China whereas the USSR maintained more or less neutrality in this regard due to the internal collapse of its economy. But India should be very careful about it & should not give any chance to its any adversary to distance Nepal from her.

Recently there was deadlock between the relations of Nepal and India. The innmediate factor was the question of the trade and transit. As we know that Nepal is a landlocked country by its very geography and she can not make outside convenient movement for her's international trade unless through Indian territory. Hence the degree of dependence of Nepal on Indian for

the former's international movement is extremely high India has been providing Nepal all the trade and transit facilities under the treaties for trade and transit expired on the 23rd March 1989 without renewal. It is noteworthy that the trade and transit treaties and a many other matters relating to security of both countries have been influenced and divided within the broad parameters of the Indo - Nepalese treaty of peace

15

and Friendship of 1950. renewed after some years normally ten years. The reason of deadlock was the disagreement between India and Nepal over the pattern of the treaties. Nepal had been demanding for separate trade and transit treaties because she said that both trade and transit are two separate issues and therefore they should be treated separately. From 1950 - 70 there were separate treaties for trade and transit. But 1970 onward India insisted on a single unified treaty. The argument put forward by Indian government in this regard was that the unauthorised trade channels are flourishing of Nepal border mainly on account of a clear and close linkage between trade flows and transit procedures between India and Nepal. Anyway, with the expiry of the treaties India reduced the facilities hitherto given to Nepal for trade and transit. It created a hostile environment and deteriorated the bilateral relations.

Amidst this tense phase of Indo - Nepalese relations in December 1989, in India Congress government was replaced by Janta Dal government. Simultaneously, a new wave of democratic movement was running in Nepal for launching of movement for democracy. Indian leaders personally went to Nepal for the mobilization of support for democracy in Nepal. Subsequently there was a triumph of democratic forces in April 1990, an interim government was formed headed by K.P. Bhattarai, a prominent Nepali Congress leader. With the democratization and coming of new government in Nepal a new era of friendship has opened up between India and Nepal.

Soon after assuming the office of the Prime Minister of Nepal, Bhattarai paid the visit to India on June 8 - 10, 1990. The request of Prime Minister of Nepal about restoration of status quo ante, was favourably received in India. It was also agreed that a formal treaty will probably be signed after the general election in Nepal in May 1991. New Government has been formed under the Prime Ministership of G.P. Koirala of Nepali Congress which has good relations with India. At present complete normalcy has been restored in every sphere of Indo - Nepalese relation.

## **Sino - Nepalese Relationship and problems Associated**

Although Nepal's contact with China dates  
back to the seventh century <sup>16</sup>, but it might be recalled  
that Nepal had her earlier political contact with China  
since 1792, when the latter had intervened in the

Tibeto - Nepalese war <sup>17</sup>. Geographically Nepal has no  
easy access to China as it is to India. However during  
1955 after the occupation of Tibet by China, the  
strategic importance of Nepal was realised by China.  
China also realized that Indian hegemony over Himalayan  
can be a threat to her own security. So after hard  
efforts. China was successful in establishing her  
diplomatic relations with Nepal in 1955. Subsequently  
a treaty of friendship was also signed in 1956 for  
having good relations.

Under the framework of treaty of friendship  
in 1956, Nepal recognized Chinese suzerainty over  
Tibet and surrendered all privileges and rights,  
granted by old treaty of 1856, including annual tribute  
from Tibet. Another provision of the treaty was that  
Nepal opened a consulate general in Lhasa with four  
trade agencies in Lhasa and regional centres, while  
China was permitted to open three trading centres in  
Nepal.

Nepal's border with china was undemarcated and it had caused occasional friction between these two countries. Even China's map was showing Nepal's territory in Tibet. So this Sino - Nepalese dispute on boundary was settled by a treaty of 1961 under which boundary demarcation was done in right way.

Further to make their relations more cordial and firm , A fresh treaty of peace and friendship was signed between people's republic of China and kingdom

18

of Nepal in April 8, 1960 which became the firm basis of their future relations. The main provisions of the treaty were, both Nepal and China recognise and respect the independence sovereignty and territorial integrity of each other; they were also agreed not to interfere in each other internal affairs.

To maintain their good relations with Nepal, China have contributed large amount of economic assistance to Nepal for various projects. Motor road linking Kathmandu and Tibet was assisted by Chinese. Even during 1980's a contract was awarded to china to construct the 128 miles. Kohalpur- Banbasa sector of the East - West Highway. But finally Nepal cancelled this contract which made China more irritate towards Nepal and 30 yers old relationship were marred.



## **Nepals and the Super - Power Relationship Pattern**

Nepal's relations with united states are not too old. The relations between Nepal and United states were formally established since 1947. Moreover American embassy was also opened in Kathmandu in 1959. Communist China's occupation of Tibet in 1950 greatly increased the strategic importance of Nepal due to its central location between China and India in South Asia. Broadly speaking United state's policy towards Nepal has three objectives ; support for peace and stability in South Asia ; support for maintaining Nepalese independence and territorial integrity ; and lastly support for one of the world's least developed countris in meeting its development needs through selected programmes of economic aid and technical assistance.

Since 1951 United States has provided approximately \$ 250 million worth of economic assistance to Nepal. Even the U.S.A. agency for international development now provides an annual input of about \$ 8 million through programmes in Agriculture, education, social welfare and communications. For the promotion of communication in Nepal, the first automatic telephone exchange was built by the United States at a cost of \$ 500,000 in 1962. Moreover Nepal is also having several agreements and treaties with



United States covering economic and technical fields. In addition educations, highway, investment guranties, Judicial assistance, peace corps (which are still continue), and trade commerce are other areas under the above mentioned headings.

During 1950's, United State's main gool in Nepal was to help Nepal economically enough to resist Chinese pressure at home and from abroad. Thus it made similarities between the gools of India and USA. Modern day relations between both countries are just in terms of foreign trade and economic assistance which Nepal is getting from USA.

Recently king of Nepal promulgated the Nepals new Democractic constitution which was welcomed by United State of America in these words. "The new constitution establishes constitutional monarchy and Multiparty Democracy, guarantees many basic human rights and provides the framework for building

19  
democratic institutions".

On the other hand the relations of Nepal with USSR were established with the opening of an USSR embassy in Nepal in 1959. Earliest economic assistances was provided to Nepal in 1960's. Economic assitance was largely in terms of infrastructure covering industry and transportation development. In

recent years Soviet assistance has been nominal limited mainly to training and technical assistance. However, Soviet is a big donor country.

From time immorial the relations of Nepal with Britain are very intimate until the British left India in 1947. Subsequently their relations are continue. Britain still recruit Gorkha soldiers from Nepal for her army. It is also providing a lot of aid for the development of Nepal.

Moreover, King Birendra's visit to Britain in 1983 is another sign of good relations. Even Queen of Britain has paid visit of Nepal two times.

In summing up, external relations of Nepal determined by the factors like geopolitical situation, cultural, ethnic and religious one. The Domestic environment and political setup in the country are other factor which determined the relationship pattern of Nepal with other countries. Multiparty Democracy has been established and the monarchy has been institutionalized. Which is a new steep in the promotion of political process in Nepal.

## FOOT NOTE

1. See Appendix
2. Encyclopedia of the third world (R. Ed), vol II,  
(London : Mansell Publisher,s 1982) p. 1287.
3. Ramakant, Indo-Nepalese Relations 1816 - 1877,  
(New Delhi : Chand & Co., 1968) p. 1
4. ibid, p.1
5. Rose L.E., Nepal : Strategy for survival,  
(Berkeley: university of Califoronia Press, 1971)  
p. 7.
6. K.C. Chaudhuri, Anglo - Nepalese Reations  
(Calcutta , 1960 ) p.4.
7. ibid , p. 4
8. Mojumdar , K., Anglo- Nepalese relations in the  
Nineteenth century (Calcutta ; Mukhopadhyay, 1973)  
p.4
9. op cit, 5
10. A.R. Deo, Democratic Nepal : Hopeful Signs, world  
Focus Journal. 128, Sept, 1990, p.4
11. Rana, J.B. and Malla , K.P. eds, Nepal in  
perspective (Kathmandu, 1973) p. 258.

12. Economic and Political weekly, April 22, 1989.
13. Parmanand, Nepal Today, World Focus, Journal, Nov - Dec 1990 p. 72.
14. Agrawal, G.R., Fundamental of Nepalese Foreign Policy, (Kathmandu, 1985) p. 51- 52.
15. The full text of the Indo - Nepalese treaty of 1950 is given in the appendix.
16. P.P. Karan, Nepal ; Cultural and Physical Geography, p. 13.
17. Ramakant, Indo- Nepalese Relations, (New Delhi, 1968) p. 10.
18. See full text of Sino - Nepalese treaty in the Appendix
18. Nepal News , vol XXIX , No. 19, . (Nov. 15, 1991), p. 36.

CONCLUSION

FUTURE PROSPECTS AND PROBLEMS, NEPAL  
AND SARRC AND REGIONAL INTERDEPENDENCE.

The present study attempts to analyse and understand the political Geography of Nepal in relation to its Domestic environment and External Policy. It has several aims, firstly it seeks to analyse and understand the distinctive elements of Nepal's political geography in relation to its small size and landlocked location. It discussed the effects of the physical and cultural environment the unequal distribution of natural and human resources. Regional disparities on the external policy of the country viz. her external relations and foreign policy. Effects of domestic environment condition on the internal stability, the economic and political viability, the survival of Nepal as a nation state, are discussed.

Economic needs of the country, compulsion of being land locked, resource mobilization and technological requirement, External Trade Ratnership and development issues, her Economic dependence on other countries have been appraised.

Nepal is a landlocked, country with rugged tepography. Ecologically country has been divided into three ecological regions viz.: (1) Mountain (Humalayas) (2) Hill (3) Terai which have affected its internal and external political relations throughout its history, strategically Nepal is situated between two giant neighbours, India ande China which have affected its geopolitical structure very much. Mountain ranges isolates Nepal from central Asia and also works as

shield for Nepal during invasion.

In contrast to mountain region, the Hill region is little a bit more developed. Kathmandu Valley (the heart of Nepal) which is in the Hill region is the centre of power since Ancient time. Kathmandu valley is having more concentration of population and a capacity for assimilation, which favours the unity of the country. Infrastructure in the form of industrial development, transport and communication are also concentrated here is the highest in the country. Terai (Plain) region is economically most developed part of country after Kathmandu valley, largest number of infrastructural facilities are concentrated here more than 57% of the total cultivated area is in the region and thus agriculturally more developed area. The facilities like fertile cultivable soil, availability of immense water, transport and communication facilities, closeness to Indian market for export, hard working people of Indian origin are responsible for its economic development. Thus this region is the main source of Foreign Exchange and Revenue for country. Nevertheless, this region is socially backward and isolated from main stream of the country. This region may be a threat to the unity and integrity of the country. So Government has to involve population of this region in the main stream of political process of the country.

A variety of weather and climatic influences have affected the stragic situations of Nepal. its internal unity,



its economic viability and its regional diversity. In other words, climatic conditions have influenced the problem relating to the selection of dam sites, the choice of the crops according to climatic of the Region. The presentation of Forests and soil erosion which threaten the ecology of the country.

The unequal distribution of agricultural and mineral resources, social facilities has affected the economic viability of and political stability of the country as whole and of its various regions. This unequal distribution of resources and infrastructure has created a regional disparities and has contributed to fragmentation of the country which slow down the process of economic transformation and unification of the country. The rugged topography of the country and of course monarchy have attributed to the concentration of industrial establishment in the Terai and Kathmandu valley. Therefore whatsoever industrialization that took place got concentrated in the Eastern and Central region. The Policy makes and Government have enunciated regional development policy in 1974 and has taken active steps in reducing regional imbalance in industrialization.

Nepal's political development from centuries has been decisively affected by its positions between the two great neighbours. The Himalayan Kingdom of Nepal has inherited several cultural racial, racial, linguistic religious and politico administrative legacies from the past history that

are affecting the Geopolitical structure of the country. Historical evolution of Nepal as nation state reveals the rules of various Monarchy, also from Indian subcontinent resulting in complex range of ethnic grouping, religious differences, political fragmentation and cultural types. In fact Nepal has never been occupied by any foreign ruler. Several important influences of the past are still evident in Nepal, especially Monarchy.

Domestic environment of Nepal has a great impact upon its political system. If political stability is there, then economic stability will obviously come. Monarchy was the ruler since Ancient time but now recently monarchy have been thrown out of power by the democratic forces in the country. New constitution has been promulgated by the king on Nov.9, 1990 and duly elected Democratic Government has been formed under the leadership of Prime Minister G.P. Koirala of Nepalese congress. Monarchy has been institutionalized. The sovereignty of the country nested in the Nepalese people now. The old constitution of 1962 have been abrogated. This changing pattern of political system reveals the new hopes for the stability of political set up in the country which will lead to unity and integrity of the country.

Nepal's economic needs are different and pose always serious issues concerning development with or without external participation. It is primarily an Agriculture country with forest a playing significant role but highly threatened ecology. In the development programmes, Nepal all

alone cannot meet the requirement and it has to seek redressal from the outside world - regional development partnership and India's continued assistance as well as from Developed countries. It has been found that technological and capital inputs are vital and need to acquire from outside and the Nepal's dependence is crucial Indian and Chinese factors remained to be important. The monsoonic unity in South Asia further explains the need of Indo-centric Nepalese concern both in process of development and linkage with the outside world. The Geographic continuation through Terat between India and Nepal further explain the question of economic and social interdependence.

Nepal's external linkage partly Indo-centre but always under test. The regional and international forces have placed pactinent stamp on the nature and character of Nepal's Foreign policy framework. They are always conditioned by threat perception and geostratic consideration. Different factors determine the Foreign policy of Nepal but Geography is the major factor which determine the foreign policy of Nepal. Ecological unity and Security are other factors of foreign policy determination. The Foreign Policy is based on Panchseel and non-alignment.

External Relations of Nepal are important for its stability as a Multiparty Democratic set up and economic development. Being a small landlocked country. She has to pursue such a policy which should not affect her relation with neighbouring countries. Geography, culture, ethnicity

and religion are other factors which bind the Nepal to have good relations with India. At present there is not Indo-Nepalese boundary conflict. Boundary demarcation has been done though the border is open between India and Nepal. The citizen of both countries can cross the border without any restriction of passport. Through recently there was strain relations between Indian and Nepal on the questions transit treaty but that has been solved now.

Nepal should continue with well co-ordinated strategy and diplomatic thrust with neighbouring countries for her viable economic development and should also strengthen existing friendship for her survival.

#### NEPAL, SAARC AND REGIONAL INTERDEPENDENCE

Regional interdependence has posed a serious challenge to the members of SAARC because in the process of promoting a balanced interdependence the members are expected to make adjustments and sacrifices. Nepal as a member of the group also has to make some adjustments in its approach. A change in the conventional outlook of the members is essential in order to make SAARC as a cooperative enterprise successful. Therefore, the future of SAARC is to a great extent dependent on the behaviour of its member nations.

Politically, SAARC is expected to guarantee lessening of tensions in the region of South Asia and usher in a new era of friendship and interdependence. But the main emphasis

at present is on the economic aspect of cooperation. The stress is on "Collaboration and mutual assistance in the economic, social, cultural, technical and scientific fields". The actual economic situation of the region as a whole is faced with severe problems like the competitive nature of the economies of its members. Such competition hampers complementarity and in the process, it is the smaller nation which suffers. Some kind of a understanding has to arrived at on subjects like production marketing and consumption. A country like Nepal cannot compete with India in exporting rice, jute and readymade garments. Some understanding is also necessary to promote trade within the group rather than with far-flung markets. As regards trade, some have decisions are necessary on the part of small countries like Nepal which may not be palatable to its decision makers. Coordinated efforts are necessary for trade diversification and market integration among the members.

Nepal, as a part of South Asia is also a victim of the consumptive South Asia Culture (produce less consume more). This needs a change. The tendency to become rich overnight affects the work culture of the region. A more sincere work culture would definitely help increase production.

As per as regional security is concerned SAARC should rescue as a regional forum for consultation and regional cooperation. The security perceptions of most of the members are the same excepting for their relationship with India whom

they always have accused of acting like a "big brother" and have always located with susprices. The fact is that India as a "big brother" is a reality which the nations of the region including Nepal cannot ignore. So it is imperative that they arrive at some kind of a settlement with India as far as security of the region as a whole is concerned as well as their bilateral security necessities.

Regional interdependence implies more obligations than benefits. It calls for sacrifices on the part of the nations of the region. For small nations like Nepal, some from decisions are inevitable if it wants to contribute to the harmony of the region. Nepal has to make efforts to jump hurdles in order to make regional cooperative a success.

APPENDIX - I

**THE TREATY OF PEACE AND FRIENDSHIP BETWEEN THE GOVERNMENT OF INDIA AND THE GOVERNMENT OF NEPAL**

The Government of India and the Government of Nepal, recognising the ancient ties which have happily existed between the two countries for centuries:

Desiring still further to strengthen and develop these ties and to perpetuate peace between the two countries:

Have resolved therefore to enter into a Treaty of Peace and Friendship with each other, and have for this purpose, appointed as their plenipotentiaries the following persons, namely,

The Government of India his EXCELLENCY SHRI CHANDRESHWAR PRASAD NARAIN SINGH, AMBASSADOR of India in Nepal

The Government of Nepal MOHUN SHAMSHER JANG BAHADUR RANA, Maharaja, Prime Minister and Supreme Commander in Chief of Nepal.

Who have examined each other's credentials and found them good and in due form have agreed as follows:

**ARTICLE 1**

There shall be everlasting peace and friendship between the Government of India and the Government of Nepal. The two Governments agree mutually to acknowledge and respect the complete sovereignty, territorial integrity and independence one each other.

**ARTICLE 2**

The two Governments hereby undertake to inform each other of any serious friction or misunderstanding with any neighbouring State likely to cause any breach in the friendly relations subsisting between the two Governments.

**ARTICLE 3**

In order to establish and maintain the relations referred to in Article 1 the two Governments agree to continue diplomatic relations with each other by means of representatives with such Staff as is necessary for the due performance of their functions.

The representatives and such of their staff as may be agreed upon shall enjoy such diplomatic privileges and immunities as are customarily granted by international law on a

## APPENDIX - 1

### THE TREATY OF PEACE AND FRIENDSHIP BETWEEN THE GOVERNMENT OF INDIA AND THE GOVERNMENT OF NEPAL

The Government of India and the Government of Nepal, recognising the ancient ties which have happily existed between the two countries for centuries:

Desiring still further to strengthen and develop these ties and to perpetuate peace between the two countries:

Have resolved therefore to enter into a Treaty of Peace and Friendship with each other, and have for this purpose, appointed as their plenipotentiaries the following persons, namely.

The Government of India his EXCELLENCY SHRI CHANDRESHWAR PRASAD NARAIN SINGH, AMBASSADOR of India in Nepal

The Government of Nepal MOHUN SHAMSHER JANG BAHADUR RANA, Maharaja, Prime Minister and Supreme Commander in Chief of Nepal.

Who have examined each other's credentials and found them good and in due form have agreed as follows:

#### ARTICLE 1

There shall be everlasting peace and friendship between the Government of India and the Government of Nepal. The two Governments agree mutually to acknowledge and respect the complete sovereignty, territorial integrity and independence one each other.

#### ARTICLE 2

The two Governments hereby undertake to inform each other of any serious friction or misunderstanding with any neighbouring State likely to cause any breach in the friendly relations subsisting between the two Governments.

#### ARTICLE 3

In order to establish and maintain the relations referred to in Article 1 the two Governments agree to continue diplomatic relations with each other by means of representatives with such Staff as is necessary for the due performance of their functions.

The representatives and such of their staff as may be agreed upon shall enjoy such diplomatic privileges and immunities as are customarily granted by international law on a



reciprocal basis, provided that in no case shall these be less than granted to persons of a similar status of any others State having diplomatic relations with either Government.

#### ARTICLE 4

The two Governments agree to appoint Consuls General, consuls, vice-consuls and other consular agents, who shall reside in towns, parts and other places in each other's territory as may be agreed to.

Consul-General Counsuls, Vice-Consuls and Consular agents shall be provided with exequaturs or other valid authorization of their appointment. Such exequature or authorization is liable to be withdrawn by the country which issued it, if considered necessary. The reasons for the withdrawal shall be indicated whenever possible.

The persons mentioned above shall enjoy on a reciprocal basis all the rights, privileges, exemptions and immunities that are accorded to persons of corresponding status of any other state.

#### ARTICLE 5

The Government of Nepal shall be to import, from or through the territory of India, arms, ammunition or warlike material and equipment necessary for the security of Nepal. The procedure for giving effect to this arrangement shall be worked out by the two Governments acting in consultation.

#### ARTICLE 6

Each Government undertakes in taken of the neighbourly friendship between India and Nepal, to give to the nationals of the other, in its territory, national treatment with regard to participation in industrial and economic development of such territory and to the grant of concessions and contracts relating to such development.

#### ARTICLE 7

The Government of India and Nepal agree to grant, on a reciprocal basis, to the nationals of one country in the territories of the other the same privileges in the matter of residence, ownership of property participation in trade and commerce, movement, and other privileges of a similar nature.

#### ARTICLE 8

So far as matters dealt with herein are concerned, this Treaty cancels all the previous treaties, agreements and arrangements entered into on behalf of India between the British government and the Government of Nepal.

## ARTICLE 9

The Treaty shall come into force from the date of signature by both Governments.

## ARTICLE 10

The Treaty shall remain in force until it is terminated by either party by giving one year's notice.

Done in Duplicate at Kathmandu this 31st day of July 1950.

(Sd.)  
CHANDRESHWAR PRASAD  
NARAIN SINGH  
For the Government of  
INDIA

(Sd.)  
MOHAN SHAMSHER JANG  
BAHADUR RANA  
For the Government of  
NEPAL

### Letters Exchanged Along with the Treaty

KATHMANDU  
Dated the 31st July 1950

YOUR HIGHNESS,

In the course of our discussion of the Treaties of Peace and Friendship and of Trade and Commerce which have been happily concluded between the Government of India and the Government of Nepal, we agreed that certain matters of details be regulated by an exchange of letters. In pursuance of this understanding, it is hereby agreed between the two Governments.

- (1) Neither Government shall tolerate any threat to the security of the other by a foreign aggressor. To deal with any such threat, the two Governments shall consult with each other and devise effective counter-measures.
- (2) Any arms, ammunition or warlike material and equipment necessary for the security of Nepal that the Government of Nepal may import through the territory of India shall be so imported with the assistance and agreement of the Government of India. The Government of India will take steps for the smooth and expeditious transport of such arms and ammunition through India.
- (3) In regard to Article 6 of the Treaty of Peace and Friendship which provides for national treatment the Government of India recognise that it may be necessary for some time to come to afford the Nepalese nationals in Nepal protection from unrestricted competition. The nature and extent of this protection will be determined as and when required by mutual agreement between the two

Governments.

- (4) If the Government of Nepal should decide to seek foreign assistance in regard to the development of the natural resources of or the any industrial project in Nepal, the Government of Nepal shall give first preference to the Government or the nationals of India, as the case may be, provided that the terms offered by the Government of India or Indian nationals, as the case may be, are not less favourable to Nepal than the terms offered by any other Foreign Government or by other foreign nationals. Nothing in the foregoing provision shall apply to assistance that the Government of Nepal may seek from the United Nations Organization or any of its Specialized agencies.
- (5) Both Governments agree not to employ any foreigners whose activity may be prejudicial to the security of the other. Either Government may make representations to the other in this behalf, as and when occasion requires.

Please accept, Your Highness, the assurances of my highest consideration.

(Sd.)

CHANDRESHWAR PRASAD NARAIN SINGH  
Ambassador Extraordinary and Plenipotentiary  
of India at the court of Nepal

To

His Highness Mohun Shamsher Jang Bahadur Rana,  
Maharaja  
Prime Minister and Supreme Commander-in-Chief of Nepal.

## APPENDIX - II

### CHINA-NEPAL TREATY OF PEACE AND FRIENDSHIP, 1960

April 8th, 91

The Chairman of the People's Republic of China and His Majesty, the King of Nepal, desiring to maintain and further develop peace and friendship between the People's Republic of China and the Kingdom of Nepal.

Convinced that the strengthening of good neighbourly relations and friendly cooperation between the People's Republic of China and the Kingdom of Nepal is in accordance with the fundamental interests of the People's of the two countries and conducive to the consolidation of peace in Asia and the world, have decided for this purpose to conclude the present treaty in accordance with the five principles of peaceful coexistence jointly affirmed by the two countries, and have appointed as their respective plenipotentiaries.

The Chairman of the People's Republic of China: Premier Chou En-lai (Sic) of the State Council.

His Majesty of the King Nepal: Prime Minister Bishweshwar Prasad Koirala.

The above mentioned plenipotentiaries, having examined each other's credentials and found them in good and due form, have agreed upon the following:

#### ARTICLE 1

The contracting parties recognize and respect the independence, sovereignty and territorial integrity of each other.

#### ARTICLE 2

The contracting parties will maintain and develop peaceful and friendly relations between the people's Republic of China and Kingdom of Nepal. They undertake to settle all disputes between them by means of peaceful negotiations.

#### ARTICLE 3

The contracting parties agree to develop and further strengthen the economic and cultural ties between the two countries in a spirit of friendship and cooperation, in accordance with the principles of equality and mutual benefit and of non-interference in each other's internal affairs.

#### ARTICLE 4

Any difference or dispute arising out of the interpretation or application of the present treaty shall be settled by negotiation through normal diplomatic channels.

#### ARTICLE 5

This present treaty is subject to ratification and the instruments of ratification will be exchanged in Peking as soon as possible.

The present treaty will come into force immediately on the exchange of the instruments of ratification and will remain in force for a period of ten years.

Unless either of the contracting parties gives to the other notice in writing to terminate the treaty at least one year before the expiration of this period, it will remain in force without any specified time, subject to the right of either of the contracting parties to terminate it by giving to the other in writing a year's notice of its intention to do so.

## SELECTED BIBLIOGRAPHY

- Agarwal, G.R., Fundamentals of Nepalese Foreign Policy (Kathmandu: CEDA, 1985).
- Aggarwal, H.N., Administrative System of Nepal (New Delhi: Vikas Publishers, 1976).
- Baral, L.R., Nepal's Politics of Referendum: A Study of group Personalities and Trends (New Delhi: Vikas Publishers, 1983).
- \_\_\_\_\_, The Politics of Balanced Interdependence: Nepal and SAARC (New Delhi: Sterling Publishers, 1988).
- Blaikie, P. et al., Nepal in Crisis: Growth and Stagnation at the Periphery (London: Clarendon Press, Oxford, 1980).
- Boateng, E.A., A Political Geography of Africa (Cambridge: Cambridge Univ. Press, 1978).
- Burton, B. (ed.), Problems of Smaller Territories (London: Athlone Press, 1967).
- Caplan, L., Administration and Politics in a Nepalese Town (New York, 1975).
- Carter, George F., Man and the Land: A Cultural Geography (2nd Ed.) (New York: Holt, Rinehart and Winston, 1968).
- Chauhan, R.S., The Political Development in Nepal, 1950-70. (New Delhi: Associated Publishers, 1977).
- Clark, J.I., Population Geography (Oxford: Pergamon Press, 1972).
- Calby, C.C., Geographical Aspects of International Relations (Chicago: University of Chicago Press, 1938).
- Devi, T. Nirmala, Regional Economic Cooperation in South Asia (Allahabad: Chugh Publications, 1989).
- Dikshit, R.D., Political Geography: A Contemporary Perspective (New Delhi: Tata McGraw-Hill, 1985).
- Fry, M.J., Resource Mobilization and Financial Development in Nepal (Kirtipu, Kathmandu: Centre for Economic Development and Administration, 1974).
- Gellner, E., Nations and Nationalism (Oxford: Blackwell, 1983).
- Ghosh, K., Developing South Asia: A Modernization Perspective (Connecticut: Greenwood Press, 1984).

- Gupta, A., Politics in Nepal (Bombay: Allied Publishers, 1964).
- Hamilton, F.B., An Account of the Kingdom of Nepal (New Delhi: Manjusri Publishers, 1971).
- Husain, A., British India's Relationship with the Kingdom of Nepal 1957-1947 (London: George Allen and Unwin, 1970).
- Husain, A. & Anwar, A., Conflict in Asia: A Case Study of Nepal (New Delhi: 1979).
- Jain, B.M., South Asian Security: Problems and Prospects (New Delhi: Radiant Publishers, 1985).
- John Beyer, Resource Mobilization for Development in Nepal, Report of the Seminar on Resource Mobilization for Development of Nepal, Jan 18-Jan 20, 1973 (Kathmandu: CEDA, 1973).
- Joshi, B.L. and Rose, L.E., Democratic Innovations in Nepal (Berkeley and Los Angeles: University of California Press, 1966).
- Joshi, N.L., Evolution of Public Administration in Nepal (Kathmandu: Centre for Economic Development and Administration, 1973).
- Kaisher Bahadur, K.C., Nepal After the Renovation of 1950 (Kathmandu: Sharda Prakashan, 1977).
- Kumar, D.P., Nepal: Year of Decision (New Delhi: Vikas Publishers, 1980).
- Majumdar, A., Structural Transformation and Economic Development (Atlantic Highlands, N.J., Humanities Press, 1980).
- Mellor, Roy E.H., Nation, state, and Territory: A Political Geography.
- Mihaly, E.B., Foreign Aid and Politics in Nepal: A Case Study (London and New York: Oxford University Press, 1965).
- Muni, S.D., Foreign Policy of Nepal (Delhi: National, 1973).
- \_\_\_\_\_ (ed.), Nepal: An Assertive Monarchy (New Delhi: Chetana Publications, 1977).
- Narayan, S., India and Nepal: A Exercise in Open Diplomacy (Bombay: Popular Prakashan, 1970).
- Norris (Robert E.) and Haring (L. Lloyd), Political Geography (Columbus: Charles E. Merrill Pub. 1980), p.316.

- Pant, Y.P. and S.C. Jain, Regional Imbalances and Process of Regional Development in Nepal (Delhi, 1980).
- \_\_\_\_\_. Long term Planning for Agriculture in Nepal (Delhi: Vikas Publishers, 1972).
- Permanand, Nepali Congress since its Inception: A Critical Assessment (Delhi: BR Pub., 1982).
- Pradhan, B., Nepal: A Peace Zone (Kathmandu: \_\_\_\_\_, 1982).
- Prescott, J.R.V., Political Geography (London: Methuen, 1972), 124p.
- Rahul, R., Rise of Nepal and Bhutan" (New Delhi: Munshiram Manoharlal Publishers, 1984).
- Rana, J.B. and Malla Kamal P., Nepal in Perspective (Kathmandu: Centre for Economic Development and Administratikon, 1973).
- Rawat, P.C., Indo-Nepal Economic Relations (Conn.: Mystic, 1974).
- Regmi, D.R., Modern Nepal: Rise and Growth in the Eighteenth Century (Calcutta: Firma K.L. Mukhopadhyaya, 1961).
- Rose, Leo E., Nepal: Strategy for Survival (Delhi: Oxford University Press, 1973).
- Rose, Leo E. and Fisher, M.W., The Politics of Nepal: Persistence and Change in an Asian Monarchy (Ithaca, N.Y.: Cornel University Press, 1970). p.142.
- Rose, Leo E. and Scholy, John T., Nepal: Profile of a Himalayan Kingdom (New Delhi: Select Book Service Syndicate, 1980).
- Rana (Daman Shumsher Jang Bahadur), Nepal: Rule and Misrule (New Delhi: Rajesh, 1978).
- Seddon, David, Nepal: a State of Poverty (New Delhi: Vikas Publishing Ltd., 1987).
- Sengupta, Bhabani (ed.), Regional Cooperation and Development in South Asia: Perceptional, Military and Nuclear Arms Race Problems, vol.I, (New Delhi: South Asian Publishers, 1986).
- Sengupta (ed.), Regional Cooperation and Development in South Asia: Political, Social, Technological and Resource Aspects, vol.II (New Delhi: South Asian Publishers, 1986).
- Sharma, R.P., Nepal: A Detailed Geographical Account (Kathmandu: Pustak Sansar, 1974).



- Shrestha, B.P., An Introduction to Nepalese Economy (Kathmandu: Ratan Pustak Bhandar, 1974).
- Singh, G.S., Political Geography of an Indian State (Jaipur: Rawant, 1978).
- Shaha Rishikesh. Nepali Politics: Retrospect and Prospect (Delhi: Oxford University Press, 1975).
- Singh, H. (Ed.), India and Her Neighbours, Books International, 1967).
- Stiller, L.F., The Rise of the House of Gorkha: A Study of the Unification of Nepal (1768-1816) (New Delhi: Manjusri Publishers, 1973), Himalayan series 14, vol.15, 390p.
- Sukhwai, B.L., India: A Political Geography (New Delhi: Allied Publishers, 1971).
- \_\_\_\_\_, Modern Political Geography of India (New Delhi: Sterling Publishers, 1985).
- Taylor, Peter J., Political Geography: World Economy, Nation State and Locality (London: Longman, 1985) +238p.
- Tayyeb, A. Pakistan: A Political Geography (London: Oxford University Press, 1966).
- Tempa, T., Nepalese Diplomacy under King Mahendra's Reign, 1955-1972 (New Delhi: JNU, 1983), Diss.
- Thapa, N.B., A Short History of Nepal (Kathmandu: Ratna Pustak Bhandar, 1973).
- Thapa, N.B. and Thapa, D.P., Geography of Nepal: Physical, Economic, Cultural and Regional (Calcutta: orient Longmans, 1969).
- Varma, S.P. and Misra, K.P. (Eds.), Foreign Policies in South Asia (Bombay: Orient Longmans, 1969), 403p.
- Vidyarthi, L.B., Rural Development in South Asia (New Delhi: Concept Publishing Company, 1982).

Wright, D., History of Nepal (Calcutta: Ranjan Gupta, 1966).

Ziring, L. ed., The Sub-Continent in World Politics: India, its Neighbours and the Great Powers (New York: Praeger, 1978).

#### Articles

- Acharya, B.P., "Forests and People of Nepal". South Asian Journal, vol.3, no.182, July-Dec 1989, p.137.

- Armstrong, H.F., "Where India Faces China", Foreign Affairs, 37(July 1959): pp.617-25.
- Baral, I.S., "India and Nepal" in India's Foreign Policy edited by Primal Prasad (New Delhi: Vikas, 1979), pp.165-202.
- Baral, L.R., "Nepal in 1986: Problem of Political Management", Asian Survey, 27(2), Feb 1987, pp.173-80.
- \_\_\_\_\_, "Nepal's Security: Policy and South Asian Regionalism", Asian Survey, 26(11), Nov. 1986, pp. 1207-19.
- \_\_\_\_\_, "Nepal in 1987: Politics Without Power", Asian Survey, 28(2); Feb 1988, pp.172-74.
- Bienen, H. and others, "Decentralization in Nepal", World Development, 18(1); Jan 90; pp.61-76.
- Bista, D.B., "Nepal in 1988: Many Losses, Some Gains", Asian Survey, 29(2) Feb.1989, pp.223-28.
- Brown, Macalister, "The Diplomatic Development of Nepal", Asian Survey, 11 (July 1971): pp.661-76.
- Chaturvedi, S.K., "Indo-Nepal Relations: Tension Areas", Foreign Affairs Reports, 38(5), May 1989, pp.65-81.
- Dharamdasani, M.D. and Das, R.K., "Non-Alignment: Nepal's Role and Attitude", International Review of History and Political Science, 22(1), Feb 1985, pp.21-26.
- Dnaramdasani, M.D., "China as a factor in Indo-Nepalese Relations 1950-1969" Political Science Review (Jaipur, India) 12(Jan-June 1973), pp.97-114.
- \_\_\_\_\_, "India's Economic Aid to Nepal", South Asian Studies, 8(January 1973), pp.28-42.
- East, W.G., "Political Geography of Land Locked States", Transactions of Institute of British Geographers, 28(1960), pp.1-22.
- Gaige, Frederick, "Nepal: More Problems with India", Asian Survey, 11 (Feb 1971); pp.172-76.
- Gopalakrishnan, R., Political Geography of a Land-Locked State: A Study of Afghanistan (New Delhi, 1978), Thesis, 1978.
- Gupta, A., "Post Election Politics in Nepal", International Studies, 24(2), April-June 1987, pp.91-100.
- \_\_\_\_\_, "Indo-Nepal Treaties: Some Crucial Questions", Mainstream, 27(27), April 1, 1989, pp.3-4.

- Gurung, H., "Geographical Setting" in Nepal: A Profile, Nepal Council of Applied Economics Research, Kathmandu, 1970.
- Hong-Wei (Wang), "Sino-Nepal Relations in the 1980's". Asian Survey, 25(5), May 1985, pp.512-20.
- Iijima, S., "Ecology, Economy and Social System in the Nepal Himalayas: Developing Economics, 2(1), 1964, pp.91-105.
- Indo-Nepal Trade and Transit Relations, Foreign Trade Bulletin, 20(6): Dec 89: pp.1-20.
- Jain, G., "India Meets China in Nepal", New York: Taplinger, 1959. 177p.
- Jha, S.K., "Nepal's India Policy: Quest for Independence". Foreign Affairs Reports, 25 (Nov 1976), pp.176-96.
- Kant, Rana, "Geography as a Factor in Nepal's Foreign Policy" South Asian Studies (9th July 1973), pp.55-61.
- \_\_\_\_\_, "Nepal's Foreign Policy and China", India Quarterly, 27 (July-Sept 1971), pp.203-12.
- \_\_\_\_\_, "Reflections on Recent Trends in Nepal's Foreign Policy". South Asian Studies 12(Jan-July-December 1977), pp.124-31.
- Karan, P.P., "Geopolitical Structure of Bhutan". India Quarterly: A Journal of International Affairs, vol.XIX, No.3 (July 1963), pp.201-13.
- Katti, V., "Regional Disparities in Nepal", International Studies, 24. 3(1987), Sage Publications (New Delhi).
- Khadka, N., "Crisis in Nepal's Partyless Panchayat System: The Case for More Democracy", Pacific Affairs, 59(3), Feb. 1986, pp.429-54.
- Kirk, W., "The Inner Asian Frontiers of India", Transactions of the Institute of British Geographers, 31(1962), pp.131-68.
- Knight, D.B., "Identity and Territory - Geographical Perspective on Nationalism and Regionalism", Annals of Association of American Geographers, 72 (1982), pp.514-31.
- Kumar, V., "Great Powers and Nepal". in S.D. Muni's Nepal: An Assertive Monarchy (1977), pp.143-159.
- Koirala, N.P., "Nepal: Bhattarai Government X-rayed", Mainstream, vol. XXVIII, no.47, Sept 15, 1990, pp.11-12.
- Labh, K., "India and Nepal's Zone of Peace Proposal", Foreign Affairs Reports (New Delhi), 27(Oct 1978), pp.171-82.

- Lehman, D., "Agrarian Structures and Paths of Transformation", Journal of Contemporary Asia, 7(1) (1974), pp.79-91.
- Mabogunje, A.L., "Geography and the Problem of the Third World" (1975), Social Science, 2, pp.288-302.
- Malla, U.M., "Physical features of the Kingdom of Nepal and Prospectus of Tourism", Nepal Industrial Digest, vol.4. No.1, 1969, pp.15-53.
- Mehra, P., "Nepal in Some Recent Studies: An Overview", Indian Historial Review, 8(1-2); July 81-Jan 82: pp.95-107.
- Muni, A., "Sri Lanka, Nepal: Extending Full Support", World Focus Journal, vol.10, No.1 (Jan. 1989).
- Muni, S.D., "Role of Personality in the Context of Nepal's Foreign Policy" in Foreign Policies in South Asia, edited by S.P. Varma and K.P. Mishra, New Delhi: Orient Longmans, 1969, pp.136-49.
- \_\_\_\_\_, "Nepal as a Zone of Peace", Strategic Analysis, 7(10), Jan 1984, pp.780-92.
- Nepal: Statistical Pocket Book (Central Bureau of Statistics), Kathmandu, 1988.
- Nepal: India Objects to Arms Purchases, Economic and Political Weekly, 23(41), Oct 8, 1988, p.2096.
- Nepal News (New Delhi: Royal Nepalese Embassy), vol. XIX, No.19, Nov.15, 1990.
- Pant, Y.P., "Planning and Development in Nepal", in Rana and Malla (eds.), Nepal in Perspectives, CEDA (Kathmandu: 1973).
- Parmanand, "China's Nepal Policy", IDSA Journal, 17(1), July-Sept. 1984, pp.71-86.
- \_\_\_\_\_, "Wither India-Nepal Relations", Strategic Analysis, vol.12, no.8, November 1989, p.849.
- \_\_\_\_\_, "Nepal Today", World Focus Journal, vol.10, no.11-12, Nov-Dec 1990, pp.69-72.
- Rahman, Mahbubur, "Party less Panchayat Democracy in Nepal: A Prognosis", Bliss Journal, 9(1), Jan 1988, pp.93-110.
- Rana, P.S.J.B., "India-Nepal": The Political Economy of a Relationship, Asian Survey (1971) July, pp.645-60.
- Regmi, D.R., "Nepal's Foreign Policy in Relation to India and China", in Foreign Policies in South Asia, edited by S.P. Varma and K.P. Mishra, New Delhi, Orient Longmans, 1969.

pp. 258-65.

- Shaha, R., "Nepal as a Zone of Peace", Pacific Community 8(October 1976), pp.170-90.
- Sharma, K.S., "Nepal in 1983: Another Year of Confusion and Lack of Direction". Asian Survey, 24(2), Feb 1984, pp.257-62.
- Sharma, L.K., "From Kathmandu to Islamabad", South Asian Journal (1988), 2(1). pp.1-15.
- Sharma, S., "Nepal's economy: Growth and Development". Asian Survey, 26(8), Aug 1986, pp.897-908.
- Singh, M., "Balancing on a Diplomatic Tightrope". Far Eastern Economic Review 87 (March 1975). pp.27-28.
- Sreedhar, "Treaty Relations between Nepal and Tibet. China Report, 24(3), July-Sept 1988, pp.243-88.
- Thapa, D.B. Singh, "Nepal's Peace Zone Proposal and International Law", Nepal Law Review, No.19, Jan. 1982.
- World Focus, Democratic Nepal: Hope Signs, vol.II, No.9, Sept 1990.

**Government Publications and Reports:**

- United Nations, Population of Nepal, ESCAP Country Monograph Series, 6 New York: UN, 1980.
- Hagen, T. (1959), "Observations on Certain Aspects of Economic and Social Development Problems in Nepal". UN Report FAO/NEP/I.
- Nepal Press Digest (Weekly), vol.30, 32-33, 1986, 88-89.
- Nepal Press Report, April-Jun, 1981, July-Sept 1981, Oct-Dec 1981, Jan-Mar-1982, 83-84, 85, 86, 88, 89.
- Nepal Recorder, vol.10, Jan-Dec, 1986.
- Nepal Rastra Bank Report (Kathmandu, 1986/87 - 1987/88).
- Statistical Pocket Book, Nepal, 1982, 1984, 1986, 1988 & 1990.
- Statistical Year Book of Nepal, 1987.
- UNCTD, "The Least Developed Countries", 1984.
- United Nations, National Experiences in the Formulation and Implementation of Population Policy, 1960-1976: Nepal New York.

\_\_\_\_\_, "Economic Survey for Asia and Pacific".  
1978, 1984, 1985, 1986, 1987, 1988.

World Bank, World Development Reports, 1980, 1981, 1982, 1983, 1984, 1985, 1986, 1987, 1988, 1989 & 1990.

### Monographs

Narayan, Shriman. India and Nepal: An Exercise in Open Diplomacy (Bombay: Popular Prakashan, 1970), 172p.

Goyal, Narendra. Prelude to India: A Study of India's Relations with Himalayan States (New Delhi: Cambridge book and Stationery Store, 1964), 179p.

Bhasin, A.S.. Documents on Nepal's Relations with India and China 1944-66. Academic Books Ltd.. 1970.. pp.284-89.

### Press Clippings:

Badola, V.M., "Nepal Reviewing Peace Zone Plan", Time of India: New Delhi), April 28, 90.

Bhushan, B., "Nepal Movements Gathers Momentum", (Times of India: New Delhi), Feb 23, 90.

Khoshoo, T.N., "Need for Himalayan Accord with Nepal" (Times of India: New Delhi), June 16, 90.

Kumar, D.P., "King and Country - I: Nepal's Search for New System". Statesman (New Delhi)", Aug. 22, 90.

Kurve, D.P., "Nepal's Peace Zone Move: Attempt to Change 1950 Treaty". Times of India (New Delhi), Jan 14, 1981.

Menon, N.C., "U.S. urged to Back Nepal Stir", Hindustan Times (New Delhi), March 18, 90.

Muni, S.D., "Nepal's Tryst with Democracy", Indian Express (New Delhi), April 16, 1990.

Parmanand, "Nepal: Growth of New Political Parties", Patriot (New Delhi)", May 6, 90.

Parmanand, "Prospects for Indo-Nepal Ties", Patriot (New Delhi), Jan 19, 90.

Rajeswar, T.V., "Himalayan Tie-I: Strain in India-Nepal Relations", Statesman (New Delhi), May 3, 1990.

- \_\_\_\_\_, "Himalayan Tie-II: Acrimony over Friendship Treaty", Statesman (New Delhi), 4 May 1990.
- Sengupta, B., "Dealing with New Nepal", Hindustan Times (New Delhi), May 14, 1990.
- \_\_\_\_\_, "Political Changes in Nepal", News Time (Hyderabad), April 16, 1990.
- \_\_\_\_\_, "Struggle in Nepal", Hindustan Times (New Delhi), April 5, 90.
- Sharma, V., "There is hardly any problem between India and Nepal", Hindustan Times, March 25, 1990.

\*\*\*\*

1413

